SILVER ARROW FRANCE 2020-1

(fonds commun de titrisation established pursuant to articles L. 214-166-1 to L. 214-190 and R. 214-217 to D. 214-240 of the French Monetary and Financial Code)

Eurotitrisation
Management Company

EUR 500,000,000 Class A Notes due 2030, issue price: 100.227 per cent.

Silver Arrow France 2020-1 is a French *fonds commun de titrisation*, (securitisation mutual fund) (the **Issuer**) established on 12 November 2020 (the **Issue Date**) and having Eurotitrisation (the **Management Company**) as management company. BNP Paribas Securities Services has been appointed as custodian (the **Custodian**). The Issuer established in accordance with, and is governed by the provisions of Articles L. 214-166-1 to L. 214-190 and R. 214-217 to D. 214-240 of the French Monetary and Financial Code and its regulations (*règlement*) (the **Issuer Regulations**) dated 9 November 2020 (the **Signing Date**).

The purpose of the Issuer is (a) to purchase on the Purchase Date (being the Issue Date) from Mercedes-Benz Financial Services France (the **Seller**) a portfolio (the **Portfolio**) of (i) French auto lease receivables arising from, or in connection with, lease agreements (the **Lease Series of Receivables**) and (ii) French auto loan receivables arising from loan agreements (the **Loan Receivables** and together with the Lease Series of Receivables, the **Purchased Receivables**), relating to certain passenger cars and/or commercial vehicles, used or new (the **Vehicles**) (see the Sections entitled "Description of the Portfolio" and "Portfolio Characteristics and Historical Data") and (b) to issue the Notes and the Residual Units (each as defined below) in order to finance such purchase. The Purchased Receivables are assigned to the Issuer together with all collateral and security interest attached thereto (the **Related Security**) and any other accessories and ancillary rights attached thereto (the **Ancillary Rights**). The Notes and the Residual Units will be funding the securitisation transaction (the **Transaction**) of the Issuer as described further herein. All documents relating to the Transaction as more specifically described herein are referred to as the **Transaction Documents**.

Subject to compliance with all relevant laws, regulations and terms and conditions of the Issuer Regulations, the Issuer will, on the Issue Date, issue (i) EUR 500,000,000 class A asset-backed floating rate notes (the **Class A Notes**) and (ii) EUR 189,700,000 class B asset-backed fixed rate notes (the **Class B Notes**, and together with the Class A Notes, the **Notes**). On the Issue Date, the Issuer will also issue two (2) residual asset-backed units (in the denomination of EUR 150 each) (the **Residual Units**). The Issuer will not issue further Notes or Residual Units after the Issue Date.

This prospectus (the **Prospectus**) constitutes a prospectus within the meaning of Article 6 of Regulation (EU) 2017/1129 (as amended or superseded, the **Prospectus Regulation**). This Prospectus is valid for a period of twelve (12) months from its date of approval until 9 November 2021. For the avoidance of doubt, the Issuer shall have no obligation to supplement this Prospectus after the time when trading of such securities on a regulated market begins. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Prospectus is no longer valid. This Prospectus will be published by the Issuer in electronic form on the website of the Luxembourg Stock Exchange under www.bourse.lu.

This Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* (the **CSSF**) of Luxembourg in its capacity as competent authority under the Prospectus Regulation. The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and the Luxembourg law dated 16 July 2019 on prospectuses for securities (*loi du 16 juillet 2019 relative aux prospectus pour valeurs mobilières*) (the **Prospectus Law 2019**). The approval by the CSSF only relates to the Class A Notes but not to the Class B Notes. The Class B Notes will not be listed. Such approval should not be considered as an endorsement of the quality of the Class A Notes or an

endorsement of the Issuer. Investors should make their own assessment as to the suitability of investing in the Notes. In the context of such approval, the CSSF neither assumes any responsibility nor gives any undertaking as to the economic and financial soundness of the Transaction and the quality or solvency of the Issuer in line with Article 6(4) of the Prospectus Law 2019.

Application has also been made to the Luxembourg Stock Exchange for the Class A Notes to be listed on the official list of the Luxembourg Stock Exchange on the Issue Date and admitted to trading on the Luxembourg Stock Exchange's regulated market. The Luxembourg Stock Exchange's regulated market is a regulated market for the purpose 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.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (**Securities Act**) or the securities laws or "blue sky" laws of any state or other jurisdiction of the United States and therefore may not be offered or sold within the United States or to, or for the account or benefit of, a U.S. person except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable state securities laws. Accordingly, the Notes are being offered and sold outside the United States to persons other than U.S. persons in accordance with Regulation S under the Securities Act.

The Notes offered and sold by the Issuer in the initial distribution may not be purchased by, or for the account or benefit of, any "U.S. person" as defined in the final rules promulgated under Section 15G of the Securities Exchange Act of 1934, as amended (the "**U.S. Risk Retention Rules**" and such persons, "**Risk Retention U.S. Persons**"). Prospective investors should note that the definition of "U.S. person" in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of "U.S. Person" in Regulation S. Each purchaser of the Notes or a beneficial interest therein acquired in the initial syndication of the Notes by its acquisition of the Notes or a beneficial interest therein, will be deemed to have made certain representations and agreements, including that it (1) is not a Risk Retention U.S. Person, (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note or a beneficial interest therein, and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules.

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 Joint Lead Managers, the Managers or any of their affiliates or any other party to accomplish such compliance.

On the Issue Date, the Seller will, as originator for the purposes of the Securitisation Regulation (as defined below), retain, for the life of the Transaction, a material net economic interest of at least 5% in the securitisation, as required by Article 6 of the Securitisation Regulation (which does not take into account any relevant national measures) (the **Retention Requirement**). As of the Issue Date, such interest will, in accordance with Article 6(3)(d) of the Securitisation Regulation, be retained through the holding of the Class B Notes. Any change to the manner in which such interest is held will be notified to investors.

The Seller, as originator, has been designated as "*reporting entity*" in accordance with Article 7 of the Securitisation Regulation (the **Reporting Entity**). For further details on the information to be disclosed by the Reporting Entity please see the Section entitled "Compliance with the Securitisation Regulation – Compliance with Article 7 of the Securitisation Regulation".

Each prospective investor is required to independently assess and determine the sufficiency of the information described in the preceding two paragraphs for the purposes of complying with Article 5 of the Securitisation Regulation, and none of the Issuer, the Management Company, the Seller (in its capacity as the Seller and the Servicer), the Joint Lead Managers, nor the Managers makes any representation that the information described above is sufficient in all circumstances for such purposes. In addition, each prospective Noteholder should ensure that they comply with any implementing provisions in respect of Article 5 of the Securitisation Regulation in their relevant jurisdiction. Investors who are uncertain as to the requirements which apply to

them in respect of their relevant jurisdiction should seek guidance from their regulator. The Seller accepts responsibility for the information set out in this paragraph and in the preceding two paragraphs.

As of the Issue Date, the Transaction is intended to qualify as a STS-securitisation within the meaning of Article 18 of the Securitisation Regulation and is intended to meet the requirements for simple, transparent and standardised non-ABCP securitisations provided for by Articles 19 to 22 of the Securitisation Regulation (the **STS Requirements**). The compliance of the Transaction with the STS Requirements as of the Issue Date is expected to be verified by Prime Collateralised Securities (PCS) EU SAS (**PCS**), in its capacity as third party verification agent authorised pursuant to Article 28 of the Securitisation Regulation. No assurance can be provided that the Transaction does or continues to qualify as an STS-securitisation under the Securitisation Regulation at any point in time in the future.

The Seller, as originator, will notify the European Securities and Markets Authority (**ESMA**) that the Transaction meets the STS Requirements in accordance with Article 27 of the Securitisation Regulation (the **STS Notification**).

For more information on the compliance of the Transaction with the STS Requirements please see the Section entitled "Compliance with STS Requirements".

Compliance with the STS Requirements is not a recommendation to buy, sell or hold securities. It is not investment advice whether generally or as defined under Markets in Financial Instruments Directive (2014/65/EU) and it is not a credit rating whether generally or as defined under the Credit Rating Agency Regulation (1060/2009/EC).

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 (the **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 Directive 2014/65/EU (as amended, **MiFID II**); (ii) a customer within the meaning of Directive 2016/97/EU (the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended or superseded, the **Prospectus Regulation**). 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**), which is provided by European Money Markets Institute, with its office in Brussels, Belgium (the **Administrator**). The Administrator has been granted an authorisation by the Belgian Financial Services and Markets Authority under Article 34 (critical benchmark administrator) of the EU benchmarks regulation (Regulation (EU) 2016/1011) (the **Benchmark Regulation**) for the administration of EURIBOR and appears on the register of administrators and benchmarks established and maintained by the ESMA pursuant to Article 36 of the Benchmark Regulation.

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

For reference to the definitions of capitalised terms appearing in this Prospectus, see the Section entitled "Definitions and Interpretation".

The Arranger

SOCIÉTÉ GÉNÉRALE

The Joint Lead Managers

SOCIÉTÉ GÉNÉRALE **CITIGROUP**

The Managers

SKANDINAVISKA ENSKILDA BANKEN AB (PUBL) **UNICREDIT BANK AG**

The date of this Prospectus is 9 November 2020.

The Notes will be governed by French law.

The Class A Notes will at all times be represented in bearer dematerialised form (*forme dématérialisée au porteur*), in compliance with Article L. 211-3 of the French Monetary and Financial Code. No physical document of title will be issued in respect of the Class A Notes (see the Section entitled "Terms and Conditions of the Notes – Condition 1 (Form and Denomination)"). The Class A Notes will be deposited with the Common Safekeeper on or before the Issue Date for Clearstream Banking *société anonyme* (**Clearstream Luxembourg**) and Euroclear System (**Euroclear**). See the Section entitled "Terms and Conditions of the Notes – Condition 1 (Form and Denomination)".

THE CLASS A NOTES REPRESENT OBLIGATIONS OF THE ISSUER ONLY AND DO NOT REPRESENT AN INTEREST IN OR OBLIGATION OF ANY OF THE ARRANGER, THE JOINT LEAD MANAGERS, THE MANAGERS, THE SELLER, THE SERVICER (IF DIFFERENT), THE MANAGEMENT COMPANY, THE DATA PROTECTION AGENT, THE ACCOUNT BANK, THE CUSTODIAN, THE PAYING AGENT, THE REGISTRAR AGENT, THE SWAP COUNTERPARTY OR ANY OF THEIR RESPECTIVE AFFILIATES OR ANY OTHER PARTY (OTHER THAN THE ISSUER) TO THE TRANSACTION DOCUMENTS. IT SHOULD BE NOTED FURTHER THAT THE CLASS A NOTES WILL ONLY BE CAPABLE OF BEING SATISFIED AND DISCHARGED FROM THE ASSETS OF THE ISSUER AND NOT FROM ANY OTHER COMPARTMENT (AS THE CASE MAY BE) OF THE ISSUER OR FROM ANY OTHER ASSETS OF THE ISSUER. NEITHER THE CLASS A NOTES NOR THE UNDERLYING RECEIVABLES WILL BE INSURED OR GUARANTEED BY ANY GOVERNMENTAL AUTHORITY OR BY ANY OF THE ARRANGER, THE JOINT LEAD MANAGERS, THE MANAGERS, THE SELLER, THE SERVICER (IF DIFFERENT), THE REGISTRAR AGENT, THE MANAGEMENT COMPANY, THE DATA PROTECTION AGENT, THE ACCOUNT BANK, THE CUSTODIAN, THE PAYING AGENT, THE SWAP COUNTERPARTY OR ANY OF THEIR RESPECTIVE AFFILIATES OR ANY OTHER PARTY (OTHER THAN THE ISSUER) TO THE TRANSACTION DOCUMENTS OR BY ANY OTHER PERSON OR ENTITY EXCEPT AS DESCRIBED HEREIN.

Class	**Class A Notes**
Initial Aggregate Outstanding Note Principal Amount	EUR 500,000,000
Interest rate	EURIBOR plus 0.70 per cent. *per annum*, subject to a floor of zero
Price	100.227 per cent.
Expected ratings	
DBRS / Moody's	AAA(sf) / Aaa(sf)
Legal Maturity Date	20 November 2030, subject to the Business Day Convention
ISIN code	FR00140003G2
Common code	224218591

Interest on the Notes will accrue on the Outstanding Note Principal Amount of each Note at a *per annum* rate equal to EURIBOR plus 0.70 per cent., subject to a floor of zero, in the case of the Class A Notes, and 2.00 per cent. in the case of the Class B Notes. Interest will be payable in euros by reference to successive interest accrual periods (each, an **Interest Period**) monthly in arrears on the 20th day of each calendar month, subject to the Business Day Convention (each, a **Payment Date**). The first Payment Date will be 21 December 2020 and the last Payment Date shall fall on the earlier of (a) the Legal Maturity Date, (b) the date on which all the Notes are fully redeemed and (c) the Issuer Liquidation Date. The Notes will mature on 20 November 2030, subject to the Business Day Convention (the **Legal Maturity Date**), unless previously redeemed in full. See the Section entitled "Terms and Conditions of the Notes – Condition 5 (Payment of Interest)".

The Class A Notes are expected, on the Issue Date, to be rated by DBRS Ratings Limited (**DBRS**) and by Moody's Investors Service Limited (**Moody's**, together with DBRS the **Rating Agencies**). The Class B Notes will not be rated. It is a condition to the issue of the Notes that the Class A Notes are assigned the ratings indicated in the above table.

Moody's is established in the European Community and DBRS is established in the United Kingdom. According to the press release from the ESMA dated 31 October 2011, each of DBRS and Moody's is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended by Regulation (EU) No 513/2011 and by Regulation (EU) No 462/2013. Reference is made to the list of registered or certified credit rating agencies published by ESMA on the webpage http://www.esma.europa.eu/page/List-registered-and-certified-CRAs as last updated on 14 November 2019. By appointing DBRS as one Rating Agency for this Transaction, the Issuer satisfied the requirement as set forth in Article 8d, paragraph 1 of Regulation (EU) No 462/2013 for this Transaction.

The Rating Agencies' ratings of the Class A Notes address the likelihood that the holders of the Class A Notes (each, a **Class A Noteholder**) will receive all payments to which they are entitled, as described herein. Each rating takes into consideration the characteristics of the Purchased Receivables, the Ancillary Rights and Related Security and the structural, legal, tax and Issuer-related aspects associated with the Class A Notes.

However, the ratings assigned to the Class A Notes do not represent any assessment of the likelihood or level of principal prepayments. The ratings do not address the possibility that the Class A Noteholders might suffer a lower than expected yield due to prepayments or early amortisation or may fail to recoup their initial investments. In addition, faster than expected repayments on the Loan Receivables in combination with any purchase price on the Notes above par may reduce the yield of the Noteholders.

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

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

Certain of the Arranger, the Joint Lead Managers, the Managers and/or their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Arranger, the Joint Lead Managers, the Managers and/or their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. Certain of the Arranger, the Joint Lead Managers, the Managers and/or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Arranger, Joint Lead Managers, Managers and/or their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such short positions could adversely affect future trading prices of Notes. The Arranger, the Joint Lead Managers, the Managers and/or their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

The Management Company, in its capacity as founder of the Issuer accepts full responsibility for the information contained in this Prospectus, (notwithstanding that the Seller and Servicer, the Management Company, the Data Protection Agent, the Swap Counterparty, the Subordinated Lender, the Account Bank, the Custodian, the Registrar Agent and Paying Agent, or any other party accepts responsibility in this Prospectus in respect of its own description), provided that, with respect to any information included herein and specified to be sourced from a third party (i) the Management Company confirms that any such information has been accurately reproduced and as far as the Management Company is aware and is able to ascertain from the information available to it from such third party, no facts have been omitted, the omission of which would render the reproduced information inaccurate or misleading and (ii) the Management Company has not independently verified any such information and accepts no responsibility for the accuracy hereof. The Management Company has taken all reasonable care to ensure that the information given in this Prospectus is to the best of its knowledge in accordance with the facts and does not omit anything likely to affect its importance. The Management Company has taken all reasonable care to ensure that the information stated herein is true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement herein, whether of fact or opinion. The Seller, the Servicer and the Subordinated Lender accepts responsibility for any information in this Prospectus relating to the Purchased Receivables, the Ancillary Rights and Related Security, the disclosure of servicing related risk factors, risk factors relating to the Purchased Receivables, the information contained in the Sections entitled "Expected Maturity and Average Life of Notes and Assumptions", "Portfolio Characteristics and Historical Data" and "The Seller, the Servicer and the Subordinated Lender". To the best knowledge and belief of the Seller, the Servicer and the Subordinated Lender (having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus relating to the Purchased Receivables, the Ancillary Rights and Related Security, the disclosure of servicing related risk factors, risk factors relating to the Purchased Receivables, the information contained in the Sections entitled "Expected Maturity and Average Life of Notes and Assumptions", "Portfolio Characteristics and Historical Data" and "The Seller, the Servicer and the Subordinated Lender" is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Seller also accepts responsibility for any information in this Prospectus relating to the compliance of the Transaction with the provisions of the Securitisation Regulation and the STS Requirements and, in particular, for any information contained in the Sections entitled "Compliance with the Securitisation Regulation" and "Compliance with STS Requirements".

No person has been authorised to give any information or to make any representations, other than those contained in this Prospectus, in connection with the issue and sale of the Notes and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer, the Management Company, the Custodian, Seller, the Servicer (if different), the Account Bank, the Swap Counterparty, the Paying Agent, the Registrar Agent and the Data Protection Agent (all as defined below) or by the Arranger, the Joint Lead Managers, the Managers or by any other party mentioned herein.

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 (ii) that there has been no adverse change in the financial situation of the Issuer or with respect to Mercedes-Benz Financial Services France since the date of this Prospectus or the balance sheet date of the most recent financial statements of the Issuer which are deemed to be incorporated into this Prospectus 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.

The Class A Notes will be issued in bearer form and will be subject to certain United States tax law requirements.

No action has been taken by the Issuer or the Seller or the Arranger or the Joint Lead Managers, the Managers other than as set out in this Prospectus that would permit a public offering of the Notes, or possession or distribution of this Prospectus or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus (nor any part hereof) nor any information memorandum, offering circular, 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 Issuer, the Seller, the Arranger and the Joint Lead Managers, the Managers have represented that all offers and sales by them have been made on such terms.

This Prospectus may only be used for the purposes for which it has been published. This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities to which it relates or an offer to sell or the solicitation of any 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) may come, are required by the Issuer, the Seller and the Arranger and the Joint Lead Managers, the Managers 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. 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 the Section entitled "Subscription and Sale".

If you are in any doubt about the contents of this document you should consult, as appropriate, your legal adviser, stockbroker, bank manager, accountant or other financial adviser.

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

It should be remembered that the price of securities, the yield and the income deriving from them may increase as well as decrease.

In this Prospectus, unless otherwise specified or the context otherwise requires, references to "€" and "euros" are to the lawful currency of the Member States of the European Union that have adopted or adopt the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March, 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February, 1992), as amended by the Treaty of Amsterdam (signed in Amsterdam on 2 November, 1997), as amended by the Treaty of Nice (signed in Nice on 26 February, 2001, as amended by the Treaty of Lisbon (signed in Lisbon on 13 December 2007)).

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

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RISK FACTORS

THE PURCHASE OF CERTAIN 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 CONSIDER CAREFULLY 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 THE ARRANGER, THE JOINT LEAD MANAGERS, THE MANAGERS OR ANY OTHER PARTY REFERRED TO HEREIN.

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Class A Notes, These factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the market risks associated with the Class A Notes are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Class A Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Class A Notes may occur for other reasons. Additional risks and uncertainties not presently known to the Issuer or that the Issuer currently believes to be immaterial could also have a material impact on the Issuer's financial strength.

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

Various factors that may affect the Issuer's ability to fulfil its obligations under the Class A Notes are categorised below as either (i) risks relating to the Issuer, (ii) risks relating to the Class A Notes, (iii) risks relating to the Purchased Receivables, (iv) risks relating to the Transaction Parties, (v) risks relating to the structure, (vi) legal and regulatory risks relating to the Purchased Receivables, (vii) legal and regulatory risks relating to the Class A Notes and (viii) risks relating to taxation.

I. Risks relating to the Issuer

Limited resources of the Issuer

The Issuer is a *fonds commun de titrisation* established under and governed by French law and with no purposes other than the issue of the Class A Notes, the Class B Notes and the Residual Units, the financing of the purchase of the Portfolio secured by the related Ancillary Rights and Related Security and the entrance into the related Transaction Documents. Therefore, the ability of the Issuer to meet its obligations under the Class A Notes will depend, *inter alia*, upon receipt of:

- payments of Collections under the Purchased Receivables;
- Recovery Collections;
- any Re-transfer Amount due from the Seller under the Receivables Purchase Agreement;
- the General Reserve Required Amount; and

- any other payments, if any, under the other Transaction Documents in accordance with the terms thereof.

Other than the foregoing, the Issuer will have no other funds available to meet its obligations under the Class A Notes. Furthermore, there is no assurance that the market value of the Purchased Receivables will at any time be equal to or greater to the amount necessary under the applicable Priority of Payments for the Issuer to satisfy its payment obligations.

The Noteholders have no direct recourse whatsoever to the relevant Obligors for the Receivables purchased by the Issuer. Pursuant to the provisions of the Issuer Regulations, the Management Company has expressly and irrevocably undertaken, upon the conclusion of any agreement, in the name and on behalf of the Issuer with any third party, that such third party expressly and irrevocably:

(a) agrees that, in accordance with Articles L. 214-169 and L. 214-175, III. of the French Monetary and Financial Code, it has no claim whatsoever against the Issuer for sums in excess of the amount of the Issuer's assets available for making such payments in accordance with the applicable Priority of Payments and the cash allocation provisions set out in the Issuer Regulations, even if the Issuer is liquidated;

(b) agrees that in accordance with Article L. 214-169 of the French Monetary and Financial Code, the Issuer's assets may only be subject to civil proceedings (*mesures civiles d'exécution*) in accordance with the applicable Priority of Payments and the cash allocation provisions set out in the Issuer Regulations;

(c) to the extent that it may have any claim (including any contractual claim or action (*action en responsabilité contractuelle*)) against the Issuer the payment of which is not expressly contemplated under any applicable Priority of Payments and the cash allocation provisions set out in the Issuer Regulations, undertakes to waive to demand payment of any such claim as long as all Notes and Residual Units have not been repaid in full; and

(d) agrees that in accordance with Article L. 214-175, III. of the French Monetary and Financial Code, provisions of Book VI of the French Commercial Code are not applicable to the Issuer.

Early liquidation of the Issuer

The Issuer Regulations set out a number of circumstances in which the Management Company would be entitled or obliged to liquidate the Issuer. These circumstances may occur prior to the Legal Maturity Date of the Class A Notes, in which case the Class A Notes may be prepaid pursuant to the mandatory redemption provisions set out in Condition 3.2(Issuer Event of Default and Enforcement Event). There is no assurance, should the Management Company elect to liquidate the Issuer that a buyer willing to purchase the Purchased Receivables for a purchase price sufficient to repay the Class A Notes in full after payment of amounts ranking higher in the applicable Priority of Payments can be found. In such case the Purchased Receivables will not be transferred by the Issuer. The Issuer Liquidation Events applicable to the Issuer are described in the definition of “Issuer Liquidation Event” set out in the Section entitled "Definitions and Interpretation – Definitions".

II. Risks relating to the Class A Notes

Liability under the Class A Notes

The Class A Notes will be contractual obligations of the Issuer solely. The Class A Notes will not be obligations or responsibilities of, or guaranteed by, any of the Seller, the Servicer (if different), the Management Company, the Data Protection Agent, the Paying Agent, the Account Bank, the Custodian, the Arranger, the Joint Lead Managers, the Managers or any of their respective affiliates or any affiliate of the Issuer or any other party to the Transaction Documents (other than the Issuer) or any other third person or

entity other than the Issuer. Furthermore, no person will accept any liability whatsoever to the Noteholders in respect of any failure by the Issuer to pay any amount due under the Class A Notes.

All payment obligations of the Issuer under the Class A Notes constitute exclusively obligations to pay out the sums standing to the credit of the Issuer Account (up to the then applicable Available Distribution Amount), in each case in accordance with the applicable Priority of Payments. If, following the liquidation of the Issuer, the Available Distribution Amount proves ultimately insufficient, after payment of all claims ranking in priority to amounts due under the Class A Notes, to pay in full all principal and interest and other amounts whatsoever due in respect of the Class A Notes, any shortfall arising will be extinguished and the Noteholders will neither have any further claim against the Issuer in respect of any such amounts nor have recourse to any other person for the Loss sustained. The liquidation of the Issuer is the only remedy available to the Noteholders for the purpose of recovering amounts payable in respect of the Class A Notes. Such assets and the Available Distribution Amount will be deemed to be "ultimately insufficient" at such time as no further assets are available and no further proceeds can be realised therefrom to satisfy any outstanding claim of the Noteholders, and neither assets nor proceeds will be so available thereafter.

Ratings of the Class A Notes

The ratings assigned to the Class A Notes by the Rating Agencies take into consideration the structural and legal aspects associated with the Class A Notes and the underlying Purchased Receivables, the credit quality of the Portfolio and the related Ancillary Rights, the extent to which the Obligors' payments under the Purchased Receivables are sufficient to make the payments required under the Class A Notes as well as other relevant features of the structure, including, *inter alia*, the credit quality of the Account Bank, the Seller and the Servicer (if different). The Rating Agencies' rating reflects only the view of the Rating Agencies. Each rating assigned to the Class A Notes addresses the likelihood of full and timely payment to the Class A Noteholders of all payments of interest on the Class A Notes on each Payment Date and the ultimate payment of principal on the Legal Maturity Date of the Class A Notes. Rating organisations other than the Rating Agencies may seek to rate the Class A Notes and, if such "shadow ratings" or "unsolicited ratings" are lower than the comparable ratings assigned to the Class A Notes by the Rating Agencies, such shadow or unsolicited ratings could have an adverse effect on the value of the Class A Notes. Future events, including events affecting the Account Bank, the Seller and the Servicer (if different) could also have an adverse effect on the rating of the Class A Notes.

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

Absence of secondary market liquidity and market value of Class A Notes

Although application has been made to the Luxembourg Stock Exchange for the Class A Notes to be listed on the official list and to be admitted to trading on the regulated market of the Luxembourg Stock Exchange, there is currently no secondary market for the Class A Notes. There can be no assurance that there will be bids and offers and that a liquid secondary market for the Class A Notes will develop or that a market will develop for the Class A Notes or, if it develops, that it provides sufficient liquidity to absorb any bids, or that it will continue for the whole life of the Class A Notes.

Limited liquidity in the secondary market for asset-backed securities has had a serious adverse effect on the market value of asset-backed securities and may continue to have a serious adverse effect on the market value of asset-backed securities, especially those securities that are more sensitive to prepayment, credit or interest

rate risk and those securities that have been structured to meet the investment requirements of limited categories of investors.

Consequently, any sale of the Class A Notes by the Class A Noteholders in any secondary market transaction may be at a discount to the original purchase price of such Class A Notes. Accordingly, investors should be prepared to remain invested in the Class A Notes until the Legal Maturity Date.

Interest on the Class A Notes

The interest rate payable by the Issuer with respect to the Class A Notes is calculated as the sum of (i) EURIBOR or an Alternative Base Rate if a Base Rate Modification takes effect in accordance with Conditions 5.3(c) to (e) (the **Applicable Benchmark Rate**), plus (ii) the applicable margin (where the sum of (i) and (ii) is subject to a floor of zero) as set out in the Conditions. In the event that the Applicable Benchmark Rate were to fall to a negative rate which exceeds the margin, the Class A Noteholders will not receive any interest payments on the Class A Notes.

Interest rate risk / risk of Swap Counterparty insolvency

Interest payable on the Class A Notes is calculated on a EURIBOR-basis. Amounts of interest payable by the Obligors under the Loan Agreements and Lease 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 Lease Agreements and amounts of interest due under the Class A Notes the Issuer has entered into the Swap Agreement based on the ISDA Master Agreement (as amended and complemented to reflect the specific requirements of the Transaction) with the Swap Counterparty according to which the Issuer will make payments to the Swap Counterparty by reference to a certain fixed interest rate and the Swap Counterparty will make payments to the Issuer by reference to a rate based on a EURIBOR-basis.

If the Swap Counterparty defaults in respect of its payment obligations under the Swap Agreement, the Issuer may not have sufficient funds to meet its obligations to pay interest on the floating rate of the Class A Notes.

If a default by the Swap Counterparty under the Swap Agreement results in the termination of the Swap Agreement, the Issuer will be obliged to enter into a replacement interest rate hedging arrangement with another appropriately rated entity. A failure or inability to (timely) enter into such a replacement arrangement may result in a downgrading of the rating of the Class A Notes. Further, such failure or inability may expose the Noteholders to the risk that the Issuer will not be able to pay interest on the Class A Notes in full.

The Swap Counterparty is obliged to grant certain collateral to the Issuer as security for its payment obligations under and in accordance with the Swap Agreement if certain rating triggers with respect to the Swap Counterparty are breached. See the Section entitled "Overview of the Transaction Documents –Swap Agreement".

Reform of EURIBOR determinations

EURIBOR qualifies as a benchmark within the meaning of Regulation (EU) 2016/1011 of the European Parliament and of the Council 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/EC and Regulation (EU) No 596/2014 (the **Benchmark Regulation**), which is applicable since 1 January 2018 (with the exception of certain provisions). Currently, EURIBOR has been identified as a “critical benchmark” within the meaning of the Benchmark Regulation. The Benchmark Regulation applies to "contributors", "administrators" and "users" of benchmarks (such as EURIBOR) in the EU, and among other things, (i) requires benchmark administrators to be authorised and to comply with extensive requirements in relation to the administration of benchmarks and (ii) bans the use of benchmarks of unauthorised administrators. As of the date of this Prospectus, EURIBOR is administered by European Money Markets Institute which is registered in the register of administrators and benchmarks established and maintained by the ESMA. Should the European Money Markets Institute become de-registered from ESMA's register of administrators and

benchmarks, there is a risk that the use of EURIBOR might be banned in accordance with the Benchmark Regulation.

It is not possible to ascertain as at the date of this Prospectus (i) what the impact of these initiatives and the reforms will be on the determination of EURIBOR in the future, which could adversely affect the value of the Class A Notes, (ii) how such changes may impact the determination of EURIBOR for the purposes of the Class A Notes and the Swap Agreement, (iii) whether any changes will result in a sudden or prolonged increase or decrease in EURIBOR rates or (iv) whether such changes will have an adverse impact on the liquidity or the market value of the Class A Notes and the payment of interest thereunder. Any changes to EURIBOR as a result of the European Union or other international, national, or other proposals for reform or other initiatives or investigations, or any further uncertainty in relation to the timing and manner of implementation of such changes could have a material adverse effect on the value of and return on the Class A Notes. Such factors may have the effect of discouraging market participants from continuing to administer or participate in certain benchmarks, trigger changes in the rules of methodologies used in certain benchmarks, adversely affect the performance of a benchmark or lead to the disappearance of certain benchmarks.

In this context, investors should note that pursuant to the Conditions in certain circumstances, EURIBOR may be replaced if an Alternative Base Rate is determined in accordance with Conditions 5.3(c) to (e) and a Base Rate Modification takes effect. See the Section entitled "Terms and Conditions of the Notes – Condition 5.3 (Interest Rate)". Should a Base Rate Modification take effect, this could negatively affect the yield and the market value of the Class A Notes.

Responsibility of prospective investors

The purchase of the Class A Notes is only suitable for investors (i) that possess adequate knowledge and experience in structured finance investments and have the necessary background and resources to evaluate all relevant risks related with such investments; (ii) that are able to bear the risk of loss of their investment (up to a total loss of the investment) without having to prematurely liquidate the investment; and (iii) that are able to assess the tax aspects and implications of such investment independently.

Furthermore, each potential investor should base its investment decision on its own and independent investigation and on the advice of its professional advisors (with whom the investor may deem it necessary to consult), be able to assess if an investment in the Class A Notes (i) is in compliance with its financial requirements, its targets and situation (or if it is acquiring the Class A Notes in a fiduciary capacity, those of the beneficiary); (ii) is in compliance with its principles for investments, guidelines for or restrictions on investments (regardless of whether it acquires the Class A Notes for itself or as a trustee); and (iii) is an appropriate investment for itself (or for any beneficiary if acting as a trustee), notwithstanding the risks of such investment.

Neither the Management Company, nor the Arranger, nor the Joint Lead Managers nor any of the Managers is acting as an investment adviser, or assumes any fiduciary obligation, to any investor in the Class A Notes and investors may not rely on any such entity. The Arranger, Joint Lead Managers and Managers do not assume any responsibility for conducting or failing to conduct any investigation into the business, financial condition, prospects, creditworthiness, status and/or affairs of any of the parties to the transaction.

Limitation of time

After the Legal Maturity Date, any principal and/or interest amount remaining unpaid in respect of the Class A Notes shall be automatically and without any formalities (*de plein droit*) cancelled, and as a result, with effect from the Legal Maturity Date, the Class A Noteholders shall no longer have any right to assert a claim in respect of the Class A Notes against the Issuer.

III. Risks relating to the Purchased Receivables

Risks arising from the Covid-19 pandemic

A novel coronavirus (**Covid-19**) has emerged and has spread over many countries throughout the world, including France and several other European countries. This outbreak of Covid-19 has led (and may continue to lead) to disruptions in the economies of regions or nations where Covid-19 has arisen (including China, the USA and Europe) and may in the future arise. The outbreak has seen a series of lockdowns imposed on a number of regions and countries. It is not possible to establish the effects of such lockdowns on the relevant economies or if similar measures will be enforced in respect of other countries or regions in the future and the effects thereof. This outbreak and any future outbreaks could have an adverse impact on the global economy in general and Lessees (and other debtors) may also face difficulties in paying amounts due under the Lease Agreements and Loan Agreements relating to the Purchased Receivables as a result of illness or inability to work as a result of social distancing measures adopted by the French Government.

This situation could have a material adverse impact on the payments of Obligors and other debtors in respect of the Purchased Receivables and on the recovery performance of the Servicer for Defaulted Receivables, which could result in the Class A Noteholders suffering from a risk of principal loss and/or a reduction on the yield thereunder.

Investors should also be aware that third parties on which the Issuer relies may be adversely impacted by the effects of the Covid-19 pandemic. As the Covid-19 pandemic has led to many organisations either closing or implementing policies requiring their employees to work at home, delays or difficulties in performing otherwise routine functions could occur. This may affect the performance of their respective obligations under the Transaction Documents. In particular, it may affect the administration, collection and enforcement of the Purchased Receivables by the Servicer in accordance with the Servicing Agreement.

Risk of Losses on the Purchased Loan Receivables

Losses on the Purchased Receivables may result in Losses for the Noteholders.

The risk to the Class A Noteholders that they will not receive the amount due to them under the Class A Notes is covered up to the General Reserve Required Amount, subject to any parties senior to the Class A Noteholders being entitled to such amounts pursuant to the applicable Priority of Payments and such risk is mitigated by the investments of principal of the Class B Noteholders as such investments are subordinated to the Class A Notes.

There is no assurance that the Class A Noteholders will receive for each Class A Note the total principal amount of EUR 100,000 plus interest calculated at an interest rate of EURIBOR plus 0.70 per cent. *per annum*.

Performance of Purchased Receivables uncertain

The payment of principal and interest on the Class A Notes is dependent on, *inter alia*, the performance of the Purchased Receivables. Accordingly, the Noteholders will be exposed to the credit risk of the Obligors.

The performance of the Purchased Receivables depends on a number of factors, including general economic conditions, unemployment levels, the circumstances of individual Obligors (such as may result from epidemic infectious diseases like the recent outbreak of the Covid-19 pandemic, in relation to which please see "Risks arising from the Covid-19 pandemic" above for further details), Mercedes-Benz Financial Services France's underwriting standards at origination and the success of Mercedes-Benz Financial Services France's servicing and collection strategies. Consequently, no accurate prediction can be made of how the Receivables (and accordingly the Class A Notes) will perform based on credit evaluation scores or other similar measures.

Risk of early repayment

In the event that the Loan Agreements and Lease Agreements underlying the Purchased Receivables are prematurely terminated or otherwise settled early, the Noteholders will (not taking into account any loss suffered by the Issuer with respect to some or all of the Purchased Receivables, which is described above) be repaid the principal which they invested, but will receive interest for a period of time that is shorter than the period stipulated in the respective Loan Agreement or Lease Agreement. In addition, faster than expected repayments on the Purchased Receivables in combination with any purchase price for the Class A Notes above par may reduce the yield of the Noteholders.

Reliance on representations

None of the Issuer, the Management Company, the Custodian, the Account Bank, the Paying Agent, the Registrar Agent, the Arranger, the Joint Lead Managers, the Managers or the Data Protection Agent has undertaken or will undertake or cause to be undertaken any investigations, searches or other actions as to the status of the Borrowers, the Lessees, the Dealers, the Manufacturer, the Lease Agreements, the Loan Agreements, the Purchased Receivables or the Related Security and will rely instead solely on the representations made by the Seller in respect of such matters in the Receivables Purchase Agreement.

In the event of a breach of representation by the Seller, the Issuer's sole remedy will be the rescission of the purchase of the corresponding Purchased Receivable. The Issuer would be reliant on the ability of the Seller to perform its obligations in connection with the rescission of transfer of such a Purchased Receivable.

Reliance on Eligibility Criteria

If the Purchased Receivables do not comply with the Eligibility Criteria on the Cut-Off Date, this shall constitute a breach of contract under the Receivables Purchase Agreement and the Issuer will have contractual remedies against the Seller. In the case of any related misrepresentation or breach of any Eligibility Criterion, the Seller will be required to pay the Re-transfer Amount to the Issuer. Consequently, in the event that any such representation or warranty is breached, the Issuer is exposed to the credit risk of the Seller. Should the Seller's credit quality deteriorate, this could, in conjunction with afore-said breach of contract, undermine the Issuer's ability to make payments on the Class A Notes.

Reliance on Credit and Collection Policy

The Servicer will carry out the administration, collection and enforcement of the Purchased Receivables in accordance with the Servicer's Credit and Collection Policy. Accordingly, the Class A Noteholders are relying on the business judgment and practices of the Servicer as to the liquidation of the Purchased Receivables against the Obligors and with respect to the enforcement of the related Ancillary Rights and Related Security. See the Sections entitled "Overview of the Transaction Documents — Servicing Agreement", "The Seller, the Servicer and the Subordinated Lender" and "The Credit and Collection Policy".

Interconnected agreements and impact of termination of maintenance and servicing agreements

Although the Lease Agreements and the Loan Agreement do not contain any obligation for the Seller to perform repairs, maintenance or servicing work and no servicing, repair or maintenance contracts are expressly offered under such Lease Agreements and Loan Agreements by the Seller to any debtor, servicing, repair and/or maintenance contracts may be separately entered into by the Lessees and the Borrowers with third parties. In such circumstances, the Seller may agree to collect the fees due under such contracts on behalf of such third parties.

Article 1186 of the French Civil Code provides that where the conclusion of several agreements is necessary for the purposes of achieving a single transaction (*une même opération*), provided that one of these agreements disappears (*disparaît*), both (i) the agreements whose performance is made impossible due to this

disappearance and (ii) the agreements whose key factor (*condition déterminante*) for entering into such agreements was the performance of the disappeared agreement are void (*caducs*).

The interconnection of agreements is a question of fact. The question of whether maintenance and servicing agreements and Lease Agreements or Loan Agreements are interconnected would have to be determined by the courts on a case-by-case basis. It is however unclear whether a court would consider these as "interconnected" within the meaning of Article 1186 of the French Civil Code. Case law (dating from before the enactment of Article 1186 of the French Civil Code) tends to consider multiple elements as part of the legal analysis, including whether the contracts are entered into simultaneously, whether the services contract is necessary to the use of the leased assets or whether the parties have intended to interconnect the contracts. The Seller has confirmed that, on the date of this Prospectus, it has not been involved in any litigation, nor been subject to any court decisions, confirming the interconnection of the Lease Agreements or the Loan Agreements and any maintenance and servicing agreements.

If the conclusion of any Lease Agreement and any such servicing, repair and/or maintenance contract is considered by competent courts as interdependent and thus as necessary for the purposes of achieving a single transaction (*une même opération*), within the meaning of Article 1186 of the French Civil Code, the relevant Lease Agreement could be considered as void (*caducs*) if such servicing, repair and/or maintenance contract is invalid (*disparaît*), which could result in a restitution obligation on the Seller and/or, if the Obligors have received an Obligor Notification Event Notice and been instructed to pay directly the Issuer following the occurrence of a Servicer Termination Event, the Issuer, in respect of part or all of the amounts paid by the relevant Obligors under the relevant Lease Agreement or Loan Agreement. The Seller has however undertaken to indemnify the Issuer against any claim made by any Obligor in connection with the Lease Agreements and the Loan Agreements.

Interconnected agreements and impact of termination of sale agreements

Until a recent case of 13 April 2018, the French *Cour de cassation* (the **French Supreme Court**) was of the view that a *crédit-bail* agreement would be automatically terminated (*résilié*) if the sale agreement relating to the financed asset were to be terminated, subject however to applying the relevant express provisions of the *crédit-bail* agreement which regulated the consequences of such termination. On 13 April 2018, the French Supreme Court held that the annulment or termination (*résolution*) of a vehicle sale agreement for non-conformity of the vehicle results in the *crédit-bail* agreement being void (*caduc*) upon the sale agreement being annulled or terminated. In this decision, the French Supreme Court further held that, since the lease is deemed to be annulled, the lessee must return the vehicle to the bank (i.e. the lessor) and that the bank cannot rely on any warranties and non-recourse provisions of the crédit-bail agreement and therefore the bank must return all rents collected as part of the *crédit-bail* agreement to the lessee.

The application of the above decision in relation to Lease Agreements is unclear. According to the *Rapporteur Général* of the French Supreme Court, long-term lease with purchase option agreements are to be considered as "linked" credits (*crédits affectés*) for the purposes of the French Consumer Code, and therefore the specific regime applicable to "linked-credits" shall apply. In relation to consumer credit agreements that qualify as "linked-credits" (*crédits affectés*), article L. 312-55 of the French Consumer Code provides that in case of a dispute over the performance of the main agreement (i.e. the vehicle sale agreement), the courts may suspend the performance of the credit agreement until the dispute is solved. The credit agreement is automatically resolved or terminated (*résolu ou annulé de plein droit*) when the agreement for the purposes of which such credit agreement was concluded (i.e. the main agreement/vehicle sale agreement) is judicially resolved or terminated (*résolu ou annulé*). Article L. 312-55 of the French Consumer Code further provides that the above provisions only apply if the lender is involved in the litigation procedure or if the seller or the borrower has brought a claim against the lender. If such provisions are applied in relation to leases with a purchase option, then the lessee must return the vehicle to the lessor and the latter must return any rents collected and any cash deposit to the lessee.

Second hand vehicle market

The Issuer will acquire from the Seller interests in the Purchased Receivables, including Ancillary Rights and Related Security and will benefit from a Pledge granted over all the Vehicles relating to Purchased Receivables arising from Lease Agreements.

In the event the Pledge is enforced and the pledged Vehicles are sold, proceeds arising therefrom may be less than the amount owed under the related Purchased Receivables. Any action to recover outstanding amounts may not be pursued if to do so would be uneconomic.

In addition if, in respect of an Lease Agreement, the relevant Lessee is in default, following redelivery to or repossession by the Seller, the relevant Vehicle would be sold by the Seller to third parties usually by auction.

The market value of the Vehicles may be affected under certain circumstances including if the Manufacturer were to suffer financial difficulties or to become Insolvent and including if the recovered Vehicles are deteriorated or over mileaged, in case of a less popular configuration (engine size and type, colour, etc.), oversized special equipment, a large number of homogeneous types of vehicles in short time intervals, general price volatility in the used vehicles market, change in fuel costs, change in demand for different types of fuel, the impact of vehicle recalls or the discontinuation of vehicle models or brands, or seasonal impact.

No assurance can be given that sale by auction will remain an economically effective method of selling vehicles nor that the relevant auctioneer will obtain the best possible price for such vehicles nor that the price will be paid to the Issuer. All fees of auctioneers and of any sub-contractor involved in the repossession or sale process will be deducted from the sale proceeds payable to the Issuer.

In addition, international, national and local standards regarding emissions by vehicles (e.g. CO2 emissions, fuel consumptions, engine performance and noise emissions) are currently subject to important developments. These include discussions on the strengthening of the tax regime for diesel vehicles, new, tighter standards for diesel vehicles' exhaust emission benchmarks and restrictions or prohibitions in certain areas of the cars empowered by diesel (or even fuel) that are currently being contemplated by different regulators around the world, including in the European Union. It is not clear at this stage whether these new standards will only apply to new vehicles or be extended to existing vehicles. As a consequence, there is a risk of decline in the market value of diesel vehicles.

A recent feature of the vehicle market has been the production of hybrid and completely electric vehicles. Such developments in the car industry may have an adverse impact on the resale market value of both petrol and diesel powered vehicles.

No independent investigation and limited information

None of the Management Company, the Custodian, the Arranger, the Joint Lead Managers, the Managers or any other person referred to herein (other than the Seller but only as explicitly described herein) has undertaken or will undertake any investigations, searches or other actions to verify any details in respect of the Purchased Receivables, the Loan Agreements or the Lease Agreements or to establish the creditworthiness of any Obligor. Each of the afore-mentioned persons will rely solely on the accuracy of the representations and warranties and the financial information given by the Seller to the Issuer in the Receivables Purchase Agreement in respect of, *inter alia*, the Purchased Receivables, the Obligors, the Loan Agreements and Lease Agreements underlying the Purchased Receivables and the Vehicles.

The Seller is under no obligation and will not provide the Management Company, the Custodian, the Arranger the Joint Lead Managers, the Managers with the names or the identities of the Obligors and copies of the relevant Loan Agreements and Lease Agreements and legal documents in respect of the relevant Loan Agreement and Lease Agreement except as required by the Servicing Agreement and the Data Protection Agency Agreement and pursuant to article D. 214-233 of the French Monetary and Financial Code and the AMF General Regulation. The Arranger, the Joint Lead Managers, the Managers, the Management Company,

the Custodian and the Issuer will only be supplied with financial information in relation to the Portfolio and the underlying Loan Agreements and Lease Agreements. Furthermore, none of the Arranger, the Joint Lead Managers or the Managers, will have any right to inspect the records of the Seller.

The primary remedy of the Management Company and the Issuer for breaches of any Eligibility Criteria as of the Cut-Off Date will be to require the Seller to pay a Re-transfer Amount in an amount determined pursuant to the provisions of the Receivables Purchase Agreement.

Historical, forecast and estimates

The historical information set out in particular in the Section entitled "Description of the Portfolio" is based on the historical experience and present procedures of the Seller. None of the Issuer, the Subordinated Lender, the Swap Counterparty, the Data Protection Agent, the Arranger, the Joint Lead Managers, the Managers, the Management Company, the Account Bank, the Custodian, the Paying Agent nor the Registrar Agent has undertaken or will undertake any investigation or review of, or search to verify, the historical information. There can be no assurances as to the future performance of the Purchased Receivables.

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

Impact on the value of the Vehicles caused by governmental information requests, inquiries, investigations, administrative orders and proceedings relating to environmental, criminal, antitrust and other laws and regulations in connection with diesel exhaust emissions

Daimler AG and its subsidiaries (**Daimler**) are continuously subject to governmental information requests, inquiries, investigations, administrative orders and proceedings relating to environmental, criminal, antitrust and other laws and regulations in connection with diesel exhaust emissions.

Several federal and state authorities and other institutions worldwide have inquired about and/or are/have been conducting investigations and/or administrative proceedings, and/or have issued administrative orders. In the case of the Stuttgart district attorney's office, the authorities issued a fine notice, and in the case of the US federal and California environmental regulatory authorities, Daimler has reached civil settlements (which are still subject to court approval). The aforementioned matters particularly relate to test results, the emission control systems used in Mercedes-Benz diesel vehicles and/or Daimler's interaction with the relevant federal and state authorities as well as related legal issues and implications, including, but not limited to, under applicable environmental, criminal and antitrust laws. These authorities and institutions include, amongst others, the U.S. Department of Justice (**DOJ**), which has requested that Daimler conducts an internal investigation, the U.S. Environmental Protection Agency (**EPA**), the California Air Resources Board (**CARB**) and other US state authorities, the South Korean Ministry of Environment, the South Korean competition authority (Korea Fair Trade Commission) and the Seoul Prosecutor's Office (South Korea), the European Commission, the German Federal Cartel Office (**Bundeskartellamt**) as well as national antitrust authorities and other authorities of various foreign states as well as the German Federal Ministry of Transport and Digital Infrastructure (**BMVI**) and the German Federal Motor Transport Authority (**KBA**). In the course of its formal investigation into possible collusion on clean emission technology, the European Commission sent a statement of objections to Daimler and other automobile manufacturers in April 2019. In this context, Daimler filed an application for immunity from fines (leniency application) with the European Commission some time ago. The Stuttgart district attorney's office is conducting criminal investigation proceedings against Daimler employees on the suspicion of fraud and criminal advertising, and, in May 2017, searched the premises of Daimler at

several locations in Germany. In February 2019, the Stuttgart district attorney's office also initiated a formal investigation proceeding against Daimler AG with respect to an administrative offense. In September 2019, the Stuttgart district attorney's office issued a fine notice against Daimler based on a negligent violation of supervisory duties in the amount of €870 million which has become legally binding, thereby concluding the administrative offense proceedings against Daimler.

Daimler continues to fully cooperate with the authorities and institutions. Irrespective of such cooperation and in light of the recent developments, it is possible that further regulatory, criminal and administrative investigative and enforcement actions and measures relating to Daimler and/or its employees will be taken or administrative orders will be issued. Such actions, measures and orders may include subpoenas, that is, legal instructions issued under penalty of law in the process of taking evidence, or other requests for documentation, testimony or other information, or orders to recall vehicles, further search warrants, a notice of violation or an increased formalization of the governmental investigations, coordination or proceedings, including the resolution of proceedings by way of a settlement. Additionally, further delays in obtaining regulatory approvals necessary to introduce new or recertify existing vehicle models could occur.

Since 2018, the KBA has issued various administrative orders holding that certain calibrations of specified functionalities in certain Mercedes-Benz diesel vehicles are to be qualified as impermissible defeat devices and ordered subsequent auxiliary provisions for the respective EC type approvals in this respect, including mandatory recalls and, in certain cases, stops of the first registration. In addition and since 2018 Daimler has (in view of KBA's interpretation of the law as a precaution) implemented a temporary delivery and registration stop with respect to certain models, also covering the used car, leasing and financing businesses, and is constantly reviewing whether it can lift this delivery and registration stop in whole or in part. Daimler has filed timely objections against the KBA's administrative orders mentioned above in order to have the open legal issues resolved, if necessary by a court of law. In the course of its regular market supervision, the KBA is routinely conducting further reviews of Mercedes-Benz vehicles and is asking questions about technical elements of the vehicles. In light of the aforementioned administrative orders issued by, and continued discussions with, the KBA, in the course of the ongoing and/or further investigations additional administrative orders can be issued. Since September 1, 2020, this also applies to other responsible authorities of other Member States and the European Commission which conducts market surveillance under the new European Type Approval Regulation and can take measures upon assumed non-compliance, irrespective of the place of the original type approval.

The new calibrations requested by KBA are being processed, and for a substantial proportion of the vehicles, the relevant software has already been approved by KBA; the related recalls have insofar been initiated. It cannot be ruled out that under certain circumstances, software updates may have to be reworked or further delivery and registration stops may be ordered or resolved by Daimler as a precautionary measure, also with regard to the used car, leasing and financing businesses. Daimler continues to fully cooperate with the responsible authorities and institutions.

In the third quarter of 2020, Daimler reached civil settlements with US federal and California environmental regulatory authorities through public Consent Decrees. The authorities take the position that Daimler failed to disclose Auxiliary Emission Control Devices (**AECDs**) in certain of its US diesel vehicles and that several of these AECDs are illegal defeat devices. Although Daimler denies the allegations by the authorities and does not admit liability as part of these settlements, Daimler has agreed to, among other things, pay civil penalties, conduct an emission modification program for affected vehicles, provide extended warranties, undertake a nationwide mitigation project, take certain corporate compliance measures and make other payments, the related costs of which are expected to be approximately US$1.5 billion. The civil settlements are still subject to final court approval.

In light of these matters and in light of the ongoing governmental information requests, inquiries, investigations, administrative orders and proceedings, as well as Daimler's own internal investigations, it is

likely that, besides KBA, EPA and CARB, one or more regulatory and/or investigative authorities worldwide will reach the conclusion that other passenger cars and/or commercial vehicles with the brand name Mercedes-Benz or other brand names of the group are equipped with impermissible defeat devices and/or that certain functionalities and/or calibrations are not proper and/or were not properly disclosed. Furthermore, the authorities have increased scrutiny of Daimler's processes regarding running- change, field-fix and defect reporting as well as other compliance issues. As described above, the Stuttgart district attorney's office's administrative offense proceedings and the proceedings underlying the civil settlements with the US federal and California environmental regulatory authorities have been resolved, whereas the settlements are subject to final court approval. The other inquiries, investigations, legal actions and proceedings as well as the replies to the governmental information requests and the objection proceedings against KBA's administrative orders are still ongoing and open. Hence, Daimler cannot predict the outcome of these inquiries, investigations and proceedings at this time. Due to the outcome of the administrative offense proceedings by the Stuttgart district attorney's office against Daimler and the civil settlements with the US federal and California environmental regulatory authorities, as well as the above and any potential other information requests, inquiries, investigations, administrative orders and proceedings, it is possible that Daimler will become subject to, as the case may be, significant additional monetary penalties, fines, disgorgements of profits, remediation requirements, further vehicle recalls, further registration and delivery stops, process and compliance improvements, mitigation measures and the early termination of promotional loans, and/or other sanctions, measures and actions (such as the exclusion from public tenders), including further investigations and/or administrative orders by these or other authorities and additional proceedings. The occurrence of the aforementioned events in whole or in part could cause significant collateral damage including reputational harm. Further, due to negative allegations, determinations or findings with respect to technical or legal issues by one of the various governmental agencies, other agencies – or also plaintiffs – could also adopt such allegations, determinations or findings, even if such allegations, determinations or findings are not within the scope of such authority's responsibility or jurisdiction. Thus, a negative allegation, determination or finding in one proceeding, such as the fine notice issued by the Stuttgart district attorney's office or the allegations underlying the civil settlements with the US federal and California environmental regulatory authorities, carries the risk of being able to have an adverse effect on other proceedings, also potentially leading to new or expanded investigations or proceedings, including lawsuits.

In addition, Daimler's ability to defend itself in proceedings could be impaired by the fine notice issued by the Stuttgart district attorney's office, the civil settlements with the US and California environmental regulatory authorities as well as the underlying allegations and other unfavorable allegations, findings, results or developments in any of the information requests, inquiries, investigations, administrative orders, legal actions and/or proceedings discussed above.

At the date of this Prospectus, there are no indications that recent developments will have a material negative impact on payments on the Purchased Receivables, but there can be no assurance that the inquiries, investigations, legal actions, proceedings and orders mentioned above and any future disclosure or settlement by or with respect to Daimler AG and its subsidiaries will not adversely affect the businesses of Daimler AG and its subsidiaries or ultimately the Purchased Receivables and/or the Issuer's ability to make payments under the Class A Notes.

Geographic concentration of Lessees and Borrowers may affect the performance of the Purchased Receivables

Although the Lessees and Borrowers are located throughout Metropolitan France as at the date of origination of the Receivables, there can be no assurance as to what the geographical distribution of the Lessees and Borrowers will be in the future depending on, in particular, the amortisation schedule of the Receivables. Consequently, any deterioration in the economic condition of the regions in which the Lessees and Borrowers are located, or any deterioration in the economic condition of other regions that has an adverse effect on the

ability of the Lessees and Borrowers to meet their payment obligations could trigger losses of principal on the Class A Notes and/or could reduce the yield of the Class A Notes.

Used Vehicle risk raises greater credit risk

Certain of the Lease Agreements and Loan Agreements giving rise to Purchased Receivables relate to used Vehicles. Historically the risk of non-payment of Lease Agreements and Loan Agreements in relation to used Vehicles is greater than in relation to a Lease Agreement or a Loan Agreement for the lease or finance of a new Vehicle.

IV. Risks relating to the Transaction Parties

Creditworthiness of parties to the Transaction Documents

The ability of the Issuer to meet its obligations under the Class A Notes will be dependent, in whole or in part, on the performance of the duties by each party to the Transaction Documents.

No assurance can be given that the creditworthiness of the parties to the Transaction Documents, in particular, the Servicer and the Account Bank, will not deteriorate in the future. In the event that any of the Transaction Parties were to fail to perform its obligations under the respective agreement(s) to which it is a party, payments on the Class A Notes may be adversely affected. Investors should also be aware that third parties on which the Issuer relies may be adversely impacted by the general economic climate (including any failure arising from circumstances beyond their control such as epidemics (for example, the Covid-19 pandemic which has led to many organisations either closing or implementing policies requiring their employees to work at home, which could result in delays or difficulties in performing otherwise routine functions)). This may affect the performance of their respective obligations under the respective Transaction Documents. In particular, it may affect the administration, collection and enforcement of the Purchased Receivables by the Servicer in accordance with the Servicing Agreement.

However, the credit risk mentioned above is mitigated by certain credit sensitive triggers. For example, it constitutes a Servicer Termination Event, *inter alia*, if the Servicer is Insolvent or the Servicer fails to make any payment or deposit required by the terms of the relevant Transaction Document within five (5) Business Days of the date such payment or deposit is required to be made or fails to perform a material obligation which is not remedied within twenty (20) Business Days of notice from the Issuer or the Management Company. The Account Bank has to have the Required Rating.

Risks relating to the Servicer

If the appointment of the Servicer is terminated, the Issuer has the right to appoint a substitute servicer pursuant to the Servicing Agreement. Even though the Management Company has agreed that it will facilitate the appointment of a suitable entity with all necessary facilities available to act as substitute servicer and will use reasonable efforts to ensure that such entity enters into a successor servicing agreement, the terms of which are similar to the terms of the Servicing Agreement, with the parties to the Servicing Agreement upon receipt of a notice by the Servicer of the occurrence of a Servicer Termination Event, there is no assurance that an appropriate substitute servicer can be found and hired in the required time span and that this does not have a negative impact on the amount and the timing of the Collections made.

Commingling risk and direct debits

The Lease Agreements and Loan Agreements generally provide that amounts due by the Lessees and Borrowers are payable by direct debit from the bank account of the Lessee or Borrower and no other option is expressly left to the Lessee or the Borrower. In this respect, if it was considered that direct debit is the only payment mode available to Lessees and Borrowers, the *Commission des Clauses Abusives* (**CCA**) has already issued various statements providing that such restrictions to a single payment mode introduce a significant contractual imbalance to the detriment of consumers.

If successfully challenged the relevant clause would be deemed non-written (*réputée non écrite*). In practice, even if the recommendations of the CCA are not binding on professionals, a Lessee or a Borrower could validly pay any amount due under the relevant Lease Agreement or Loan Agreement by cheque, or as the case may be, in cash, or by any other licit means of payment.

Commingling risk and risk of Servicer Shortfalls

Under the Servicing Agreement, the Servicer is entitled to commingle Collections made during a Collection Period with the Servicer's own funds and the Servicer shall only be obliged to transfer all Collections of a Collection Period to the Issuer Account (for credit into the Operating Ledger) no later than on the Payment Date relating to the relevant Collection Period. The commingling and late payment risk deriving from the afore-mentioned arrangement in the Servicing Agreement is mitigated by way of the Commingling Reserve Required Amount. Under the Servicing Agreement, the Servicer undertakes to remit to the Issuer on any relevant Payment Date upon the occurrence of a Commingling Reserve Trigger Event and as long as such Commingling Reserve Trigger Event is continuing, the Commingling Reserve Required Amount, by way of deposit, as collateral for its actual or contingent obligations under the Servicing Agreement to transfer Collections to the Issuer on the following Payment Date. The Commingling Reserve Required Amount shall be provided, from time to time, by payment of the relevant amount of cash into the Issuer Account and credit into the Commingling Reserve Ledger.

Thereafter, all remittances by or on behalf of the Servicer shall be made in amounts sufficient to ensure that on each Payment Date funds at least equal to the relevant Commingling Reserve Required Amount will stand to the credit of the Commingling Reserve Ledger.

If, following the occurrence and continuance of a Commingling Reserve Trigger Event a Servicer Shortfall occurs, the Issuer may use the Commingling Reserve Required Amount in an amount equal to such Servicer Shortfall to make, under the applicable Priority of Payments, payments on the relevant Payment Date (until the Commingling Reserve Trigger Event ceases to continue). Any excess of the amount standing to the credit of the Commingling Reserve Ledger over the Commingling Reserve Required Amount as calculated on each Calculation Date will be paid on each following Payment Date directly by the Issuer to the Servicer outside the Priority of Payments.

Risks relating to the Seller

Continuation of the Auto Lease Contracts – Compliance with undertakings

As a general matter of French law, in the context of insolvency proceedings, the administrator is allowed to request the judge-in-charge to declare the termination of contracts to which the insolvent entity is a party, in particular "*if such termination is necessary for the safekeeping of that entity and if such does not excessively affect the interest of the counterparty*" (both criteria being subject to the appreciation of the judge), pursuant to Article L. 622-13, IV. of the French Commercial Code.

However, Article L. 214-169, VI. of the French Monetary and Financial Code provides a specific rule for the benefit of the Issuer as far as certain types of executory contracts are concerned, as follows: "*where the receivable assigned to the securitisation organism results from a simple leasing agreement (contrat de location), with or without purchase option, or a leasing agreement with purchase option (crédit-bail), neither the opening of an insolvency proceedings as referred to in Book VI of the French Commercial Code or of equivalent proceedings pursuant to a foreign law against the lessee or the lessor, nor the transfer of the leased assets within the framework or following such proceedings, can prevent (remettre en cause) the continuation of the contract*".

Based on that Article, the mere opening of an insolvency proceeding as referred to in Book VI of the French Commercial Code against Mercedes-Benz Financial Services France cannot prevent the continuation of the Lease Agreements where the corresponding Lease Series of Receivables have been sold to the Issuer.

There is no case law as to the import and interpretation of that specific provision. However, there are arguments which support the view that such specific provision should be interpreted as preventing the administrator from requesting the termination of the contracts pursuant to Article L. 622-13, IV. of the French Commercial Code, based on the following:

(a) Article L. 214-169 of the French Monetary and Financial Code is more specific in nature as it expressly refers to the continuation of the leasing agreements. Because of that specific nature, it should be construed as overruling the more general principle set out in said Article L. 622-13, IV; and

(b) the purpose of that specific provision is to make leasing securitisations through *fonds commun de titrisation* more straightforward, by tackling one of the major questions surrounding that kind of transaction, being the continuation of the underlying lease contracts, and because it is more specific, it should be construed as overruling the more general Article L. 622-13, IV. In this respect, the above interpretation is the only way to give some sense and import to that specific provision.

It should be noted that Article L. 214-169 of the French Monetary and Financial Code does not prevent a Lessee from requiring the administrator to decide whether or not it wishes to continue or terminate its Lease Agreement pursuant to Article L. 622-13, III.,1° of the French Commercial Code, and, should the Lessee do so, the Lease Agreement would be terminated if the administrator does not answer to the Lessee within a one-month period (which period can be decreased or increased by up to two additional months) or answers that he/she does not wish to continue such Lease Agreement.

Economic incentives have been used in the Transaction, for the purpose of encouraging the administrator to continue the relevant Lease Agreement in such case and to keep on complying with the undertakings of the Seller (for more details on these incentives, see the paragraph "*Economic Incentives and Performance Reserve*" below). In practice, a Lessee would not necessarily nor automatically avail itself of taking this available course of action. Regardless of the analysis set out above, the Lessee's behaviour would depend on a number of factors, such as, for instance, whether he/she is aware of the possibility offered by French law in this respect, whether termination of its Lease Agreement makes economic sense for him/her (depending in particular on the amount of the purchase option price as compared to the market value of the relevant Leased Vehicle at that time) or how easy it is for the Lessee to find a replacement vehicle. Whether maintenance and other services contracts keep on being performed or not after the opening of an insolvency proceeding against Mercedes-Benz Financial Services France could also influence the Lessee's behaviour in this respect. In addition, the procedure would be conducted by each Lessee acting individually depending on its own position and it therefore appears as a granular risk.

Transfer of the Leased Vehicles

The outcome of insolvency proceedings opened against the Seller may involve the transfer of the Leased Vehicle owned by it to a third party by way of transfer of the leasing activity of the Seller to that third party.

In addition to Article L. 313-8 of the French Monetary and Financial Code, which provides that the purchaser of goods subject to a leasing agreement with purchase option (*crédit-bail*) is bound to comply with the provisions of such agreement, the aforementioned Article L. 214-169, VI. of the French Monetary and Financial Code expressly states that "[…] *the transfer of the leased assets within the framework or following such insolvency proceedings, cannot prevent (remettre en cause) the continuation of the lease contract*".

It is however not possible to foresee from a legal point of view what all the consequences of the potential sale of the Leased Vehicle owned by the Seller to a third party would be in the context of insolvency proceedings opened against the Seller; for example, a claim relating to the sale proceeds of a Leased Vehicle may no longer be available for the benefit of the Issuer – if entitled to a portion in the proceeds of such sale. Therefore, under the terms of the Leased Vehicles Pledge Agreement and pursuant to Article 2333 *et seq*. of the French Civil Code, the Seller, as pledgor, has granted to the Issuer, a pledge without dispossession (*gage sans dépossession*) over the Leased Vehicle corresponding to the Lease Series of Receivables (the **Pledge**). The Leased Vehicles Pledge Agreement will secure any and all present and future payment obligations of the Seller vis-à-vis the

Issuer under the Seller Performance Undertakings, in accordance with the Receivables Purchase Agreement. The Issuer will accordingly benefit from the proceeds resulting from the enforcement of the Pledge on each Leased Vehicle pledged thereunder (each, a **Pledged Leased Vehicle**) relating to the Lease Series of Receivables. The Pledge granted under the Leased Vehicles Pledge Agreement should be a deterrent to an administrator from selling the Pledged Leased Vehicle to a third party and, in the event of a sale, generally help protecting the Issuer's rights over the sale proceeds, the residual value, of the Pledged Leased Vehicle.

Economic Incentives and Performance Reserve

For the purpose of addressing those risks and in particular encouraging (i) the administrator (*administrateur judiciaire*) of the Seller (or the liquidator (*liquidateur judiciaire*) to the extent possible), to perform the Lease Agreements relating to the relevant Purchased Receivables, in accordance with the provisions thereof, the usual management and operational procedures of the Seller and the provisions of the Transaction Documents, to sell the corresponding Leased Vehicles and to remit the corresponding moneys allocated to the Issuer and more generally to comply with the provisions of the Transaction Documents, and (ii) a third party purchasing the leasing activity of the Seller in the context of insolvency proceedings opened against the Seller, to negotiate with the Issuer in order to take on certain of the obligations of the Seller under the Transaction Documents, in addition to the Pledge, a Performance Reserve shall be established by the Seller with the Issuer upon the occurrence of a Performance Reserve Trigger Event and a Servicer Termination Event and shall be maintained and funded by the Seller as long as such event is continuing.

The amount, timing and conditions of release of such Performance Reserve to the Seller are dependent, *inter alia*, on the ability of the Seller (i) to comply with its usual management and operational procedures, (ii) to continue performing all relevant Lease Agreements or (iii) to sell the Leased Vehicles upon exercise of an early purchase option under the corresponding Lease Agreements or following a default by the relevant Lessee and pay the corresponding portion of the sale proceeds to the Issuer in a timely manner. The Performance Reserve shall also be fully released to the Seller if the Performance Reserve Trigger Event or the Servicer Termination Event has ceased.

Pledge of Leased Vehicles without dispossession – Applicable regime

The Pledge granted under the Leased Vehicles Pledge Agreement is created pursuant to, and governed by the general regime regarding pledges over tangible movable assets, which can be without dispossession (*sans dépossession*) as set out in Articles 2333 *et seq*. of the French Civil Code (the **General Regime**) introduced by Ordinance No. 2006-346 dated 23 March 2006 (the **2006 Ordinance**). Alongside the General Regime, there are two other sets of provisions, being (i) decree no 53-968 dated 30 September 1953 relating to the credit sale of cars (*vente à crédit des véhicules automobiles*) (the **1953 Decree**) and (ii) Articles 2351 to 2353 of the French Civil Code, also introduced by the 2006 Ordinance, and which are specifically related to the pledge over terrestrial motor cars and trailers subject to registration (*véhicules terrestres à moteurs ou remorques immatriculées*) (the **New Specific Regime**), which has raised some debate as to the relevant regime applicable to pledges over motor vehicles of the type of the Leased Vehicles. Under the 2006 Ordinance, the New Specific Regime was to enter into force on a date to be set by a decree and which could not be later than 1 July 2008, but the decree has not been issued yet. The General Regime has been selected as the method for taking a pledge over the Leased Vehicles corresponding to the Lease Agreements given that the New Specific Regime is not in force and the 1953 Decree is limited to credit vendors (*vendeurs à crédit*) or money lenders (*prêteurs de deniers*) in connection with the purchase of a vehicle being subject to registration, this option not being relevant in the context of the Transaction. This approach is also supported by a ministerial reply (*réponse ministérielle*) published on 9 October 2007.

The Pledge granted under the Leased Vehicles Pledge Agreement is granted as security for the due and timely performance of any and all present and future payment obligations of Mercedes-Benz Financial Services France, as Seller and Servicer, under the Seller Performance Undertakings.

Impact of insolvency of the Seller on the Leased Vehicles Pledge Agreement

During the observation period and, thereafter, in the event of safeguard and reorganisation proceedings (*procédure de sauvegarde ou de redressement judiciaire*) opened in respect of the Seller, without a sale plan (*plan de cession*).

In case of safeguard and reorganisation proceedings (*procédure de sauvegarde ou de redressement judiciaire*), pursuant to Article L. 622-7, I. indent 2 of the French Commercial Code, the fictive right of lien (droit de rétention fictif) arising from the pledge becomes automatically unenforceable upon the date of the court decision opening the proceedings and during the observation period (*période d'observation*) of the proceedings and the period of performance of the safeguard or reorganisation plan (e*xécution du plan de sauvegarde ou de redressement*), as applicable, except if the property is included in a partial sale plan (*cession d'activité*) pursuant to the terms of Article L. 626-1 of the French Commercial Code.

Although the law is silent on this point, the main consequences of this unenforceability should be as follows:

(a) the pledgee would have no right to prevent the debtor and/or the insolvency administrator (*administrateur judiciaire*) from disposing of the property; and

(b) the creditor would only benefit from its right of priority.

Pursuant to Articles L. 622-8 (during the observation period) and L. 626-22 (during the performance of the restructuring plan) of the French Commercial Code, if the relevant pledged property were to be assigned, the price would be put in escrow in a deposit account (*compte de dépôt*) held by the Caisse des Dépôts et Consignations. These provisions also set forth that the repartition of the price between all the creditors will be subject to the legal priority of payments.

Accordingly, the insolvency administrator would not have access to those proceeds in the course of the observation period (*période d'observation*), as such proceeds would be held in escrow in a deposit account held by the Caisse des Dépôts et Consignations.

Once a safeguard or reorganisation plan (*plan de sauvegarde ou de redressement*) is adopted at the end of the observation period, the sale proceeds shall, as a matter of principle, be dispatched between the creditors according to the legal priority of payments and taking into account the payment schedule imposed upon creditors by the plan, pursuant to Article L. 626-22 of the French Commercial Code.

Accordingly, the sale proceeds will not represent new funds that would be available to the lessor after the observation period (*période d'observation*) and any remaining amount not applied to the satisfaction of debts to more privileged creditors outstanding as of the end of the observation period would benefit the Issuer as pledgee.

To the extent that the proceeds of the sale of the Pledged Leased Vehicles would first be applied to the satisfaction of privileged creditors and then of the Issuer, there would be little incentive for the insolvency administrator of the Seller to attempt to dispose of the Pledged Leased Vehicles, unless he can be satisfied that the sale price will be greater than the outstanding receivables of privileged creditors and of the Issuer, which is unlikely to be the case.

In the event of the adoption of a sale plan (plan de cession)

Where, following the observation period (*période d'observation*), or else directly in liquidation proceedings, the assets being subject to a pledge are included in a sale plan (plan de cession), as a matter of principle, Article L. 642-12 indent 1 to indent 3 of the French Commercial Code provides that a part of the plan proceeds (determined by the insolvency court in accordance with the provision of Article L. 642-12) shall be allocated to the relevant assets for the exercise by the pledgee of its right of priority (*droit de préférence*). The part of the sale proceeds so allocated is then dispatched in accordance with the legal priorities of payments.

However, al. 5 of the same Article provides that such provisions do not impede the exercise by a creditor of its right of lien (*droit de rétention*) over the relevant assets. This provision, introduced by Ordinance N°2008-1345, reflects the position of the well-established case law whereby a pledgee benefiting from a "real" right of lien (*droit de rétention réel*) is entitled to receive full payment of its claim before releasing the relevant assets, notwithstanding the allocation process referred to above.

Before the introduction of Article L. 642-12 indent 5 in December 2008, the French Supreme Court had already affirmed, in cases involving a "real" right of lien (*droit de rétention réel*), the enforceability of the right of lien and subsequently the principle that a creditor having a right of lien over an asset included in a sale plan could be forced to release the asset that he legitimately retains only if fully paid of its claim and not by the payment of a mere portion of the sale price which would be allocated to such asset for the exercise of the creditor's right of preference.

Article L. 642-12 indent 5 of the French Commercial Code has not yet been tested in court, and there remains some lack of clarity as to what the import of the fictive right on lien would be in the context of a sale plan, or how practically it would be enforced. However, there are strong arguments to consider that the aforementioned principles set by case-law for the "real" right of lien, before the introduction of Article L. 642-12 indent 5, and confirmed by that new provision, should apply to a "fictive" right of lien as well, and in particular the right of lien attached to a pledge without dispossession.

In the event of liquidation proceedings (procédure de liquidation)

Although French law does not state it clearly, the drafting of Article L. 641-3 of the French Commercial Code indicates that in case of liquidation proceedings, the right of lien of the creditor over the property is not affected. In addition, pursuant to Article L. 642-20-1 indent 3 of the French Commercial Code, if the relevant property is assigned by the liquidator outside of a sale plan (plan de cession), the effect of the right of lien will be reported on the sale price. A logical consequence is that the creditor should be satisfied before any other creditor. In addition, the French Supreme Court recognised this right to the benefit of the creditor within the framework of a pledge governed by the 1953 Decree, in which the creditor was also granted a "fictive" right of lien.

Recovery and Resolution Proceedings

Mercedes-Benz Financial Services France being licensed as a credit institution (*établissement de crédit*) by the *Autorité de Contrôle Prudentiel et de Résolution* (the **ACPR**), is required to comply with specific rules of organisation, reporting requirements and regulatory ratios. In addition, the French Monetary and Financial Code provides that no insolvency proceedings may be opened by a court against a credit institution without having first obtained the opinion (*avis*) of the ACPR. The latter may also designate a provisional administrator (*administrateur provisoire*) or a liquidator (*liquidateur*) of its own, in addition to the administrator (*administrateur judiciaire*) or, as applicable, the liquidator (*liquidateur judiciaire*) designated by the relevant court.

As a result of Directive 2014/59/EU on Banking Recovery and Resolution Directive of 15 May 2014 (the **BRRD**), which became effective on 1 January 2015, it is possible that a credit institution or investment firm with its head office in an EEA state and/or certain group companies (such institution, investment firm or group company could encompass the Seller and Servicer or the Swap Counterparty) could be subject to certain resolution actions. Any such action may affect the ability of any relevant entity to satisfy its obligations under the Transaction Documents (including the Swap Agreement) and there can be no assurance that Class A Noteholders will not be adversely affected as a result.

On 23 November 2016, the European Commission presented a comprehensive package of reforms in order to further strengthen the resilience of banks resident in the European Union, to improve banks' lending capacity and to improve liquidity of the markets, including a proposal to amend the BRRD. To fast-track selected parts of the proposal, the Directive (EU) 2017/2399 amending the BRRD (the **BRRD Amending Directive**) as regards the ranking of unsecured debt instruments entered into force on 28 December 2017. At this stage it

can neither be predicted when and in which form the remaining parts of the proposal may be implemented, nor the impact of the BRRD Amending Directive and future amendments on the Noteholders.

The implementation of the BRRD in France was made by several legislative texts. The banking law dated 26 July 2013 regarding the separation and the regulation of banking activities (*Loi de séparation et de régulation des activités bancaires*) (the **Banking Law**) had anticipated the implementation of the BRRD and had introduced in the French Monetary and Financial Code Article L. 613-31-16 which allows the ACPR to exercise resolution powers when an institution is subject to a procedure relating to its recovery or resolution.

Ordinance no. 2015-1024 dated 20 August 2015 (*Ordonnance n° 2015-1024 du 20 août 2015 portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) (the **Ordinance**) published in the Official Journal on 21 August 2015 has introduced various provisions amending and supplementing the Banking Law to adapt French law to European Union legislation regarding financial matters. Many of the provisions contained in the BRRD were already similar in effect to provisions contained in the Banking Law. Decree no. 2015-1160 dated 17 September 2015 and three orders dated 11 September 2015 (*décret et arrêtés*) implementing provisions of the Ordinance regarding (i) recovery planning implementing Section A of the Annex of the BRRD, (ii) resolution planning implementing Section B of the Annex of the BRRD, and (iii) criteria to assess the resolvability of an institution or group implementing Section C of the Annex of the BRRD, were published on 20 September 2015, mostly to define implementing rules of the BRRD.

The Ordinance has been ratified by law no. 2016-1691 dated 9 December 2016 (*Loi n°2016-1691 du 9 décembre 2016 relative à la transparence, à la lutte contre la corruption et à la modernisation de la vie économique*) which also incorporates provisions which clarify the implementation of the BRRD.

French credit institutions (as the Seller and Servicer) must now comply at all times with minimum requirements for own funds and eligible liabilities (the **MREL**) under Article L. 613-44 of the French Monetary and Financial Code. The MREL is expressed as a percentage of total liabilities and equity of the institution and aims to prevent institutions to structure their commitments in a manner which could limit or prevent the effectiveness of the bail-in tools.

Implementation provisions of the BRRD in France include the bail-in tool and therefore the powers of reducing the principal, cancellation or conversion of subordinated notes. The SRB works in close cooperation with the ACPR, in particular in relation to resolution planning, and has assumed full resolution powers as from 1 January 2016, the contributions of the transfer conditions at the Single Resolution Fund being met by this date.

In addition, resolution measures may include (i) the suspension of payment obligations (Article L. 613-56-4 of the French Monetary and Financial Code) and (ii) the suspension of termination rights (Article L. 612-56-5 of the French Monetary and Financial Code) in relation to any contracts entered into by the credit institution. Such suspension takes effect from the day of publication by the ACPR of its decision until midnight on the business day following the day of publication of the ACPR's decision.

In this respect, it should be noted that, a counterparty under a contract benefiting from the regime of Articles L. 211-36 *et seq*. of the French Monetary and Financial Code which set out a number of rules which derogate from generally applicable French insolvency laws may not be entitled to exercise its acceleration and close-out netting rights thereunder on the sole ground of a resolution measure having been ordered by the ACPR.

It is not yet possible to assess the full impact of the BRRD or the provisions in the French Monetary and Financial Code implementing the BRRD in France on the Seller and Servicer and there can be no assurance that the fact of its implementation or the taking of any actions currently contemplated in it would not adversely affect the rights of the Issuer and, as a result the rights of the holders of Class A Notes, the price or value of their investment in the Class A Notes, the ability of Mercedes-Benz Financial Services France to satisfy its

obligations under the Transaction Documents to which it is a party and/or, as a consequence, the ability of the Issuer to satisfy its obligations under the Class A Notes.

Should a French credit institution which is a counterparty to the Issuer be or become at some point subject to the BRRD or the provisions in the French Monetary and Financial Code referred to in this Section, the above provisions would apply notwithstanding any provision to the contrary in the Transaction Documents, which may affect the enforceability of the Transaction Documents executed by such counterparty.

V. Risks relating to the structure

Conflicts of Interest

In connection with the Transaction, the Seller will also be acting as Servicer and Subordinated Lender and the Account Bank will also be acting as Paying Agent, Registrar Agent, Data Protection Agent and Custodian. These parties will have only the respective duties and responsibilities assumed by them under the Transaction Documents and will not, by virtue of their or any of their affiliates acting in any other capacity, be deemed to have any other duties or responsibilities or be deemed to be held to a standard of care other than those under each Transaction Document to which they are a party. All Transaction Parties (other than the Issuer) may enter into other business dealings with each other from which they may derive revenues and profits without any duty to account therefore in connection with the Transaction.

The Servicer may hold or service claims (for third parties) against the Obligors other than the Purchased Receivables.

The wider interests or obligations of the afore-mentioned parties may therefore conflict with the interests of the Noteholders.

The afore-mentioned parties may engage in commercial relations, in particular, be lender, provide general banking, investment and other financial services to the Obligors and other parties to Transaction.

In such relations, the afore-mentioned parties are not obliged to take into account the interests of the Noteholders. Accordingly, because of these other relations, potential conflicts of interest may arise in respect of Transaction.

Termination of Swap Agreement

The Swap Counterparty may terminate a Swap Agreement if, among other things, the Issuer fails to make a payment under the Swap Agreement when due and such failure is not remedied within the period of time specified in the relevant Swap Agreement, performance of the Swap Agreement becomes illegal, an Enforcement Event will occur, payments to the respective Swap Counterparty will be reduced or payments from the respective Swap Counterparty will be increased for a set period of time due to tax reasons or the Clean-Up Call is exercised. The Issuer may terminate a Swap Agreement if, among other things, such Swap Counterparty becomes Insolvent, such Swap Counterparty fails to make a payment under the Swap Agreement when due and such failure is not remedied within three (3) Business Days of notice of such failure being given, or performance of the Swap Agreement becomes illegal. The transaction under the Swap Agreement will terminate upon redemption of the Class A Notes in full.

The Issuer is exposed to the risk that a Swap Counterparty may become Insolvent or may suffer from a ratings downgrade. In the event that a Swap Counterparty suffers a ratings downgrade and ceases to be an Eligible Swap Counterparty, the Issuer may terminate the related Swap Agreement if such Swap Counterparty fails, within a set period of time, to take certain actions intended to mitigate the effects of such downgrade. Such actions could include such Swap Counterparty collateralising its obligations as a referenced amount calculated in accordance with a credit support annex to the 2002 ISDA Master Agreement, transferring its obligations to a replacement Swap Counterparty or procuring a guarantee. However, in the event such Swap Counterparty is

downgraded there can be no assurance that a guarantor or replacement Swap Counterparty will be found or that the amount of collateral will be sufficient to meet the Swap Counterparty's obligations.

Termination payment priorities and subordination

Generally, a swap transaction under a Swap Agreement may only be terminated early upon the occurrence of certain events of default or termination events set forth in such Swap Agreement.

In the event that a Swap Agreement is terminated by either party due to an event of default or a termination event, then depending upon the market value of the swap a termination payment may be due to the Issuer or to the Swap Counterparty. Any such termination payment could, if market interest rates and other conditions have changed materially, be substantial. Under certain circumstances, termination payments required to be made by the Issuer to such Swap Counterparty will rank higher in priority than all payments on the Class A Notes. In such event, the Purchased Receivables and the General Reserve may be insufficient to satisfy the required payments under the relevant Class A Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments due in respect of the Class A Notes.

If a Swap Agreement is terminated by either party or the Swap Counterparty becomes Insolvent, the Issuer may not be able to enter into a replacement Swap Agreement immediately or at all. To the extent a replacement swap is not on a timely basis entered into, the amount available to pay the principal of and interest under the Class A Notes will be reduced if the interest rates under such Class A Notes exceed the rate the Issuer would have been required to pay the Swap Counterparty under the terminated Swap Agreement. Under these circumstances the Purchased Receivables and the General Reserve may be insufficient to make the required payments on the Class A Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments on the Class A Notes.

In the event of the insolvency of a Swap Counterparty, the Issuer will be treated as a general creditor of such Swap Counterparty and is consequently subject to the credit risk of such Swap Counterparty. To mitigate this risk, under the terms of the Swap Agreement, the Swap Counterparty will be obliged to post collateral or take an alternative remedy in accordance with the terms of the Swap Agreement in the event that the relevant ratings of such Swap Counterparty fall below certain levels (which are set out in the Swap Agreement) while the Swap Agreement is outstanding. However, no assurance can be given that sufficient collateral will be available to the Swap Counterparty such that it is able to post collateral in accordance with the requirements of the relevant Swap Agreement or that the collateral will be posted on time in accordance with the relevant Swap Agreement. If the Swap Counterparty fails to post sufficient collateral, there is a risk that the Issuer will have insufficient funds to make payments on the Class A Notes.

In the event that the relevant ratings of the Swap Counterparty are below certain levels (which are set out in the Swap Agreement) while the Swap Agreement is outstanding, the Swap Counterparty will, in accordance with the terms of the applicable Swap Agreement, be required to elect to take certain remedial measures within the applicable time frame stipulated in the applicable 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 applicable Swap Agreement to be transferred to an entity which is an Eligible Swap Counterparty, procuring another entity which is an Eligible Swap Counterparty to become co-obligor or guarantor in respect of its obligations under the applicable Swap Agreement, or taking such other action as required to maintain or restore the rating of the Class A Notes. 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 which is an Eligible Swap Counterparty will be available to become a replacement swap counterparty, co-obligor or guarantor or that the Swap Counterparty will be able to take the requisite other action. If the remedial measures following a downgrade of the Swap Counterparty below the level of an Eligible Swap Counterparty are not taken within the applicable time frames, this will permit the Issuer to terminate the Swap Agreement early.

Insolvency proceedings and subordination of Swap Termination Payments

The Issuer Regulations provide that the termination payment due from the Issuer to the Swap Counterparty has a subordinated ranking in the applicable Priority of Payments in circumstances in which the Swap Agreement is terminated by reason of (i) an Event of Default (as defined in the Swap Agreement), where the Swap Counterparty is the Defaulting Party (as defined in the Swap Agreement) or (ii) the occurrence of an Additional Termination Event as defined in the Swap Agreement, where the Swap Counterparty is the sole Affected Party (as defined in the Swap Agreement).

Under French law, article L. 214-169, II. of the French Monetary and Financial Code states that the priority of payments applicable to a French securitisation fund are "binding on the unitholders, on the shareholders, on the debt holders of any category and on all other creditors which have accepted such rules, notwithstanding the opening against such parties of insolvency proceedings under the Book VI of the French Commercial Code or of any equivalent proceedings under foreign law."

There is however uncertainty internationally as to the validity of such provisions in the insolvency of a swap counterparty. Depending on the jurisdiction of incorporation of the swap counterparty (initial or substitute), uncertainty may therefore exist as to the validity of such provision in the insolvency of such swap counterparty.

The enforceability of a contractual provision which alters the priorities of payments to subordinate the claim of a Swap Counterparty (to the claims of other creditors of its counterparty) upon the occurrence of an insolvency of or other default by the Swap Counterparty (a so-called flip clause) has been challenged in the English and U.S. courts. The hearings have arisen due to the insolvency of a Swap Counterparty and have considered whether the payment priorities breach the "anti-deprivation" principle under English and U.S. insolvency law. This principle prevents a party from agreeing to a provision that deprives its creditors of an asset upon its insolvency. It was argued that where a secured creditor subordinates itself to the noteholders in the event of its insolvency, that secured creditor effectively deprives its own creditors. In England, the Court of Appeal in Perpetual Trustee Co Ltd & Anor v BNY Corporate Trustee Services Limited & Anor [2009] EWCA Civ 1160, dismissed this argument and upheld the validity of similar priorities of payment, stating that the anti-deprivation principle was not breached by such provisions.

The Supreme Court of the United Kingdom in Belmont Park Investments PTY Limited v BNY Corporate Trustee Services Limited & Anor [2011] UKSC 38 unanimously upheld the decision of the Court of Appeal in dismissing this argument and upholding the validity of similar priorities of payment, stating that, provided that such provisions form part of a commercial transaction entered into in good faith which does not have as its predominant purpose, or one of its main purposes the deprivation of the property of one of the parties on bankruptcy, the anti-deprivation principle was not breached by such provisions. However, the leading judgments delivered in the Supreme Court referred to the difficulties in establishing the outer limits of the anti-deprivation principle.

In parallel proceedings in New York, Judge Peck of the U.S. Bankruptcy Court for the Southern District of New York granted Lehman Brothers Special Finance Inc's motion for summary judgment on the basis that the effect was that the provisions do infringe the anti-deprivation principle in a U.S. insolvency. Judge Peck acknowledged that this resulted in the U.S. courts coming to a decision "directly at odds with the judgment of the English Courts". Whilst leave to appeal was granted, the case was settled before an appeal was heard. A subsequent 2016 U.S. Bankruptcy Court decision held that in certain circumstances flip clauses are protected under the Bankruptcy Code and therefore enforceable in bankruptcy. The 2016 decision was affirmed on 14 March 2018 by the U.S. District Court for the Southern District of New York, which 2018 decision was further affirmed on 11 August 2020 by the United States Court of Appeals for the Second Circuit.

If a provision of the Transaction Documents related to the subordination of payments due to the Swap Counterparty in case it were Insolvent or subject to insolvency proceedings were to be successfully challenged under the insolvency laws of any relevant jurisdiction, this may adversely affect the rights of the Noteholders, the ability of the Issuer to satisfy its obligations under the Class A Notes, the market value of the Class A Notes

and result in a negative rating pressure in respect of the Class A Notes. If any rating assigned to any of the Class A Notes is lowered, the market value of such Class A Notes may reduce.

VI. Legal and regulatory risks relating to the Purchased Receivables

Notice of assignment; defences of the Obligors

The assignment of the Purchased Receivables and the assignment and transfer of the Ancillary Rights and Related Security is in principle "silent" (i.e. without notification to the Obligors) and may only be disclosed to the relevant Obligors in accordance with the Servicing Agreement or where the Seller agrees to such disclosure otherwise. Until the relevant Obligors have been notified of the assignment of the relevant Purchased Receivables, they may pay with discharging effect to the Servicer or enter into any other transaction with regard to such Purchased Receivables with the Seller which will have binding effect on the Issuer and the Management Company. Furthermore, there is the possibility that, after the Cut-Off Date, Obligors may deposit funds with the Seller which funds they could use to exercise a right of set-off or counter-claim against the Purchased Receivables. Each Obligor may further raise defences against the Issuer and the Management Company arising from its relationship with the Seller which are existing or contingent at the time of the assignment of the Purchased Receivables. Furthermore, each Obligor is entitled to set-off against the Issuer and the Management Company the claims the Obligor has, if any, against the Seller unless such Obligor has knowledge of the assignment upon acquiring such claims or such claims become due only after the Obligor acquires such knowledge and after the relevant Purchased Receivables themselves become due. The afore-described risks are mitigated because, as of the Cut-Off Date, the Seller represents and warrants to the Issuer that each Receivable is owned by the Seller free of third party rights, including any set-off rights, any defence, retention or revocation rights of the relevant Obligor. Furthermore, it is an Eligibility Criterion that as of the Cut-Off Date no Obligor shall have deposited funds with the Seller.

In the case of any misrepresentation of the Seller or the breach of the Eligibility Criterion that, as of the Cut-Off Date, no Obligor shall have deposited funds with the Seller, Noteholders may become exposed to the credit risk of the Seller. See "Reliance on Eligibility Criteria" above.

Data protection

According to Article L. 511-33 of the French Monetary and Financial Code, any credit institution operating in France is required to keep confidential all customer-related facts and information which it receives in the course of its business relationship (including in connection with the entry into a loan agreement) (the **Protected Data**). However, Article L. 511-33 of the French Monetary and Financial Code also provides for certain exceptions to this principle; in particular, credit institutions are allowed to transfer information covered by banking secrecy to third parties in a limited number of cases, among which for the purpose of a transfer of receivables, provided that such third party shall keep the relevant information confidential. Accordingly, the rules applicable to banking secrecy would not prevent the Seller from transferring to the Issuer Protected Data regarding the Obligors in connection with the transaction contemplated by the Transaction Documents.

Under French law No. 78-17 of 6 January 1978 (as amended) relating to the protection of personal data (*Loi relative à l'informatique, aux fichiers et aux libertés*) (the **Data Protection Law**) and the EU Regulation (EU) 2016/679 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, and repealing Directive 95/46/EC (General Data Protection Regulation – **GDPR**), the processing of personal data relating to natural persons must comply with certain principles and requirements.

Pursuant to the Transaction Documents, personal data regarding the Obligors will be set out under encrypted documents. Pursuant to the Data Protection Agency Agreement, the key (the **Decryption Key**) to decrypt such encrypted documents will be delivered on or prior to the Issue Date at the premises of the Data Protection Agent and will only be released to the Management Company or the person designated by it in limited circumstances and in compliance with data protection provisions expressly set out under the Data Protection Agency Agreement.

These arrangements, which prevent the Management Company from having access to personal data unless some predefined events occur, are market practice in French securitisation transactions involving personal data. The validity and efficiency of the arrangements set out in the Data Protection Agency Agreement rely in particular on the fact that the encryption of the data prevents the Management Company from having direct access to or directly processing personal data and therefore ensuring a certain level of security for such data.

However, according to the working party on the protection of individuals with regard to the processing of personal data set up by Directive 95/46/EC of 24 October 1995, now the European Data Protection Board (**EDPB**), state-of-the-art encryption can ensure that data is protected to a higher degree but it does not necessarily result in anonymisation of data within the meaning of the GDPR, as extra technical and operational steps should be taken in order to consider the dataset as anonymised (Opinion 05/2014 on anonymisation techniques). To anonymise any personal data, the data must be stripped of sufficient elements such that the data subject can no longer be identified and be processed in such a way that it can no longer be used to identify a natural person by using "*all the means likely reasonably to be used*" by either the controller or a third party. It is therefore likely that encryption techniques as contemplated in the Data Protection Agency Agreement are to be considered as insufficient to be qualified as true anonymisation techniques within the meaning of the GDPR and therefore oblige the relevant parties to comply with their respective data protection obligations as at the moment they are provided with data encrypted further to the above-mentioned processes.

From completion of the Transaction, the Management Company qualifies as the data controller with regard to the processing of data subjects' personal data (i.e. name and address of the Obligors who are individuals) and will have to support the underlying requirements set out under the Data Protection Law and the GDPR. In particular, the data controller must provide the Obligors with mandatory information related to the collection and the processing of their personal data (if any). In the case of the transactions contemplated in this Prospectus, when the Management Company will be required to decrypt the encrypted file, the Obligors will be informed of the new data recipient category, namely, the Management Company and/or the Custodian, and of the purposes of this processing within one month after decryption of the Obligors' encrypted documents. As the encryption is not considered by the EDPB as an anonymisation technique within the meaning of the GDPR (see the paragraph above) and the transfer of the encrypted data to the Management Company and/or the Custodian may qualify, as such, as a processing of personal data triggering the information obligation set out under article 14 of the GPDR, possible legal issues and operational constraints may arise.

For the purpose of accessing the encrypted data provided by the Seller to the Issuer under the Transaction Documents and notifying the Obligors (as the case may be), the Management Company (or any person appointed by it) will need the Decryption Key, which will not be in its possession but under the control of BNP Paribas Security Services , in its capacity as Data Protection Agent (to the extent it has not been replaced). Accordingly, there cannot be any assurance, in particular, as to:

(a) the possibility to obtain in practice such Decryption Key and to read the relevant data; and

(b) the ability in practice of the Management Company (or any person appointed by it) to obtain such data in time for it to validly implement the procedure of notification of the Obligors (as the case may be) before the corresponding Purchased Receivables become due and payable (and to give the appropriate payment instructions to the Obligors).

The risk that the Management Company does not obtain the Decryption Key is reduced by the right of the Management Company to terminate at any time, subject to a prior notice of thirty (30) days, the appointment of the Data Protection Agent and appoint a suitable substitute data protection agent, provided that:

(a) such substitution shall not result in the downgrading of the then current rating of the Class A Notes; and

(b) this will not affect the data encryption as described above.

Prepayment of loans and lease contracts

The average life of the Class A Notes may be affected by an increase of the level of prepayments or the occurrence of any Issuer Event of Default.

In particular, faster than expected rates of prepayments on the Purchased Receivables will cause the Issuer to make payments of principal on the Class A Notes earlier than expected and will shorten the maturity of the Class A Notes. Prepayments on the Purchased Receivables may occur as a result of (i) prepayments of Purchased Receivables by Obligors in whole or in part, (ii) liquidations and other recoveries due to default, (iii) receipts of proceeds from claims on any physical damage, credit life or other insurance policies covering the Vehicles or the Obligors and (iv) repurchases of Receivables by the Seller. A variety of economic, social and other factors will influence the rate of prepayments on the Purchased Receivables, including marketing incentives offered by vehicle manufacturers. No prediction can be made as to the actual prepayment rates that will be experienced on the Purchased Receivables.

If principal is paid on the Class A Notes earlier than expected due to prepayments on the Purchased Receivables (such prepayments occurring at a time when interest rates are lower than interest rates that would otherwise be applied if such prepayments have not been made or made at a different time), Noteholders may not be able to reinvest the principal in a comparable security with an effective interest rate equivalent to the interest rate on the Class A Notes. Similarly, if principal payments on the Class A Notes are made later than expected due to slower than expected prepayments or payments on the Purchased Receivables, Noteholders may lose reinvestment opportunities. Noteholders bear all reinvestment risk resulting from receiving payments of principal on the Class A Notes earlier or later than expected.

French consumer legislation – Generality

The provisions of the French Consumer Code on consumer loan contracts apply to all Purchased Receivables arising under Lease Agreements and Loan Agreements qualifying as consumer loan contracts (i.e. loans of between €200 and €75,000 granted to individuals, whether free of interest or with interest, to be reimbursed in instalments of a duration exceeding three months and to the exclusion of loans dedicated to finance the acquisition of real estate or mortgage loans). Pursuant to Article L. 312-2 of the French Consumer Code, Lease Agreements with purchase option are considered as consumer credits and thereby subject to the corresponding provisions of the French Consumer Code. Hence the Lease Agreements and Loan Agreements, granted to retail customers, qualify as consumer loan contracts which are linked to the relevant sales contract relating to the acquisition or the lease of a Vehicle.

The French Consumer Code, *inter alia*, (i) obliges lenders or lessors under consumer law contracts to provide certain information to borrowers or lessees that are consumers and to grant time to the consumer before the entry into of a credit transaction is definitive and (ii) sets out detailed formal rules with regard to the contents of the credit contract. These rules were significantly amended following a reform of consumer credit in France in 2010 (Law 2010-737 of 1 July 2010), implementing a 2008 European Directive enhancing transparency and consumer rights in the field of consumer credit. In addition, certain provisions of the French Civil Code apply to the conditions of validity of the electronic signature, which is relevant in the context of a portion of Lease Agreements and Loan Agreements.

Some of these provisions are subject to interpretation. As the consumer credit reform only entered into force on 1 May 2011, there is currently little case law (i) giving indications on how these particular rules should be interpreted, (ii) what should be done in practice to comply with these rules and (iii) how sanctions would apply. The Seller has taken into account those new rules and their subsequent amendment for drafting its standard form of Lease Agreements and Loan Agreements in use since 1 May 2011, according to its best interpretation of these rules. However, such construction of these rules remains subject to any competent court's construction. There is also limited case law relating to electronic signature.

Infringement of those rules could lead to the full deprivation of all the credit interests (i.e. in accordance with case law, the credit could be granted free of interest from the date of the initial subscription by the consumer

to the day of formal notice (*mise en demeure*) served by the lender and then, as from the day of such formal notice, subject to the legal interest rate, as opposed to the contractual interest rate). Although the European Court of Justice deemed that such sanction was not in line with Directive 2008/48/EU of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC [ECJ, 27 March 2014, C-565/12]. Infringement of rules relating to electronic signatures could render the relevant Lease Agreement or Loan Agreement void. However, under the Receivables Purchase Agreement, the Seller will represent and warrant that the Lease Agreements and Loan Agreements relating to the Purchased Receivables fulfil the relevant formal requirements of applicable French consumer credit legislation. In addition, the Seller will be obliged pursuant to the Receivables Purchase Agreement to indemnify the Issuer in the event that any Lease Agreement or Loan Agreement was not originated in compliance with applicable French consumer credit legislation and other laws applicable and the Seller does not (or cannot) remedy any such non-compliance.

French consumer legislation – Unfair contract terms (clauses abusives)

The provisions of the French Consumer Code on unfair contract terms (*clauses abusives*) may also apply to Lease Agreements and Loan Agreements. In this context, an unfair contract term (*clause abusive*) is a term that creates a significant imbalance between the rights and obligations of the parties to the detriment of the consumer.

The French Consumer Code sets out a non-exhaustive list of clauses that are presumed to be unfair:

(a) the "black list" relates to provisions that are always considered as unfair (i.e. the consumer does not have to establish that those provisions are indeed unfair); and

(b) there is a presumption that provisions included in the "grey list" are unfair, and the burden of proof that such clauses are not unfair falls on the professional.

In addition, the French Unfair Terms Committee (*Commission des clauses abusives*) regularly publishes recommendations listing provisions which, according to such committee, should be regarded as unfair terms. However, French courts are not bound by those recommendations. In any event, whether a provision is to be considered as an unfair term is determined, on a case by case basis, by the courts. The assessment of the unfairness of a contractual provision cannot relate to the remuneration of the lessor or the definition of the main purpose of the contract to the extent that such provision is stated in a clear and understandable manner.

If any Lease Agreement or Loan Agreement contains an unfair contract term (e.g., provisions relating to the method of payment by way of debit of the Lessees' bank account or certain calculations of the indemnity in case of the default of the relevant Obligor), such term will be deemed "unwritten" (*réputée non écrite*) and is accordingly ineffective. The other provisions of such Lease Agreement or Loan Agreement, as applicable, shall remain valid to the extent such Lease Agreement or Loan Agreement may operate without the relevant unfair term.

If any unfair term is included in the aforementioned "black list", the Seller may also be sanctioned by an administrative fine, an injunction to remove the relevant clauses from its terms and conditions and by publicity measures (by way of publication in newspapers, electronic means or billboard display).

In addition, Article 1171 of the French Civil Code, which was newly introduced by Ordinance n° 2016-131 of 10 February 2016, and is a rule of public policy, deems as "unwritten" any non-negotiable clause which is fixed in advance by one of the parties contained in an adherence contract (*contrat d'adhésion*) and which creates a significant imbalance between the parties' respective rights and obligations (but the evaluation of any such imbalance does not extend to the main contract object itself or the adequacy of the consideration payable relative to the goods or services provided), regardless as to whether the contract is entered into with a consumer or not. Pursuant to Article 1110 of the French Civil Code, an adhesion contract is one whose general terms and conditions are fixed in advance by one party and not open to negotiation and it cannot be excluded that the Lease Agreement or Loan Agreement, as applicable, might be considered to qualify as such. For the purpose of the assessment of whether a clause creates an imbalance within the meaning of Article 1171, there is no

similar list as set out in the French Consumer Code in so far as regards unfair contract terms (*clauses abusives*) and, at the date of this Prospectus, it remains uncertain how a judge would make such assessment.

These risks are mitigated by the fact that the Eligibility Criteria require that each Lease Agreement and each Loan Agreement was entered into in accordance with the applicable provisions of the French Consumer Code and all other applicable legal and regulatory provisions (which include the rules relating to electronic signature).

Failure to comply with such Eligibility Criteria will constitute a breach of the representation made and warranty given by the Seller and will result in the rescission of the sale of the affected Purchased Receivables. See the Sections entitled "Description of the Portfolio – Loan Receivables – Loan Receivables Eligibility Criteria" and "Description of the Portfolio – Lease Series of Receivables – Lease Series of Receivables Eligibility Criteria".

French consumer legislation – Others

Furthermore, under the French consumer credit legislation, the Lessees and the Borrowers which are *consommateurs* (consumers) for the purposes of the French Consumer Code are entitled, in certain circumstances and subject to certain conditions, to request from the over-indebtedness commission (*commission de surendettement*) and/or competent tribunals and courts a moratorium, rescheduling and/or reduction of the debt (including a reduction in the applicable interest rate) or, in certain cases the outright cancellation (*effacement*) of all of their debts.

In addition, the decision on admissibility of the over-indebtedness request by the over-indebtedness commission triggers a stay in proceedings up to two years, which prevents the enforcement of a pledge over a motor vehicle (*gage sur véhicule automobile*) and may affect the enforcement of the retention of title.

The application of the above measures and sanctions in favour of the relevant Lessees and Borrowers would lead to a reduction in the amount to be collected by the Issuer under the Receivables and could result in the Class A Noteholders to suffer from a risk of principal loss and/or a reduction on the yield thereunder.

Excessive security

Pursuant to Article L. 650-1 of the French Commercial Code, a creditor may be held liable towards an insolvent debtor for any damage deriving from the credit granted by it to such debtor if the Security Interest securing such credit is disproportionate (*disproportionné*) compared to that credit. In such case, such Security Interest can be declared null and void or reduced by a judge.

Change of law

The underlying Loan Agreements and Lease Agreements, the Issuer Regulations, the Receivables Purchase Agreement and the other Transaction Documents and the issue of the Notes, as well as the ratings which are to be assigned to the Class A Notes are based on the law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible change of law or its interpretation or administrative practice after the date of this Prospectus.

In particular, Ordinance no. 2017-1432 dated 4 October 2017 regarding the modernisation of the legal framework of asset management and debt financing has introduced certain changes to the provisions governing French securitisation vehicles governing the terms of the appointment and the role of custodians of *fonds communs de titrisation* which came into force on 1 January 2020; however, the implementing provisions of the AMF General Regulation have not yet been enacted. The terms of the appointment of the Custodian may therefore need to be amended to reflect the exact regime applicable to such appointment which will derive from such amendments to the AMF General Regulation. Although the Management Company and the Custodian have agreed pursuant to the provisions of the Custodian Agreement to cooperate in good faith to implement such changes, there is no certainty as to how easily such changes will be implemented. In addition,

these amendments may trigger an increase in the fees and costs payable by the Issuer, in particular to the Custodian.

Force Majeure

Article 1218 of the French Civil Code defines a force majeure event in contractual matters as an event beyond the debtor's control which could not be reasonably foreseen at the time when the contract was entered into and the effects of which cannot be avoided by appropriate measures, and which prevents the performance of its obligation by the debtor.

In accordance with said article 1218 of the French Civil Code, the performance of the obligations of a debtor may be temporarily suspended in case of occurrence of temporary force majeure event unless the resulting delay would justify the termination (*résolution*) of the contract, and a contract may be automatically terminated (*résolu de plein droit*) if the performance of the obligation of the debtor is definitely rendered impossible.

The occurrence of *force majeure events* may lead to a reduction on, or delay to or misallocation of, the payments received from the Obligors or result in the suspension of the obligations of the parties under the Transaction Documents, which may adversely affect the ability of the Issuer to make payments of principal and interest in respect of the Notes (including the Class A Notes).

VII. Legal and regulatory risks relating to the Class A Notes

No Regulation of Issuer by Regulatory Authority

The Issuer is not required to be licensed or authorised under any current securities, commodities or banking laws of its jurisdiction of incorporation. There is no assurance, however, that regulatory authorities in one or more jurisdictions would not take a contrary view regarding the applicability of any such laws to the Issuer. The taking of a contrary view by such regulatory authority could have an adverse impact on the Issuer or the holders of Class A Notes.

An investment in any Class A Notes does not have the status of a bank deposit and is not within the scope of any deposit protection scheme.

Forecasts and Estimates

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.

Risk retention and due diligence requirements

Investors, to which the Securitisation Regulation is applicable, should make themselves aware of the requirements of Article 5 of the Securitisation Regulation, in addition to any other regulatory requirements applicable to them with respect to their investment in the Class A Notes.

The Securitisation Regulation replaced the former risk retention requirements by one single provision, Article 6 of the Securitisation Regulation, which provides for a new direct obligation on originators to retain risk. Article 5(1)(c) of the Securitisation Regulation requires institutional investors as defined in Article 2(12) of the Securitisation Regulation (which term also includes an insurance or reinsurance undertaking as defined in the Solvency II Regulation and an alternative investment fund manager as defined in the AIFM Regulation) to verify that, if established in the European Union, the originator, sponsor or original lender retains on an ongoing basis a material net economic interest in accordance with Article 6 of the Securitisation Regulation and the risk retention is disclosed to the institutional investor in accordance with Article 7(1)(e) of the Securitisation Regulation.

The Seller, as Class B Notes and Residual Units Subscriber, will covenant with the Issuer and the Management Company under the Class B Notes and Residual Units Subscription Agreement that it will, as originator for the purposes of the Securitisation Regulation, retain, for the life of the Transaction, a material net economic interest of at least 5% in the securitisation, as required by Article 6 of the Securitisation Regulation (which does not take into account any relevant national measures). As of the Issue Date, such interest will, in accordance with Article 6(3)(d) of the Securitisation Regulation, be retained through the holding of the Class B Notes. Any change to the manner in which such interest is held will be notified to investors.

The outstanding balance of the retained exposures may be reduced over time by, amongst other things, amortisation and allocation of losses or defaults on the underlying Purchased Receivables. The Monthly Investor Reports will also set out monthly confirmation as to the Seller continued holding of the original retained exposures.

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

Article 5 of the Securitisation Regulation places an obligation on institutional investors (as defined in the Securitisation Regulation) before investing in a securitisation and thereafter, to analyse, understand and stress test their securitisation positions and monitor on an ongoing basis in a timely manner performance information on the exposures underlying their securitisation positions. After the Issue Date, the Seller in its capacity as originator and designated reporting entity under Article 7 of the Securitisation Regulation, will prepare Monthly Reports wherein relevant information with regard to the Purchased Receivables will be disclosed publicly together with an overview of the retention of the material net economic interest by the Seller in accordance with Article 7 of the Securitisation Regulation.

Where the relevant retention requirements are not complied with in any material respect and there is negligence or omission in the fulfilment of the due diligence obligations on the part of a credit institution that is investing in the Class A Notes, a proportionate additional risk weight of no less than 250 per cent. of the risk weight (with the total risk weight capped at 1250 per cent.) which would otherwise apply to the relevant securitisation position will be imposed on such credit institution, progressively increasing with each subsequent infringement of the due diligence provisions.

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

Following the issuance of Class A Notes, relevant investors, to which the Securitisation Regulation is applicable, are required to independently assess and determine the sufficiency of the information described above for the purposes of complying with Article 5 of the Securitisation Regulation.

Noteholders should take their own advice and/or seek guidance from their regulator on compliance with, and the application of, the provisions of Article 6 of the Securitisation Regulation in particular.

Securitisation Regulation and simple, transparent and standardised securitisation

On 17 January 2018, as part of the implementation of the European Commission's Action Plan on Building a Capital Markets Union, Regulation (EU) 2017/2402 (the **Securitisation Regulation**) came into force.

Although the Transaction has been structured to comply with the requirements for simple, transparent and standardised securitisations transactions as set out in Articles 20, 21 and 22 of the Securitisation Regulation, the Transaction will be verified by Prime Collateralised Securities (PCS) EU SAS on the Issue Date, there can be no guarantee that it maintains this status throughout its lifetime. Noteholders and potential investors should verify the current status of the Transaction on the website of ESMA.

Non-compliance with such status may result in higher capital requirements for investors as an investment in the Class A Notes would not benefit from Articles 243, 260, 262 and 264 of the CRR. Furthermore, following STS classification, any non-compliance could result in various administrative sanctions and/or remedial measures being imposed on the Issuer which may be payable or reimbursable by the Issuer. As the Priority of Payments does not foresee a reimbursement of the Issuer for the payment of any of such administrative sanctions and/or remedial measures, the repayment of the Class A Notes may be adversely affected. As the STS status of the Transaction as described in this Prospectus is not static, investors should verify the current status of the Transaction on the ESMA website.

On 28 December 2017 Regulation (EU) 2017/2401 amending Regulation (EU) 575/2013 was published in the Official Journal of the European Union which implements the revised securitisation framework developed by Basel Committee on Banking Supervision into the CRR (the **CRR Amendment Regulation**).

Notably, the risk weights applicable to securitisation exposures for credit institutions and investment firms will in general substantially increase under the new securitisation framework implemented under the CRR Amendment Regulation and the Securitisation Regulation and these new risk weights apply since 1 January 2019 or since 1 January 2020, depending on the features of the particular securitisation exposure.

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

Basel Capital Accord and regulatory capital requirements

The European authorities have now incorporated the Basel III framework into EU law, primarily through 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 Directive 2006/48/EC and 2006/49/EC (Capital Requirements Directive – the **CRD**), as amended by Directive (EU) 2019/878 of 20 May 2019 (the **CRD V**), and the CRR, as amended by Regulation (EU) 2019/876 of 20 May 2019 (the **CRR II**). The changes under CRD V and CRR II which recently entered into force may have an impact on the capital requirements in respect of the Class A Notes and/or on incentives to hold the Class A Notes for investors that are subject to requirements that follow the relevant framework and, as a result, may affect the liquidity and/or value of the Class A Notes.

Additionally, Regulation (EU) No 2015/61 of 10 October 2014 (the **LCR Regulation**) sets out assumed asset inflow and outflow rates to better reflect actual experience in times of stress. On 19 November 2018, Delegated Regulation (EU) 2018/1620 amending the LCR Regulation (the **Delegated Regulation**) entered into force, pursuant to which, *inter alia*, (i) the calculation of the expected liquidity outflows and inflows on repurchase agreements, reverse repurchase agreements and collateral swaps shall be aligned with the international liquidity standard developed by Basel Committee on Banking Supervision; (ii) the treatment of certain reserves held with third-country central banks shall be amended and (iii) transactions exposures of securitisations, which qualify as simple, transparent and standardised securitisations in accordance with the Securitisation Regulation, shall qualify as Level 2B high quality liquid assets, if they additionally fulfil the conditions laid down in Article 13 of the LCR Regulation. The Delegated Regulation will apply as from 30 April 2020.

The above changes to the CRD, the LCR Regulation and the Delegated Regulation may have negative implications on the cost of regulatory capital for certain investors and thereby on the overall return from an investment in the Class A Notes and the liquidity of the Class A Notes. Therefore, investors should consult their own advisers as to the regulatory capital requirements in respect of the Class A Notes and as to the

consequences to and effect on them of any changes by the CRD V and CRR II in particular and the relevant implementing measures. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

There can be no guarantee that the regulatory capital treatment of the Class A Notes for investors will not be affected by any future implementation of and changes to the CRD V, or other regulatory or accounting changes.

U.S. Risk Retention

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 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 Prospectus as **Risk Retention U.S. Persons**); (3) neither the sponsor nor the Issuer of the 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 Class A 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. Each purchaser of the Notes or a beneficial interest therein acquired in the initial syndication of the Notes by its acquisition of the Notes or a beneficial interest therein, will be deemed to have made certain representations and agreements, including that it (1) is not a Risk Retention U.S. Person, (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note or a beneficial interest therein, and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of 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 Class A 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 Class A 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 Class A Notes.

None of the Arranger, the Joint Lead Managers and the Managers or any of their respective affiliates makes any representation to any prospective investor or purchaser of the Class A 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 Issue 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.

Volcker Rule may restrict the ability of any prospective purchaser to invest in the Class A Notes

The Volcker Rule generally prohibits "banking entities" (which is broadly defined to include U.S. banks and bank holding companies and many non-U.S. banking entities, together with their respective subsidiaries and other affiliates) from (i) engaging in proprietary trading, (ii) acquiring or retaining an ownership interest in or sponsoring a "covered fund" and (iii) entering into certain relationships with such funds. The Issuer is of the view that it is not now, and immediately after giving effect to the offering and sale of the Notes and the Residual Units and the application of the proceeds thereof on the relevant Issue Date will not be a "covered fund" for the purposes of the Investment Company Act and under the Volcker Rule and its related regulations. In forming

such a view, the Issuer has relied on the determination that it would satisfy all of the elements the loan securitization exemption under Section 10(c)(8) of the Volcker Rule. Any prospective investor in the Class A Notes or the Residual Units, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisers regarding such matters and other effects of the Volcker Rule.

Risks from Reliance on verification by Prime Collateralised Securities (PCS) EU SAS

Prime Collateralised Securities (PCS) EU SAS (**PCS**) has been authorised by the *Autorité des Marchés Financiers* as third party verification agent pursuant to Article 28 of the Securitisation Regulation (Regulation (EU) 2017/2402) (the **Securitisation Regulation**). PCS grants a verification label 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 **STS Requirements**). 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 PCS 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 PCS shall not affect the obligations imposed on institutional investors as set out in Article 5 of the Securitisation Regulation. Notwithstanding confirmation by PCS which verifies compliance of a securitisation with the STS Requirements, such verification by PCS does not ensure the compliance of a securitisation with the general requirements of the Securitisation Regulation.

(For a more detailed explanation see the Section entitled "Verification by PCS".)

PCS has carried out no other investigations or surveys in respect of the issuer or the notes concerned other then as such set out in PCS'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, PCS has not provided any form of advisory, audit or equivalent service to the issuer.

Investors should therefore not evaluate their notes investments on the basis of this certification.

Impact of recent derivative reforms on the Swap Agreement

As noted above, the Class A Notes will have the benefit of certain derivative instruments, namely the derivative instruments governed by the provisions of the Swap Agreement in respect of the relevant class of Class A Notes as further described in the Section entitled "Overview of the Transaction Documents – Swap Agreement". In this regard, it should be noted that the derivatives markets are subject to extensive and recently implemented regulation in a number of jurisdictions, including in Europe pursuant to 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 modified by Regulation (EU) No 019/834 of the European Parliament and of the Council of 20 May 2019 and by Regulation (EU) No 2019/2099 of the European Parliament and of the Council of 23 October 2019 (EMIR) and in the U.S. under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

It is possible that such regulation will increase the costs of and restrict participation in the derivatives markets, thereby increasing the costs of engaging in hedging or other transactions and reducing liquidity and the use of the derivatives markets. If applicable in the context of the swap agreements, such additional requirements, corresponding increased costs and/or related limitations on the ability of the Issuer to hedge certain risks may reduce amounts available to the Issuer to meet its obligations and may result in investors' receiving less interest or principal than expected.

With respect to the risks referred to above, see also "Impact of EMIR on the Swap Agreement" below for further details.

Impact of EMIR on the Swap Agreement

EMIR (as amended by Regulation (EU) No 2019/834 (**EMIR Refit 2.1**) and by Regulation (EU) No 2019/2099 (**EMIR 2.2**)) prescribes a number of regulatory requirements for counterparties to derivatives contracts including (i) a mandatory clearing obligation for certain classes of OTC derivatives contracts (the **Clearing Obligation**); (ii) collateral exchange, daily valuation and other risk mitigation requirements for OTC derivatives contracts not subject to clearing (the **Risk Mitigation Requirements**); and (iii) certain reporting requirements. In general, the application of such regulatory requirements in respect of the Swap Agreement will depend on the classification of the counterparties to such derivative transactions.

Pursuant to EMIR, counterparties can be classified as: (i) financial counterparties (FCs), and (ii) non-financial counterparties (NFCs). The category of "NFC" is further split into: (i) non-financial counterparties above the "clearing threshold" (NFC+s), and (ii) non-financial counterparties below the "clearing threshold" (NFC-s). Whereas FCs and NFC+ entities may be subject to the Clearing Obligation or, to the extent that the relevant swaps are not subject to clearing, to the collateral exchange obligation and the daily valuation obligation under the Risk Mitigation Requirements, such obligations do not apply in respect of NFC- entities.

The Issuer is currently an NFC-, although a change in its position cannot be ruled out. Should the status of the Issuer change to NFC+ or FC, this may result in the application of the Clearing Obligation or the collateral exchange obligation under the Risk Mitigation Requirements, although it seems unlikely that any of the swap agreements would be a relevant type of OTC derivative contract that would be subject to the Clearing Obligation under the relevant implementing measures made to date.

It should also be noted that the collateral exchange obligation should not apply in respect of Swap Agreement entered into prior to the relevant application date, unless such a swap is materially amended on or after that date.

It should also be noted that, given the intention to seek the STS designation for the Class A Notes, should the status of the Issuer change to NFC+ or FC, another exemption from the Clearing Obligation and a partial exemption from the collateral exchange obligation may be available for the Swap Agreement, provided the applicable conditions are satisfied. With regard to the latter, please refer to the Section entitled "Overview of the Transaction Documents – Swap Agreement".

Prospective investors should note that there is some uncertainty with respect to the ability of the Issuer to comply with the Clearing Obligation and the collateral exchange obligation were they to be applicable, which may (i) lead to regulatory sanctions, (ii) adversely affect the ability of the Issuer to continue to be party to a swap agreement (possibly resulting in a restructuring or termination of the swap) or to enter into swap agreements and/or (iii) significantly increase the cost of such arrangements, thereby negatively affecting the ability of the Issuer to hedge certain risks. As a result, the amounts available to the Issuer to meet its obligations may be reduced, which may in turn result in investors' receiving less interest or principal than expected.

Eurosystem eligibility

The Class A Notes are intended upon issue to be deposited with one of Euroclear or Clearstream, Luxembourg as Common Safekeeper but it does not necessarily mean that such Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem (**Eurosystem eligible collateral**) either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. None of the Issuer, any Seller or the Arranger gives any representation, warranty, confirmation or guarantee to any investor in the Class A Notes that the Class A Notes will, either upon issue or at any time prior to redemption in full, satisfy all or any of the requirements for Eurosystem eligibility and be recognised as Eurosystem eligible collateral. Any potential investor in the Class A Notes should make their own conclusions and seek their own advice with respect to whether or not the Class A Notes constitute Eurosystem eligible collateral.

VIII. Risks relating to taxation

The Common Reporting Standards

Directive 2014/107/EU of 9 December 2014 (**DAC II**), amending Directive 2011/16/EU on Administrative Cooperation in the Field of Taxation, implements the Common Reporting Standard (**CRS**) in a European context and creates a mandatory obligation for all EU Member States to exchange financial account information in respect of residents in other EU Member States on an annual basis.

EU Directive 2018/822 of 25 May 2018 (commonly known as **DAC VI**), amending Directive 2011/16/EU on Administrative Cooperation in the Field of (direct) Taxation, introduces a mandatory disclosure regime for potentially aggressive tax planning arrangements and subsequent automatic exchange of the disclosed information between EU Member States. DAC VI lists a series of characteristics or features that indicate a potential risk of tax avoidance ('hallmark'). DAC VI imposes an obligation on 'intermediaries' located in the EU such as tax advisors, accountants, lawyers, banks and financial advisors who are involved in the design, marketing or the implementation of arrangements that include one of the hallmarks to file a report on the relevant transaction with their local tax authorities. If the intermediary is located outside the EU or is bound by legal professional privilege, the obligation to report may pass to the relevant taxpayer.

For the purposes of complying with its obligations under CRS, DAC II and DAC VI, if any, the Issuer shall be entitled to require Noteholders to provide any information regarding their and, in certain circumstances, their controlling persons' tax status, identity or residence in order to satisfy any reporting requirements which the Issuer may have as a result of CRS, DAC II and DAC VI and Noteholders will be deemed, by their holding, to have authorised the automatic disclosure of such information by the Issuer (or any nominated service provider) or any other person to the relevant tax authorities who will exchange the information with the tax authorities of other participating jurisdictions, as applicable. Failure by the Issuer to comply with its CRS, DAC II and DAC VI obligations, if any, may result in the Issuer being deemed to be non-compliant in respect of its CRS obligations and monetary penalties may be imposed as a result under applicable law. Such monetary penalties may lead to an inability of the Issuer to pay fully or partially interest on the Class A Notes and or to redeem part or all of the Class A Notes.

Financial Transaction Tax

On 14 February 2013, the European Commission published a proposal (the **Commission's Proposal**) for a Directive for a common financial transaction tax (**FTT**) in Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia and Spain (the **participating Member States**). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Class A Notes (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Class A Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate and/or other participating Member States may decide to withdraw.

At the ECOFIN Council meeting of 14 June 2019, a state of play of the work on the FTT was presented on the basis of a note prepared by Germany on 7 June 2019 indicating a consensus among the participating Member

States (excluding Estonia) to continue negotiations on the basis of a joint French-German proposal based on the French financial transactions tax model which in principle would only concern shares of listed companies whose head office is in a member state of the European Union. However, such proposal is still subject to change until a final approval.

Withholding Tax under the Class A Notes

In the event that withholding taxes are imposed in respect of payments to Class A Noteholders of amounts due pursuant to the Class A Notes, the Issuer is not obliged to gross-up or otherwise compensate the Class A Noteholders for the lesser amounts the Class A Noteholders will receive as a result of the imposition of withholding taxes (see the Section entitled "Taxation" for a summary of certain withholding tax considerations in relation to the Class A Notes).

Withholding Tax in relation to the Purchased Receivables

In the event that withholding taxes are imposed in respect of payments to the Issuer from the Obligors, the Obligors are not required under the terms of the relevant Lease Agreement or Loan Agreement to gross-up or otherwise compensate the Issuer for the lesser amounts which the Issuer will receive as a result of the imposition of such withholding taxes.

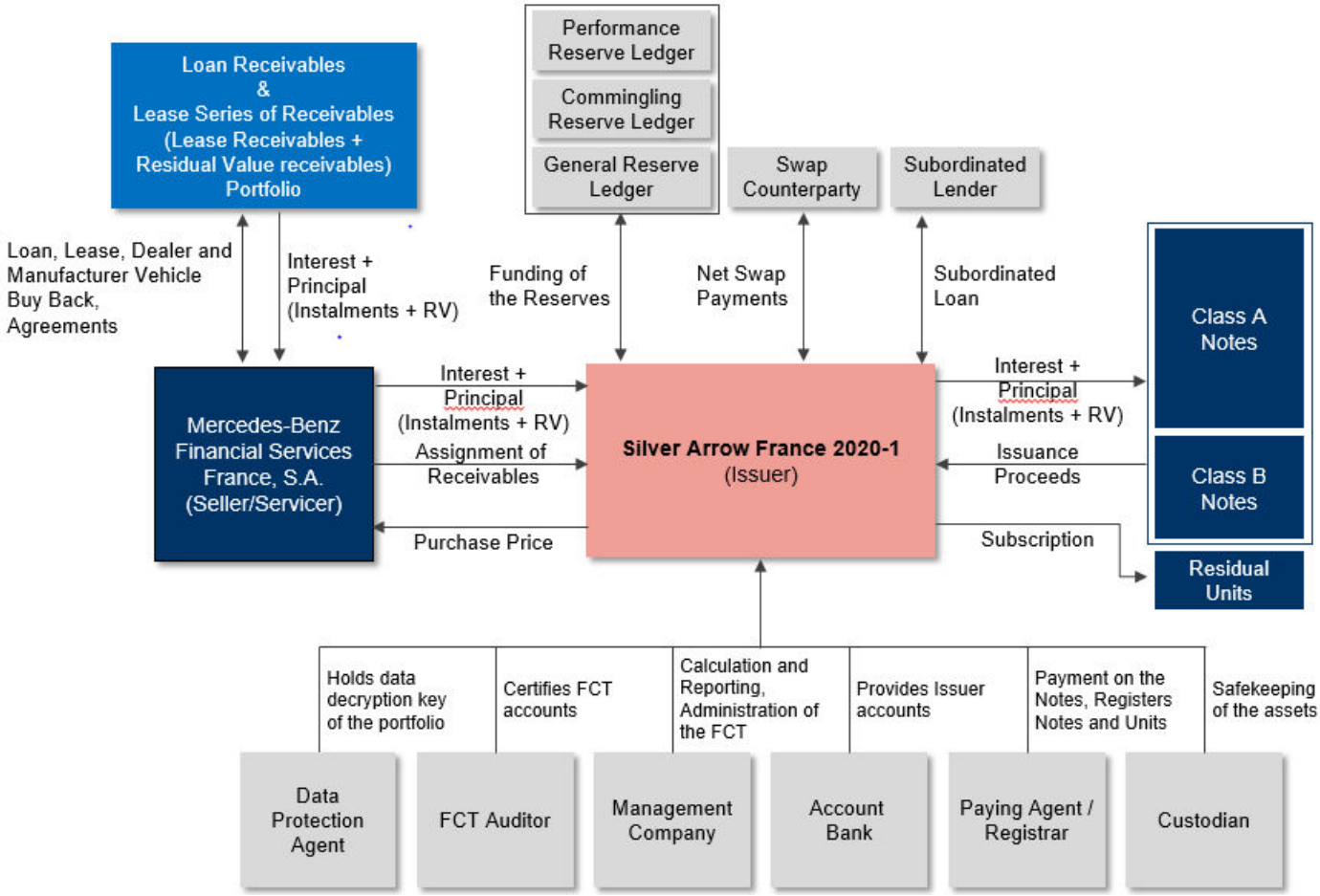
U.S. Foreign Account Tax Compliance Act

In constellations with a US connection the regulations of the Foreign Account Tax Compliance Act (**FATCA**) could apply. Under the FATCA regime and the corresponding local regulations in Luxembourg, and Germany specific financial and non-financial institutions are required to exchange tax relevant information with the US tax authorities. A non-compliance with such reporting obligations can result in a duty to withhold 30 per cent. U.S. withholding tax on, *inter alia*, interest and other fixed or determinable annual or periodical income of persons or entities taxable in the US. However, if an amount in respect of such withholding tax were to be deducted or withheld either from amounts due to the Issuer or from interest, principal or other payments made in respect of the Class A Notes, neither the Issuer nor any paying agent nor any other person would, pursuant to the Terms and Conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors in the Class A Notes may receive less interest or principal than expected.

THE ISSUER BELIEVES THAT THE RISKS DESCRIBED ABOVE ARE THE PRINCIPAL RISKS FOR THE NOTEHOLDERS, BUT THE INABILITY OF THE ISSUER TO PAY INTEREST AND PRINCIPAL ON THE CLASS A NOTES MAY OCCUR FOR OTHER REASONS. ALTHOUGH THE ISSUER BELIEVES THAT THE VARIOUS STRUCTURAL ELEMENTS DESCRIBED IN THIS PROSPECTUS MITIGATE SOME OF THESE RISKS FOR THE NOTEHOLDERS, THERE CAN BE NO ASSURANCE THAT THESE MEASURES WILL BE SUFFICIENT TO ENSURE FULL PAYMENTS TO THE NOTEHOLDERS OF INTEREST AND PRINCIPAL ON A TIMELY BASIS OR AT ALL.

STRUCTURE DIAGRAM

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



TRANSACTION OVERVIEW

THE PARTIES TO THE TRANSACTION

Issuer	**SILVER ARROW FRANCE 2020-1**, is a French *fonds commun de titrisation* (securitisation mutual fund) (the **Issuer**) governed by the provisions of Articles L. 214-166-1 to L. 214-190 and R. 214-217 to D. 214-240 of the French Monetary and Financial Code and the Issuer Regulations. The Issuer will be established on the Issue Date by the Management Company. The exclusive purpose of the Issuer is, in accordance with Articles L. 214-168 and L. 214-175-1 of the French Monetary and Financial Code and pursuant to the terms of the Issuer Regulations, to issue the Notes and the Residual Units in order to purchase from the Seller the Portfolio. The Issuer is a *copropriété* (co-ownership entity) which does not have a *personnalité morale* (separate legal personality). The Issuer is neither subject to the provisions of the French Civil Code relating to the rules of the *indivision* (co-ownership) nor to the provisions of Articles 1871 to 1873 of the French Civil Code relating to *société en participation* (partnerships). The Issuer is a *fonds d'investissement alternatif* (alternative investment fund) pursuant to Article L. 214-24, II., 4° of the French Monetary and Financial Code. For further details, see the Section entitled "The Issuer".
Management Company	**EUROTITRISATION**, a *société anonyme* incorporated under, and governed by, the laws of France, authorised as a *société de gestion de portefeuille habilitée à gérer des fonds d'investissement alternatifs* (including *organismes de titrisation*) by the French *Autorité des Marchés Financiers*, whose registered office is at 12, rue James Watt, 93200 Saint-Denis, France. The Management Company will establish the Issuer. The Management Company represents the Issuer vis-à-vis third parties and is responsible for the management of the Issuer. For further details, see the Section entitled "The Management Company".
Custodian	**BNP PARIBAS SECURITIES SERVICES**, a *société en commandite par actions* incorporated under, and governed by, the laws of France, whose registered office is at 3 rue d'Antin, 75002 Paris, France, licensed as an *établissement de crédit* (credit institution) by the *Autorité de Contrôle Prudentiel et de Résolution* under the French Monetary and Financial Code. The Custodian acts as custodian of the assets of the Issuer. It is also responsible for supervising the compliance of the decisions made by the Management Company. For further details, see the Section entitled "The Custodian".
Seller	**MERCEDES-BENZ FINANCIAL SERVICES FRANCE, S.A.**, a *société anonyme* incorporated under, and governed by, the laws of France, whose registered office is at 7, avenue Niépce, 78180 Montigny-le-Bretonneux, France, licensed as an *établissement de crédit* (credit institution) by the *Autorité de Contrôle Prudentiel et de Résolution* under the French Monetary and Financial Code, in its capacity as Seller. For further details, see the Section entitled "The Seller, the Servicer and the Subordinated Lender".

Servicer	**MERCEDES-BENZ FINANCIAL SERVICES FRANCE, S.A.**, a *société anonyme* incorporated under, and governed by, the laws of France, whose registered office is at 7, avenue Niépce, 78180 Montigny-le-Bretonneux, France, licensed as an *établissement de crédit* (credit institution) by the *Autorité de Contrôle Prudentiel et de Résolution* under the French Monetary and Financial Code, in its capacity as Servicer. For further details, see the Section entitled "The Seller, the Servicer and the Subordinated Lender".
Class B Notes and Residual Units Subscriber	**MERCEDES-BENZ FINANCIAL SERVICES FRANCE, S.A.**, a *société anonyme* incorporated under, and governed by, the laws of France, whose registered office is at 7, avenue Niépce, 78180 Montigny-le-Bretonneux, France, licensed as an *établissement de crédit* (credit institution) by the *Autorité de Contrôle Prudentiel et de Résolution* under the French Monetary and Financial Code, in its capacity as Class B Notes and Residual Units Subscriber. For further details, see the Section entitled "The Seller, the Servicer and the Subordinated Lender".
Subordinated Lender	**MERCEDES-BENZ FINANCIAL SERVICES FRANCE, S.A.**, a *société anonyme* incorporated under, and governed by, the laws of France, whose registered office is at 7, avenue Niépce, 78180 Montigny-le-Bretonneux, France, licensed as an *établissement de crédit* (credit institution) by the *Autorité de Contrôle Prudentiel et de Résolution* under the French Monetary and Financial Code, in its capacity as Subordinated Lender. For further details, see the Section entitled "The Seller, the Servicer and the Subordinated Lender".
Data Protection Agent	**BNP PARIBAS SECURITIES SERVICES**, a *société en commandite par actions* incorporated under, and governed by, the laws of France, whose registered office is at 3 rue d'Antin, 75002 Paris, France, licensed as an *établissement de crédit* (credit institution) by the *Autorité de Contrôle Prudentiel et de Résolution* under the French Monetary and Financial Code, in its capacity as Data Protection Agent. For further details, see the Section entitled "The Data Protection Agent".
Arranger	**SOCIÉTÉ GÉNÉRALE**, a French *société anonyme* having its registered office at 29, Boulevard Haussman, 75009 Paris, France, licensed as an *établissement de crédit* (credit institution) by the *Autorité de Contrôle Prudentiel et de Résolution* under the French Monetary and Financial Code.
Joint Lead Managers	**SOCIÉTÉ GÉNÉRALE**, a French *société anonyme* having its registered office at 29, Boulevard Haussman, 75009 Paris, France, licensed as an *établissement de crédit* (credit institution) by the *Autorité de Contrôle Prudentiel et de Résolution* under the French Monetary and Financial Code; and **CITIGROUP GLOBAL MARKETS EUROPE AG**, a company incorporated under the laws of Germany, whose registered office is at Reuterweg 16, 60323 Frankfurt am Main, Germany and with registration number HRB 88301.

The Managers	**SKANDINAVISKA ENSKILDA BANKEN AB (PUBL)**, a limited company (*Aktiebolag*) company incorporated under the laws of Sweden whose company registration number is 502032-9081 with its registered office at Kungsträdgårdsgatan 8, SE-106 40 Stockholm, Sweden; and **UNICREDIT BANK AG**, a stock corporation (*Aktiengesellschaft*) incorporated under the laws of Germany, registered at the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Munich under HRB 42148 and having its registered office at Arabellastraße 12, 81925 Munich, Germany.
Swap Counterparty	**SKANDINAVISKA ENSKILDA BANKEN AB (PUBL)**, a limited company (*Aktiebolag*) company incorporated under the laws of Sweden whose company registration number is 502032-9081 with its registered office at Kungsträdgårdsgatan 8, SE-106 40 Stockholm, Sweden. For further details, see the Section entitled "The Swap Counterparty".
Account Bank	**BNP PARIBAS SECURITIES SERVICES**, a *société en commandite par actions* incorporated under, and governed by, the laws of France, whose registered office is at 3 rue d'Antin, 75002 Paris, France, licensed as an *établissement de crédit* (credit institution) by the *Autorité de Contrôle Prudentiel et de Résolution* under the French Monetary and Financial Code, in its capacity as Account Bank. The Account Bank will be appointed for the opening and the operation of the Issuer Account. For further details, see the Section entitled "The Account Bank".
Paying Agent/ Registrar Agent	**BNP PARIBAS SECURITIES SERVICES**, a *société en commandite par actions* incorporated under, and governed by, the laws of France, whose registered office is at 3 rue d'Antin, 75002 Paris, France, licensed as an *établissement de crédit* (credit institution) by the *Autorité de Contrôle Prudentiel et de Résolution* under the French Monetary and Financial Code, in its capacities as Paying Agent and Registrar Agent. For further details, see the Section entitled "The Paying Agent and the Registrar Agent".
Statutory Auditor	PricewaterhouseCoopers Audit, a *société par actions simplifiées* incorporated under, and governed by, the laws of France, whose registered office is at 2-6, rue Vatimesnil - 92532 Levallois-Perret (France), registered as a chartered accountant with the *Compagnie Nationale des Commissaires aux Comptes* (CNCC).
Residual Unitholder	The Seller.
Rating Agencies	DBRS and Moody's.

THE NOTES AND THE RESIDUAL UNITS

Issuance	In order to fund the Portfolio, the Issuer will issue two classes of Notes, the senior Class A Notes and the subordinated Class B Notes. The Issuer will also issue, two (2) residual units for an amount of EUR 150 each (the Residual Units) to be subscribed by the Seller.
Currency	EUR.
Issue Date	12 November 2020. Pursuant to the Issuer Regulations, the Issuer is not entitled to issue further Notes or Residual Units after the Issue Date.
Legal Maturity Date	20 November 2030, subject to the Business Day Convention.
Payment Date	Means, in respect of the first Payment Date, 21 December 2020 and thereafter the 20th day of each calendar month, subject to the Business Day Convention. The last Payment Date shall fall on the earlier of (a) the Legal Maturity Date, (b) the date on which all the Notes are fully redeemed and (c) the Issuer Liquidation Date.
Class A Notes	Aggregate Outstanding Note Principal Amount: EUR 500,000,000, consisting of 5,000 Class A Notes, each with an initial Outstanding Note Principal Amount of EUR 100,000. Subscription price: 100.227 per cent. of the Aggregate Outstanding Note Principal Amount.
Class B Notes	Aggregate Outstanding Note Principal Amount: EUR 189,700,000, consisting of 1,897 Class B Notes, each with an initial Outstanding Note Principal Amount of EUR 100,000. Subscription price: 100 per cent. of the Aggregate Outstanding Note Principal Amount.
Form and Denomination of the Notes	The Class A Notes are issued in bearer dematerialised form (*en forme dématérialisée au porteur*) with a denomination of EUR 100,000 per Class A Note. The Class B Notes are issued in dematerialised registered form (*en forme dématérialisée au nominative*) with a denomination of EUR 100,000 per Class B Note. No physical document of title will be issued in respect of the Notes. The delivery (and any subsequent transfer) of the Class A Notes will be made in book-entry form through the facilities of the ICSDs. The Class A Notes are freely transferable. For a description of certain restrictions on offers, sales and deliveries of the Class A Notes and on distribution of offering material in certain jurisdictions, please refer to the selling restriction as set out in the Section entitled "Subscription and Sale – Selling Restrictions"

Legal status of the Notes	The Notes are (i) financial instruments (*instruments financiers*), (ii) financial securities (*titres financiers*) and (iii) transferable securities (*valeurs mobilières*) within the meaning of Articles L. 211-1 and L. 211-2 of the French Monetary and Financial Code. The Notes constitute direct, unsecured, unconditional and, in respect of the Class A Notes, unsubordinated obligations of the Issuer and all payments of principal and interest on the Notes shall be made to the extent of the Available Distribution Amount, subject to the applicable Priority of Payments. The payment of interest and principal on the Notes is conditional upon, *inter alia*, the performance of the Purchased Receivables.
Limited recourse	The Notes are direct and limited recourse obligations of the Issuer payable solely out of the assets of the Issuer to the extent described in this Prospectus. Neither the Class A Notes, any contractual obligation of the Issuer nor the Purchased Receivables will be guaranteed by the Management Company, the Custodian, the Arranger, the Joint Lead Managers, the Managers, the Seller (except up to the maximum amount of the Subordinated Loan in accordance with the Subordinated Loan Agreement), the Servicer, the Account Bank, the Swap Counterparty, the Paying Agents, the Data Protection Agent or any of their respective affiliates
Form and status of the Residual Units	The Residual Units rank below the Notes with respect to the payment of interest and principal. The net excess spread will be paid to the Residual Unitholders on each Payment Date as part of the Final Success Fee, in accordance with, and subject to the subject to the applicable Priority of Payments. On the Issuer Liquidation Date, the Residual Units will be redeemed in full principal and interest.
Use of Proceeds from the Notes and the Residual Units	The aggregate net proceeds from the issue of the Notes and Residual Units will be used by the Issuer to pay the Purchase Price for the acquisition from the Seller, on the Issue Date, of the Portfolio and to pay the Interest Compensation Fee to the Seller.
Interest	Interest on the Notes is payable monthly in arrears in Euros on each Payment Date, in each case in accordance with, and subject to, the applicable Priority of Payments. Class A Notes: EURIBOR plus 0.70 per cent. *per annum*, subject to a floor of zero. In certain circumstances, EURIBOR may be amended if an Alternative Base Rate is determined in accordance with Conditions 5.3(c) to (e) and a Base Rate Modification takes effect. The rate of interest payable in respect of the Class A Notes is determined by the Management Company on each Interest Determination Date. Class B Notes: 2.00 per cent. *per annum*. Payment of interests on a Class of Notes shall be made only to the extent of available funds after payment in full of all amounts ranking higher than the interest on this Class of Notes according to the relevant Priority of Payments, including, in particular, the payment of the Administration Expenses and Servicing Fee and the Net Swap Payments payable (if any) to the Swap

	Counterparty, which rank above the payment of interest in respect of the Class A Notes and the Class B Notes. Each Priority of Payments and the Issuer Regulations provide further that, when payable on the same Payment Dates, interest on the Class B Notes is paid only to the extent of available funds after payment of all interest payable on the Class A Notes and all other applicable items prior to such payment in accordance with the relevant Priority of Payments. See the Section entitled "Terms and Conditions of the Notes – Condition 5 (Payment of Interest)".
Interest Period	In respect of the first Payment Date, the period commencing on (and including) the Issue Date and ending on (but excluding) the first Payment Date. In respect of any subsequent Payment Date, the period commencing on (and including) the immediately preceding Payment Date and ending on (but excluding) such Payment Date, provided that the last Payment for any payment on the Notes shall fall on the earlier of (a) the Legal Maturity Date, (b) the date on which all the Notes are fully redeemed and (c) the Issuer Liquidation Date.
Amortisation	The Issuer will redeem the Notes in whole or in part on each Payment Date, subject to the Available Distribution Amount and in accordance with, and subject to, the applicable Priority of Payments. Save as described below, unless previously redeemed in full on or before such date, the Notes will be cancelled on the Legal Maturity Date. For further details, see the Section entitled "Terms and Conditions of the Notes – Condition 6 (Redemption)".
Settlement	The Class A Notes will be admitted to the ICSDs and ownership of the same will be determined according to all laws and regulations applicable to the ICSDs. The Class A Notes will, upon issue, be registered in the books of the ICSDs, which shall credit the respective accounts of the Account Holders. The payments of principal and of interest on the Class A Notes will be paid to the person whose name is recorded in the ledger of the Account Holders at the relevant Payment Date
Credit enhancement	Credit enhancement of the Class A Notes is provided by (i) subordination of payments due in respect of the Class B Notes, the Residual Units, (ii) the General Reserve and (iii) the excess spread provided by the Final Success Fee. In the event that the credit protection provided by the General Reserve is reduced to zero and the protection provided by the subordination of the Class B Notes is reduced to zero, the Class A Noteholders will directly bear the risk of loss of principal and interest related to the Purchased Receivables. The level of collateralisation (as calculated by the ratio between the Aggregate Outstanding Principal Amount of the Portfolio as of the Cut-off Date and the Aggregate Outstanding Note Principal Amount of the Class A Notes) of the Class A Notes will be equal to 137.94%.

Withholding tax	Payments of interest and principal in respect of the Class A Notes will be made subject to any applicable withholding or deduction for or on account of any Tax and neither the Issuer nor the Paying Agent will be obliged to pay any additional amounts as a consequence of such withholding or deduction.
Subscription of the Notes and Selling Restrictions	The Class A Notes shall be placed with (i) qualified investors within the meaning of Article 2 of the Prospectus Regulation or (ii) qualified investors resident outside France. Subject to certain exceptions, the Class A Notes are not being offered or sold within the United States. The subscription of the Class A Notes will be documented in the Class A Notes Subscription Agreement. The Class B Notes will be subscribed by the Class B Notes and Residual Units Subscriber, pursuant to the Class B Notes and Residual Units Subscription Agreement. For a description of these and other restrictions on sale and transfer, see the Section entitled "Subscription and Sale – Selling Restrictions".
Retention of a material net economic interest	Pursuant to the Class B Notes and Residual Units Subscription Agreement, the Seller, as Class B Notes and Residual Units Subscriber, has covenanted to the Issuer that it will retain a material net economic interest of not less than 5% of the nominal value of the securitised exposures in accordance with Article 6 of the Securitisation Regulation. As at the Issue Date, such interest will be materialised by the Seller's full ownership of a first loss tranche representing at least 5% of the nominal value of the securitised exposures and constituted by the Class B Notes. Any change to the manner in which such interest is held will be notified to Noteholders and Residual Unitholders.
Listing and admission to trading	Application has been made to the Luxembourg Stock Exchange for the Class A Notes to be listed on the official list of the Luxembourg Stock Exchange and to be admitted to trading on its regulated market. The Class B Notes will not be listed.
Eurosystem Eligibility	The Class A Notes are intended to be held in a manner which would allow Eurosystem eligibility. This means that the Class A Notes are intended upon issue to be deposited with one of Euroclear or Clearstream, Luxembourg as common safekeeper. This does not necessarily mean that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life, such recognition depending upon satisfaction of the Eurosystem eligibility criteria.
Simple, Transparent and Standardised (STS) Securitisation	The Seller, as Reporting Entity, shall procure a notification to be submitted to ESMA and the relevant national competent authorities in accordance with Articles 27 and 29 of the Securitisation Regulation, confirming that the requirements of Article 18 and Articles 19 to 22 of the Securitisation Regulation for designation as STS securitisation have been satisfied with respect to the Transaction (such notification, the **STS Notification**). The STS Notification, once registered by ESMA, will be available for download on the ESMA STS Register website at https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation (or its successor website) (the

	ESMA STS Register website). For the avoidance of doubt, the ESMA STS Register website and the contents thereof do not form part of this Prospectus. The STS status of the Transaction is not static and investors should verify the current status on the ESMA STS Register website, which will be updated where the Transaction is no longer considered to be STS following a decision of competent authorities or a notification by the Seller.
Ratings	It is a condition to the issuance of the Class A Notes that, when issued, the Class A Notes are rated AAA(sf) by DBRS and Aaa(sf) by Moody's. The Class B Notes will not be rated by the Rating Agencies.
Risk Factors	Prospective investors in the Class A Notes should consider, among other things, certain risk factors in connection with the purchase of the Class A Notes. Such risk factors as described above and as detailed in the Section entitled "Risk Factors" may influence the ability of the Issuer to pay interest, principal or other amounts on or in connection with any Class A Notes. The risks in connection with the investment in the Class A Notes include, *inter alia*, risks relating to the Issuer, risks relating to the parties to the Transaction Documents, risks relating to the Class A Notes and risks relating to the Purchased Receivables and the Vehicles. These risks factors represent the principal risks inherent in investing in the Class A Notes only and shall not be deemed as exhaustive.
Governing Law	The Notes and the Residual Units will be governed by French law. Pursuant to the Issuer Regulations, the *Tribunal de Commerce* (commercial courts) of Paris will have exclusive jurisdiction to settle any dispute that may arise between the Noteholders, the Management Company and/or the Custodian in connection with the establishment, the operation or the liquidation of the Issuer.

THE ASSETS AND THE RESERVES

Assets backing the Notes	The Notes are backed by the a Portfolio, comprising the following Receivables: (a) all of its rights, title and interest in any amount in principal and interest (and including any prepayment and early settlement amount, indemnities and fees) payable by the Seller under loan agreements (including without limitation the general terms and conditions of the Seller) originated by the Seller and entered into with a Borrower (being the **Loan Agreements**) to finance the acquisition of a Vehicle (being the **Loan Receivables**); (b) all of its right, title and interest in lease instalments (being the **Lease Instalments**) in respect of a portfolio of auto lease receivables (being the **Lease Receivables**) payable by customers in France (being the **Lessees**); (c) all of its right, title and interest in any amount payable by a Lessee to the Seller in the event of delay in returning a Leased Vehicle following termination of the related Lease Agreement after the contractual maturity date (being the **Late Return Indemnity Receivables**); (d) all of its right, title and interest in any amount payable by a Lessee to the Seller in the event that a Leased Vehicle is returned to the Seller at the end of the term of a Lease Agreement relating to either (a) excess mileage or (b) restoring the relevant Leased Vehicle to the required condition (being the **Returned Vehicle Expense Receivables**); (e) all of its right, title and interest in any amount payable by any third party (other than a Dealer pursuant to a Dealer Vehicle Buy Back Agreement or the Manufacturer pursuant to the Manufacturer Vehicle Buy Back Agreement) to the Seller following the sale or transfer of a Leased Vehicle by the Seller to that third party in accordance with a Vehicle Sale Agreement up to the Outstanding Lease Principal Amount of the related Lease Receivables as of the relevant Cut-Off Date (being the **Vehicle Sale Receivables**); (f) all of its right, title and interest in any amount payable by a Dealer to the Seller following the sale or transfer of a Leased Vehicle by the Seller to that Dealer in accordance with a Dealer Vehicle Buy Back Agreement (being the **Dealer Vehicle Buy Back Receivables**), which does not include, for the avoidance of doubt, any other rights under the relevant Dealer Vehicle Buy Back Agreement; (g) all of its right, title and interest in any amount payable by the Manufacturer to the Seller following the sale or transfer of a Leased Vehicle by the Seller to the Manufacturer in accordance with the Manufacturer Vehicle Buy Back Agreement (being the **Manufacturer Vehicle Buy Back Receivable**), which does not include, for the avoidance of doubt, any other rights under the Manufacturer Vehicle Buy Back Agreement; (h) all of its right, title and interest in any amount payable by a Lessee to the Seller following the exercise of the purchase option by such Lessee and the sale or transfer of the Leased Vehicle by the Seller to the Lessee in

	accordance with the related Lease Agreement (being the **Lessee Vehicle Purchase Option Receivable**); and (i) all of its right, title and interest in any amount payable by a Lessee to the Seller if such Lessee opts to make full and final settlement of the relevant Lease Agreement by redelivering to the Seller the Leased Vehicle in lieu of exercising its purchase option thereunder (being the **Redelivery Receivables**), (excluding, in each case, any applicable portion of VAT, Taxes, insurance premiums and any amounts payable under any maintenance and service contracts relating to the Vehicles), each a **Receivable** and, when purchased by the Issuer (outstanding and not transferred backed to the Seller). The Portfolio, having an Aggregate Outstanding Principal Amount as of the Cut-Off Date of EUR 689,700,074.82, will be purchased by the Issuer on the Purchase Date in accordance with the terms of the Receivables Purchase Agreement.
Eligibility Criteria	To be eligible for purchase by the Issuer on the Purchase Date, pursuant to the Receivables Purchase Agreement, the Purchased Receivables must have met the relevant **Eligibility Criteria** on the Cut-Off Date. If the Management Company or the Seller becomes aware that one or more Purchased Receivables did not fulfil the applicable Eligibility Criteria on the Cut-Off Date, it shall immediately inform in writing the other party and the sale of such Purchased Receivable, together with all other Purchased Receivables arising from the same agreement, as applicable, (together with the Ancillary Rights attached thereto), shall be automatically rescinded with effect on the Payment Date immediately following the date on which the Management Company or the Seller, as applicable, has informed the other party of the same. The Seller shall pay the corresponding Re-transfer Amount on such Payment Date. See the Sections entitled "Description of the Portfolio – Loan Receivables – Loan Receivables Eligibility Criteria" and "Description of the Portfolio – Lease Series of Receivables – Lease Series of Receivables Eligibility Criteria".
Repurchase of Receivables	Pursuant to the terms of the Receivables Purchase Agreement, the Issuer is entitled to: (a) if requested by the Seller, re-transfer to the Seller, any Purchased Receivable which has become due and payable (*créance échue*), has been entirely accelerated (*déchues de leur terme*), in accordance with, and subject to, the relevant provisions of the Receivables Purchase Agreement, provided that the Issuer shall, in any case, be free to accept or refuse such request; (b) re-transfer to the Seller, any Purchased Receivable which the Seller contemplates to transfer to a third party or arising from a Lease Agreement or a Loan Agreement which the Seller contemplates to transfer to a third party; (c) following the modification of the terms of a Purchased Receivable, a Lease Agreement or a Loan Agreement made in breach of the Credit and Collection Policy and/or resulting in the latest payment due under any Purchased Receivable, Loan Agreement or Lease Agreement be extended beyond the Legal Maturity Date; and

	(d) following the occurrence of an Issuer Liquidation Event, if the Seller has not exercised the Clean-Up Call, re-transfer to the Seller or assign to a third party all then outstanding Purchased Receivables, in accordance with the relevant provisions of the Receivables Purchase Agreement. For the avoidance of doubt, re-transfers of Purchased Receivables by the Issuer shall only occur in the circumstances pre-defined above, and the Management Company shall not carry out any active management of the portfolio of Purchased Receivables on a discretionary basis (meaning, (a) a management that would make the performance of the securitisation dependent both on the performance of the Purchased Receivables and on the performance of the portfolio management of the securitisation or (b) a management performed for speculative purposes aiming to achieve better performance, increased yield, overall financial returns or other purely financial or economic benefit).
Clean-Up Call	The Seller will have the option to repurchase all then outstanding Purchased Receivables at the Re-transfer Amount from the Issuer on any Payment Date following the Determination Date on which (a) the Aggregate Outstanding Principal Amount is less than ten (10) per cent. of the Aggregate Outstanding Principal Amount as of the Cut-Off Date or (b) the Class A Notes are redeemed in full, by delivering a notice to the Issuer in accordance with the terms of the Receivables Purchase Agreement. See the Section entitled "Terms and Conditions of the Notes – Condition 6.3 (Clean-Up Call)".
Servicing of the Portfolio	The Seller, acting as the Servicer of the Portfolio, will continue to pursue, *inter alia*, the collection management process of the Purchased Receivables (together with all Ancillary Rights attached thereto) on behalf of the Issuer according to the Servicing Agreement. The Purchased Receivables which are assigned to the Issuer will be treated with the same diligence and care as the Receivables which are not assigned to the Issuer according to the Credit and Collection Policy of the Servicer. The Credit and Collection Policy can be changed by the Servicer from time to time in accordance with, and subject to, the provisions of the Servicing Agreement. The Obligors will not be notified of the assignment of the Purchased Receivables (together with all Ancillary Rights attached thereto) to the Issuer and will continue to make their monthly instalments under the relevant agreements to the Servicer according to the Credit and Collection Policy of the Servicer. The Servicer will transfer on a monthly basis to the Issuer the Collections the Servicer has received from the Obligors during that previous Collection Period. In case of an Obligor Notification Event, an Obligor Notification Event Notice will be sent to the Obligors to make payments to the Issuer Account (for credit into the Operating Ledger) or any such other bank account as designated by the Management Company.
Commingling Reserve	As guarantee for its obligations and pursuant to clause 6 of the Servicing Agreement, the Servicer shall, following the occurrence and continuance of a Commingling Reserve Trigger Event and as long as such Commingling Reserve Trigger Event is continuing, transfer to the Issuer as cash collateral such amount

	so that the credit balance of the Commingling Reserve Ledger shall be equal to the Commingling Reserve Required Amount as at the relevant Payment Date, in accordance with the Servicing Agreement and Articles L. 211-38 *et seq.* of the French Monetary and Financial Code. Such transfers by the Servicer shall be made to the Issuer by crediting the Issuer Account (for credit into the Commingling Reserve Ledger): (a) on the Payment Date immediately following the occurrence of such Commingling Reserve Trigger Event, if such event occurred at least two (2) Business Days prior to such Payment Date and/or (b) in any other case, on each Payment Date falling in the immediately following Collection Period as long as the relevant Commingling Reserve Trigger Event is continuing. For further details, please see the Section entitled "Overview of the Transaction Documents – Servicing Agreement – Commingling Reserve".
Pledge	As guarantee for its obligations under clause 14 of the Receivables Purchase Agreement, the Seller has undertaken to pledge in favour of the Issuer all the Leased Vehicles, in accordance with the Leased Vehicles Pledge Agreement and Articles 2333 *et seq.* of the French Civil Code and Articles L. 521-1 and L. 521-3 of the French Commercial Code. The Pledge may only be enforced by the Management Company if a Seller Performance Undertaking has been breached and the corresponding Compensation Payment Obligations remained unpaid after set-off by the Management Company against the restitution claim of the Seller under the Performance Reserve in accordance with the Receivables Purchase Agreement.
Performance Reserve	As guarantee for its obligations under the Seller Performance Undertakings, the Seller shall, following the occurrence of (a) a Performance Reserve Trigger Event (provided that such Performance Reserve Trigger Event is continuing as at such date) or (b) a Servicer Termination Event, transfer to the Issuer as cash collateral such amount so that the credit balance of the Performance Reserve Ledger shall be equal to the Performance Reserve Cash Deposit Amount as at the relevant Payment Date, in accordance with the Receivables Purchase Agreement and Articles L. 211-38 *et seq.* of the French Monetary and Financial Code. Such transfers by the Seller shall be made to the Issuer by crediting the Issuer Account (for credit into the Performance Reserve Ledger): (a) on the Payment Date immediately following the occurrence of such Performance Reserve Trigger Event or Servicer Termination Event, if such event occurred at least two (2) Business Days prior to such Payment Date or (b) in any other case, on the Payment Date falling in the immediately following Collection Period, as long as the relevant Performance Reserve Trigger Event or Servicer Termination Event is continuing. For further details, please see the Section entitled "Overview of the Transaction Documents – Receivables Purchase Agreement – Performance Reserve"
General Reserve/Subordinated Loan	The Issuer will credit the General Reserve Ledger with the proceeds of the Subordinated Loan in an amount equal to the General Reserve Required Amount (EUR 3,450,000) on the Issue Date (subject to any set-off arrangement provided for in the relevant Transaction Documents).

	The amount standing to the credit of the General Reserve Ledger from time to time (the **General Reserve**) will serve as credit enhancement and liquidity support to the Notes and will be used in accordance with the applicable Priority of Payments. For further details, please see the Section entitled "Overview of the Transaction Documents – Subordinated Loan Agreement".

THE ISSUER ACCOUNT AND THE PAYMENT STRUCTURE

Issuer Account and Issuer Ledgers	On or before the Signing Date, the Issuer will open and maintain in its name a bank account (the **Issuer Account**) with the Account Bank into which all the amounts payable to the Issuer pursuant to the Transaction Documents or in connection with the Transaction shall be paid. The Issuer shall, during the life of the Transaction, maintain the Issuer Account with an account bank which must have the applicable Required Ratings. If at any time the Account Bank ceases to have the applicable Required Ratings, the Management Company shall appoint a substitute account bank having the applicable Required Ratings within 30 calendar days. The Account Bank shall continue to provide services under the Bank Account Agreement in any case until a substitute account bank with the applicable Required Ratings is appointed by the Management Company. The Management Company shall, during the life of the Transaction, maintain and operate in its books the following ledgers (each, an **Issuer Ledger**) in respect of the amounts payable or paid to the Issuer: (a) the Operating Ledger; (b) the General Reserve Ledger; (c) the Commingling Reserve Ledger; (d) the Performance Reserve Ledger; and (e) the Swap Collateral Ledger. The Management Company shall allocate to the relevant Issuer Ledger the amounts paid to the Issuer and shall credit and debit each Issuer Ledger in accordance with the provisions of the Issuer Regulations.
Payment to the Issuer Account on the Issue Date	On the Issue Date, the Issuer Account will be credited with the proceeds of the Notes and Residual Units, being: (a) in respect of the Class A Notes, an amount being equal to EUR 501,135,000, which is equal to 100.227 per cent. of the Aggregate Outstanding Note Principal Amount of the Class A Notes as of the Issue Date; (b) in respect of the Class B Notes, an amount being equal to EUR 189,700,000, which is equal to 100 per cent. of the Aggregate Outstanding Note Principal Amount of the Class B Notes as of the Issue Date (subject to any set-off arrangement provided for in the relevant Transaction Documents); and (c) in respect of the Residual Units, EUR300. The Issuer will use the proceeds from the issuance of the Notes and the Residual Units to pay to the Seller (i) the Purchase Price for the acquisition of the Portfolio on the Purchase Date from the Seller and (ii) the Interest Compensation Fee on the Issue Date.

Payment to the General Reserve Ledger on the Issue Date	The Issuer will credit the Issuer Account (for credit into the General Reserve Ledger) with the proceeds of the Subordinated Loan in an amount equal to the General Reserve Required Amount (EUR 3,450,000) on the Issue Date.
No permitted investments	It is not intended that the amounts standing to the credit of the Issuer Account are invested. Interest may be accrued on the amounts standing to the credit of the Issuer Account in accordance with the Bank Account Agreement. Any such interest (if applicable) shall be credited into the relevant Issuer Ledger on a *pro rata* basis.
Available Distribution Amount	Means, with respect to a Payment Date, the sum of: (a) the Collections paid by the Obligors during the immediately preceding Collection Period; (b) any Re-transfer Amount payable by the Seller on such Payment Date; (c) the amount standing to the credit of the General Reserve Ledger; (d) the Net Swap Receipts payable by the Swap Counterparty to the Issuer on such Payment Date; (e) the amount standing to the credit of the Commingling Reserve Ledger upon the occurrence and the continuance of a Commingling Reserve Trigger Event and until a substitute servicer is appointed, to the extent necessary to cover any Servicer Shortfall; (f) any Compensation Payment Obligation paid to the Issuer, including any amount debited by the Management Company from the Performance Reserve Ledger on that Payment Date in accordance with the Receivables Purchase Agreement, in the event of a breach by the Seller of its obligation to pay any Compensation Payment Obligation; (g) any indemnity payments paid by the Seller or the Servicer during the immediately preceding Collection Period; and (h) any other amount standing to the credit of the Operating Ledger (including any amount of interest accrued during the relevant Interest Period, as the case may be).
Pre-enforcement Priority of Payments	Prior to the issuance of an Enforcement Notice by the Management Company, the Issuer will distribute the Available Distribution Amount on each Payment Date in accordance with the Pre-enforcement Priority of Payments as set out in Condition 5.4 (Pre-enforcement Priority of Payments). See the Section entitled "Terms and Conditions of the Notes – Condition 5.4 (Pre-enforcement Priority of Payments)".
Post-enforcement Priority of Payments	After the issuance of an Enforcement Notice by the Management Company, the Management Company will apply 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 Post-enforcement Priority of Payments as set out in Condition 7 (Post-enforcement Priority of Payments).

	See the Section entitled "Terms and Conditions of the Notes – Condition 7 (Post-enforcement Priority of Payments)".

THE MAIN TRANSACTION DOCUMENTS

Signing Date	9 November 2020.
Issuer Regulations	The Issuer Regulations set out the terms and conditions for the establishment and operation of the Issuer by the Management Company. They set out, *inter alia*, the periods of the Issuer, the Priority of Payments applicable during such periods, the terms and conditions of the Notes and of the Residual Units. See the Section entitled "Overview of the Transaction Documents – Issuer Regulations".
Receivables Purchase Agreement	Pursuant to the Receivables Purchase Agreement, the Seller shall sell and assign the Portfolio to the Issuer against payment of the Purchase Price on the Purchase Date. The Purchase Price shall be equal to the Aggregate Outstanding Principal Amount of the Purchased Receivables as of the Cut-Off Date. See the Section entitled "Overview of the Transaction Documents – Receivables Purchase Agreement".
Servicing Agreement	Pursuant to the Servicing Agreement, the Servicer shall service, collect and administer the Purchased Receivables (together with the Related Security and Ancillary Rights attached thereto) and shall perform all related functions in accordance with the provisions of the Servicing Agreement and the Credit and Collection Policy. See the Section entitled "Overview of the Transaction Documents – Servicing Agreement".
Bank Account Agreement	Pursuant to the Bank Account Agreement, the Issuer shall appoint the Account Bank to establish and operate the Issuer Account as provided therein. See the Section entitled "Overview of the Transaction Documents – Bank Account Agreement".
Data Protection Agency Agreement	Pursuant to the Data Protection Agency Agreement, the Seller will deliver to the Data Protection Agent the Decryption Key relating to the encrypted Portfolio Information received by the Issuer from the Seller under the Receivables Purchase Agreement and the Servicing Agreement. See the Section entitled "Overview of the Transaction Documents – Data Protection Agency Agreement".
Custodian Agreement	Pursuant to the Custodian Agreement (*Convention Dépositaire*) the Custodian and the Management Company have agreed on the terms and conditions of certain tasks and duties of the Custodian under the Transaction. See the Section entitled "Overview of the Transaction Documents – Custodian Agreement".
Agency and Registrar Agreement	Pursuant to the Agency and Registrar Agreement, the Issuer shall appoint (a) the Paying Agent to forward payments to be made by the Issuer to the Class A

	Noteholders and (b) the Registrar Agent to hold the register in relation to the Class B Notes and the Residual Units. See the Section entitled "Overview of the Transaction Documents – Agency and Registrar Agreement".
Class A Notes Subscription Agreement	Pursuant to the Class A Notes Subscription Agreement, the Joint Lead Managers will, subject to certain customary closing conditions, subscribe the Class A Notes for placement and distribution to certain investors. See the Section entitled "Overview of the Transaction Documents – Class A Notes Subscription Agreement".
Class B Notes and Residual Units Subscription Agreement	Pursuant to the Class B Notes and Residual Units Subscription Agreement, the Seller, as Class B Notes and Residual Unit Subscriber, will subscribe the Class B Notes and the Residual Units. See the Section entitled "Overview of the Transaction Documents – Class B Notes and Residual Units Subscription Agreement".
Subordinated Loan Agreement	Pursuant to the Subordinated Loan Agreement, the Subordinated Lender will grant the Subordinated Loan to the Issuer in a maximum amount of EUR 3,450,000. See the Section entitled "Overview of the Transaction Documents – Subordinated Loan Agreement".
Leased Vehicles Pledge Agreement	Pursuant to the Leased Vehicles Pledge Agreement, the Seller will grant a pledge without dispossession (*gage sans dépossession*) in accordance with Articles 2333 *et seq.* of the French Civil Code and Articles L. 521-1 and L. 521-3 of the French Commercial Code over the Leased Vehicles in favour of the Issuer to guarantee any and all present and future payment obligations of the Seller under the Seller Performance Undertakings. See the Section entitled "Overview of the Transaction Documents – Leased Vehicles Pledge Agreement".
Swap Agreement	Pursuant to the Swap Agreement, the Issuer will hedge certain interest risk arising in connection with the Class A Notes. See the Section entitled "Overview of the Transaction Documents – Swap Agreement".
Governing Law	The Transaction Documents are governed by French law (except for the Swap Agreement which is governed by English law). The *Tribunal de Commerce* (commercial court) of Paris will have exclusive jurisdiction to settle any dispute that may arise in connection with the Transaction Documents.

COMPLIANCE WITH THE SECURITISATION REGULATION

Compliance with the Retention Requirement

The Seller will covenant with the Issuer under the Class B Notes and Residual Units Subscription Agreement that it will, as originator for the purposes of the Securitisation Regulation, retain, for the duration of the Transaction, a material net economic interest of at least 5% in the securitisation, as required by Article 6 of the Securitisation Regulation (which does not take into account any relevant national measures). As of the Issue Date, such interest will, in accordance with Article 6(3)(d) of the Securitisation Regulation, be retained through the subscription and the holding of the Class B Notes. Any change to the manner in which such interest is held will be notified to investors.

The Seller will further covenant with the Issuer under the Class B Notes and Residual Units Subscription Agreement and the Receivables Purchase Agreement that the Purchased Receivables will not be selected by the Seller with the aim of rendering losses on the Purchased Receivables to the Issuer, measured over the life of the Transaction, higher than the losses over the same period on comparable Receivables held on the balance sheet of the Seller.

Compliance with Article 7 of the Securitisation Regulation

Pursuant to the Servicing Agreement, the Seller will be designated as "reporting entity" pursuant to Article 7(2) of the Securitisation Regulation (the **Reporting Entity**). In such capacity, the Seller shall fulfil the information requirements pursuant to Article 7 of the Securitisation Regulation. For such purpose:

(a) pursuant to the Servicing Agreement the Seller in its capacity as Servicer has undertaken to prepare, on a quarterly basis, the contract level data setting out the information required by Article 7(1)(a) of the Securitisation Regulation and the applicable Regulatory Technical Standards (the **Loan and Lease Level Data**);

(b) pursuant to the Servicing Agreement, the Seller in its capacity as Servicer has undertaken to prepare the Monthly Report containing the information required by Article 7(1)(e) of the Securitisation Regulation; and

(c) pursuant to the Servicing Agreement:

  (i) the Issuer shall deliver to the Reporting Entity a copy of the Transaction Documents (excluding the Class A Notes Subscription Agreement), the Prospectus and any other document or report received in connection with the Transaction, unless the Reporting Entity already has possession of the respective documents;

  (ii) the Servicer shall deliver to the Reporting Entity, the Loan and Lease Level Data on a quarterly basis;

  (iii) the Servicer shall deliver to the Reporting Entity, the Monthly Report on each Reporting Date; and

  (iv) upon the occurrence of an event triggering the existence of any inside information or any material event as referred to in Article 7(1)(f) and (g), the Servicer shall prepare and deliver to the Reporting Entity, with a copy to the Management Company, a report containing such information without undue delay, subject to the timely receipt of all necessary information from the relevant parties and in any case on a quarterly basis.

The Reporting Entity will make available the information required under Article 7(1) of the Securitisation Regulation simultaneously each quarter at the latest one month after the due date for the payment of interest or on a monthly basis or without delay, as applicable, on the website of European DataWarehouse (being, as

at the date of this Prospectus, www.eurodw.eu). Once a securitisation repository is registered in accordance with Article 10 of the Securitisation Regulation, the Reporting Entity will make the information available via such securitisation repository.

Investors to assess compliance and Information

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 5 of the Securitisation Regulation. None of the Issuer, the Seller (in its capacity as Seller and Servicer), the Joint Lead Managers, the Arranger, nor the Managers or any of the other transaction parties makes any representation that the information described above or elsewhere in this Prospectus is sufficient in all circumstances for such purposes.

In addition, each prospective Noteholder should ensure that it complies with any implementing provisions in respect of Article 5 of the Securitisation Regulation in its relevant jurisdiction.

Prospective investors who are uncertain as to the requirements which apply to them in respect of their relevant jurisdiction, should seek guidance from their regulator.

Compliance with Article 22 of the Securitisation Regulation

In order to comply with the transparency requirements provided for by Article 22 of the Securitisation Regulation, the Reporting Entity:

(a) has made available to any potential investor in the Notes data on static historical default performance relating to the five years period starting on 1 January 2015 and ending on 30 June 2020 in respect of receivables substantially similar to the Purchased Receivables;

(b) has made available to any potential investor in the Notes, before pricing of the Notes, an accurate model representing precisely the contractual relationship between the Purchased Receivables and the payments flowing between the Seller, the Noteholders, the Issuer and any other party to the Securitisation which contained an amount of information sufficient to allow such potential investor to price the Notes as referred to in Article 22(3) if the Securitisation Regulation;

(c) has made available before pricing of the Notes, the Loan and Lease Level Data;

(d) has made available before pricing of the Notes, the Transaction Documents (other than the Prospectus in a draft form);

(e) has made available before pricing of the Notes, a draft of the STS Notification; and

(f) will make available the Prospectus, the Transaction Documents and the STS Notification in final versions, within fifteen (15) days from the Issue Date.

The information set out in paragraph (c), (d), (e) and (f) above has been or will be made available (as the case may be) on the website European DataWarehouse (being, as at the date of this Prospectus, www.eurodw.eu), being a website that conforms to the requirement set out in Article 7(2) of the Securitisation Regulation and, following registration of any securitisation repository under Article 10 of the Securitisation Regulation, with any such securitisation repository that the Issuer appoints in relation to the Notes. For the avoidance of doubt, this website and the contents thereof do not form part of this Prospectus and has not been scrutinised or approved by the competent authority.

COMPLIANCE WITH STS REQUIREMENTS

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

For the purpose of compliance with the requirements of Article 22(2) of the Securitisation Regulation, a sample of Lease Agreements and Loan Agreements has been subject to an agreed upon procedures review conducted by a third-party and completed prior to the date of this Prospectus. This independent third party has also performed agreed upon procedures in order to verify that the stratification tables disclosed in respect of the underlying exposures are accurate and the provisional pool has also been subject to agreed-upon procedures to assess the compliance of the Purchased Receivables with the Eligibility Criteria. The third party undertaking the review only has obligations to the parties to the engagement letters governing the performance of the agreed upon procedures subject to the limitations and exclusions contained therein.

The Transaction has been structured so that the repayment of the holders of the securitisation positions does not depend predominantly on the sale of assets securing the underlying exposures as required under Article 20(13) of the Securitisation Regulation.

The compliance of the Transaction with the STS Requirements as of the Issue Date is expected to be verified by Prime Collateralised Securities (PCS) EU SAS, in its capacity as third party verification agent authorised pursuant to Article 28 of the Securitisation Regulation. No assurance can be provided that the Transaction does or continues to qualify as an STS-securitisation under the Securitisation Regulation at any point in time in the future.

The Reporting Entity will notify ESMA that the Transaction meets the STS Requirements in accordance with Article 27 of the Securitisation Regulation and such notification will be available under https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation.

As the STS status of the Transaction as described in this Prospectus is not static, investors should verify the current status of the Transaction on the ESMA website. Non-compliance with such status may result in higher capital requirements for investors as an investment in the Notes would not benefit from Articles 260, 262 and 264 of the CRR. Furthermore, non-compliance could result in various administrative sanctions and/or remedial measures being imposed on the Issuer or otherwise payable or reimbursable by the Issuer. As the Transaction Documents do not contemplate the payment or reimbursement by the Issuer of any of such administrative sanctions and/or remedial measures the redemption of the Notes may be adversely affected thereby.

Compliance with the STS Requirements is not a recommendation to buy, sell or hold securities. It is not investment advice whether generally or as defined under Markets in Financial Instruments Directive (2014/65/EU) and it is not a credit rating whether generally or as defined under the Credit Rating Agency Regulation (1060/2009/EC).

VERIFICATION BY PCS

The Issuer has used the services of Prime Collateralised Securities (PCS) EU SAS (**PCS**) as a third party authorised under Article 28 of the Securitisation Regulation in connection with an assessment of the compliance of the Transaction with the STS requirements of Article 18 and Articles 19 to 22 of the Securitisation Regulation (the **Verification Report**) and PCS has prepared a Verification Report. PCS has no material interest in the Issuer.

The Verification Report is not a recommendation to buy, sell or hold securities, is not investment advice whether generally or as defined under Markets in Financial Instruments Directive (2004/39/EC) and is not a credit rating whether generally or as defined under the CRA Regulation or Section 3(a) of the United States Securities Exchange Act of 1934 (as amended). PCS is not an "expert" as defined in the Securities Act.

PCS is not a law firm and nothing in the Verification Report constitute legal advice in any jurisdiction. PCS is authorised by the *Autorité des Marchés Financiers* as a third-party verification agent, pursuant to Article 28 (*Third party verifying STS compliance*) of the Securitisation Regulation, to act as a third party verifying STS compliance. This authorisation covers Verification Reports in the European Union.

By providing the Verification Report in respect of any securities PCS does not express any views about the creditworthiness of the Class A Notes or their suitability for any existing or potential investor or as to whether there will be a ready, liquid market for the Notes. Investors should conduct their own research regarding the nature of the Verification Report and must read the information set out in http://pcsmarket.org. In the provision of the Verification Report, PCS has based its decision on information provided directly and indirectly by the Issuer. PCS does not undertake its own direct verification of the underlying facts stated in the Prospectus, deal sheet, documentation or certificates for the Class A Notes and the completion of the Verification Report is not a confirmation or implication that the information provided by or on behalf of the Issuer as part of the Verification Report are accurate or complete.

In completing a Verification Report, PCS bases its analysis on the STS criteria appearing in Articles 20 to 26 of the Securitisation Regulation together with, if relevant, the appropriate provisions of Article 43 (together, the **STS criteria**). Unless specifically mentioned in the Verification Report, PCS relies on the English version of the Securitisation Regulation. In addition, Article 19(2) of the Securitisation Regulation requires the European Banking Authorities, from time to time, to issue guidelines and recommendations interpreting the STS criteria.

The European Banking Authority (**EBA**) has issued the EBA STS Guidelines for Non-ABCP Securitisations. The task of interpreting individual STS criteria rests with national competent authorities (**NCAs**). Any NCA may publish or otherwise publicly disseminate from time to time interpretations of specific criteria (**NCA Interpretations**). The STS criteria, as drafted in the Securitisation Regulation, are subject to a potentially wide variety of interpretations. In compiling an Verification Report, PCS uses its discretion to interpret the STS criteria based on (a) the text of the Securitisation Regulation, (b) any relevant guidelines issued by EBA and (c) any relevant NCA Interpretation. There can be no guarantees that any regulatory authority or any court of law interpreting the STS criteria will agree with the interpretation of PCS.

There can be no guarantees that any future guidelines issued by the EBA or NCA Interpretations may not differ in their approach from those used by PCS in interpreting any STS criterion prior to the issuance of such new guideline or interpretation. In particular, guidelines issued by EBA are not binding on any NCA. There can be no guarantees that any interpretation by any NCA will be the same as that set out in the EBA guidelines and therefore used, prior to the publication of such NCA Interpretation, by PCS in completing a Verification Report. Although PCS will use all reasonable endeavours to ascertain the position of any relevant NCA as to STS criteria interpretation, PCS cannot guarantee that it will have been made aware of any NCA Interpretation in cases where such interpretation has not been officially published by the relevant NCA.

Accordingly, the provision of a Verification Report is only an opinion by PCS and not a statement of fact. It is not a guarantee or warranty that any national competent authority, court, investor or any other person will accept the STS status of the relevant securitisation.

All PCS services speak only as of the date on which they are issued. PCS has no obligation to monitor (nor any intention to monitor) any securitisation the subject of any Verification Report. PCS has no obligation and does not undertake to update any Verification Report to account for (a) any change of law or regulatory interpretation or (b) any act or failure to act by any person relating to those STS criteria that speak to actions taking place following the close of any transaction such as, without limitation, the obligation to continue to provide certain mandated information.

It is expected that the Verification Report prepared by PCS, together with detailed explanations of its scope, will be available on the website of such agent (https://www.pcsmarket.org/sts-verificationtransactions/).

For the avoidance of doubt, this website and the contents thereof do not form part of this Prospectus.

TERMS AND CONDITIONS OF THE NOTES

The terms and conditions of the Notes (the **Conditions**) are set out in full in the Issuer Regulations and are reproduced below.

1. FORM AND DENOMINATION

(a) On the Issue Date, Silver Arrow France 2020-1 (the **Issuer**) will issue the following classes of Notes in bearer form (each, a Class and collectively, the **Notes**) pursuant to these Conditions:

(i) The floating rate Class A Notes due 2030 (the **Class A Notes**) which are issued in an initial Aggregate Outstanding Note Principal Amount of EUR 500,000,000 and divided into 5,000 Notes, each having an initial Outstanding Note Principal Amount of EUR 100,000; and

(ii) The fixed rate Class B Notes due 2030 (the Class B Notes) which are issued in an initial Aggregate Outstanding Note Principal Amount of EUR 189,700,000 and divided into 1,897 Notes, each having an initial Outstanding Note Principal Amount of EUR 100,000.

The holders of the Notes are referred to as the **Noteholders**.

(b) The issue price of each Class A Note shall be 100.227 per cent. of the nominal value of such Class A Note and the issue price of each Class B Note shall be 100 per cent. of the nominal value of such Class B Note.

(c) The Class A Notes will be issued by the Issuer in bearer dematerialised form (*en forme dématérialisée au porteur*) in compliance with Article L. 211-3 of the French Monetary and Financial Code. The Class B Notes will be issued in dematerialised registered form (*en forme dématérialisée au nominatif*) in compliance with Articles L. 211-3 *et seq*. of the French Monetary and Financial Code. The Notes shall be held in book-entry form only. No physical documents of title will be issued in respect of the Notes.

(d) The Class A Notes will, on or around the Issue Date, be deposited with the Common Safekeeper for Euroclear Bank S.A./N.V. as operator of the Euroclear System (**Euroclear**) and Clearstream Banking, *société anonyme* (**Clearstream Luxembourg** and, together with Euroclear, the **ICSDs**). The Class A Notes shall be effectuated by the Common Safekeeper.

(e) Title to the Class B Notes shall at all times be evidenced by entries in the register of the Registrar Agent, and a transfer of Class B Notes may only be effected through registration by the transfer in such register.

(f) All Class A Notes shall be fungible among themselves. All Class B Notes shall be fungible among themselves. The Class A Notes and the Class B shall not be considered as forming part of the same category as, and shall not be fungible with, any other class of Notes issued by the Issuer

2. STATUS AND PRIORITY

(a) The Notes constitute direct, secured and (subject to Condition 3.1 (Limited recourse) unconditional obligations of the Issuer.

(b) The obligations of the Issuer under the Class A Notes rank *pari passu* amongst themselves without any preference among themselves, subject to the applicable Priority of Payments as set out in Condition 5.4 (Pre-enforcement Priority of Payments) and Condition 7 (Post-enforcement Priority of Payments). The obligations of the Issuer under the Class B Notes rank junior to the Class A Notes and rank *pari passu* amongst themselves, subject to the applicable Priority of Payments as set out in

Condition 5.4 (Pre-enforcement Priority of Payments) and Condition 7 (Post-enforcement Priority of Payments).

3. LIMITED PAYMENT OBLIGATION; ISSUER EVENT OF DEFAULT

3.1 Limited recourse

Without limiting the scope of the obligations and the possibility of recourse of the Issuer, by subscribing any Notes, each Noteholder acknowledges that it shall have no direct right of action or recourse, under any circumstances whatsoever, against the Obligors under the Purchased Receivables and expressly and irrevocably:

(a) agrees that, in accordance with Articles L. 214-169 and L. 214-175, III. of the French Monetary and Financial Code, it has no claim whatsoever against the Issuer for sums in excess of the amount of the Issuer's assets available for making such payments in accordance with the applicable Priority of Payments and the cash allocation provisions set out in the Issuer Regulations, even if the Issuer is liquidated;

(b) agrees that in accordance with Article L. 214-169 of the French Monetary and Financial Code, the Issuer's assets may only be subject to civil proceedings (*mesures civiles d'exécution*) in accordance with the applicable Priority of Payments and the cash allocation provisions set out in the Issuer Regulations;

(c) to the extent that it may have any claim (including any contractual claim or action (*action en responsabilité contractuelle*)) against the Issuer the payment of which is not expressly contemplated under any applicable Priority of Payments and the cash allocation provisions set out in the Issuer Regulations, undertakes to waive to demand payment of any such claim as long as all Notes and Residual Units have not been repaid in full; and

(d) agrees that in accordance with Article L. 214-175, III. of the French Monetary and Financial Code, provisions of Book VI of the French Commercial Code are not applicable to the Issuer.

3.2 Issuer Event of Default and Enforcement Event

Upon the occurrence of an Issuer Event of Default or if the Management Company decides to liquidate the Issuer following the occurrence of an Issuer Liquidation Event, an Enforcement Event will occur and the Management Company shall immediately inform the Noteholders and the Transaction Parties by servicing an Enforcement Notice in accordance with the provisions set out in Condition 9 (Form of Notices).

4. PAYMENTS ON THE NOTES

4.1 Payment Dates

Payments of interest and, in accordance with the provisions herein, principal in respect of the Notes to the Noteholders shall become due and payable monthly on each 20th day of each calendar month, subject to the Business Day Convention (each such day, a **Payment Date**). The first Payment Date shall be 21 December 2020 and the last Payment Date in respect of the Notes shall be the earlier between (a) the Legal Maturity Date, (b) the date on which all the Notes are fully redeemed and (c) the Issuer Liquidation Date.

4.2 Payments and discharge

(a) Payments of principal and interest in respect of the Class A Notes shall be made by the Issuer, on each Payment Date; such payment in respect of Class A Notes shall be made to, or to the order of, Euroclear

and Clearstream Luxembourg, as relevant, for credit to the relevant participants in Euroclear and Clearstream Luxembourg for subsequent transfer to the Noteholders.

(b) All payments made by the Issuer to, or to the order of Euroclear and Clearstream Luxembourg in respect of the Class A Notes shall discharge the liability of the Issuer under the relevant Notes to the extent of the sums so paid.

5. PAYMENT OF INTEREST

5.1 Interest calculation

(a) Each Note shall bear interest on its Outstanding Note Principal Amount from the Issue Date until the close of the day preceding the day on which such Note has been redeemed in full.

(b) The amount of interest payable by the Issuer in respect of a Note on a Payment Date shall be calculated by the Management Company by applying the relevant Class A Interest Rate and Class B Interest Rate (Condition 5.3 (Interest Rate)), to the Outstanding Note Principal Amount of such Note as of the immediately preceding Payment Date (or in case of the first Payment Date as of the Issue Date) and multiplying the result by the actual number of days in the relevant Interest Period divided by 360 and rounding the result to the nearest EUR 0.01 (with EUR 0.005 being rounded upwards) (each being the **Class A Interest Amount** or the **Class B Interest Amount**).

5.2 Interest Period

Interest Period means, in respect of the first Payment Date, the period commencing on (and including) the Issue Date and ending on (but excluding) the first Payment Date and in respect of any subsequent Payment Date, the period commencing on (and including) the immediately preceding Payment Date and ending on (but excluding) such Payment Date, provided that the last Interest Period shall end on (but exclude) the Legal Maturity Date or, if earlier, the date on which all Notes are redeemed in full.

5.3 Interest Rate

(a) The applicable rate of interest payable on the Notes for each Interest Period shall be:

(i) in the case of the Class A Notes, EURIBOR plus 0.70 per cent. *per annum* (the **Class A Interest Rate**), provided that if the Class A Interest Rate is less than zero, the Class A Interest Rate shall be deemed to be zero; and

(ii) in the case of the Class B Notes, 2.00 per cent. *per annum* (the **Class B Interest Rate**).

(b) As interest is calculated using EURIBOR plus 0.70 per cent. *per annum* (being a floating rate), the expected yield of the Class A Notes cannot be calculated on the Issue Date.

(c) The Seller may, at any time, request the Management Company to agree, without the consent of the Noteholders except as required below, to amend EURIBOR as referred to in Condition 5.3(a)(i) above (any such amended rate, an **Alternative Base Rate**) and make such other related or consequential amendments as are necessary or advisable in order to facilitate such change, in particular to Condition 5.3(a)(i) above, (a **Base Rate Modification**) provided that the following conditions are satisfied:

(i) the Management Company, on behalf of the Issuer:

(A) has provided the Noteholders and the Swap Counterparty with at least 30 calendar days' prior written notice of any such proposed Base Rate Modification in compliance with Condition 9 (Form of Notices) which must be accompanied by a notice from the

Servicer pursuant to which the Servicer certifies to the Management Company, the Noteholders and the Swap Counterparty in such notice (such notice being a **Base Rate Modification Certificate**) that such Base Rate Modification is being undertaken due to:

I. a prolonged and material disruption to EURIBOR, a material change in the methodology of calculating EURIBOR or EURIBOR ceasing to exist or be published;

II. the insolvency or cessation of business of the EURIBOR administrator (in circumstances where no substitute EURIBOR administrator has been appointed);

III. a public statement by the EURIBOR administrator that it will cease publishing EURIBOR permanently or indefinitely (in circumstances where no successor EURIBOR administrator has been appointed that will continue publication of EURIBOR);

IV. a public statement by the supervisor of the EURIBOR administrator that EURIBOR has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner;

V. a public statement by the supervisor of the EURIBOR administrator that means EURIBOR may no longer be used or that its use is or will be subject to restrictions or adverse consequences; or

VI. the reasonable expectation of the Servicer that any of the events specified in paragraphs I, II, III, IV or V above will occur or exist within six (6) months of the proposed effective date of such Base Rate Modification; and

(B) has appointed, in its sole discretion, a rate determination agent which is the investment banking division of a bank of international repute and which is not an affiliate of the Seller (the **Rate Determination Agent**), so as to determine the Alternative Base Rate which must be:

I. a base rate published, endorsed, approved or recognised by the European Central Bank, any regulator in Germany or the EU or any stock exchange on which the Class A Notes are listed (or any relevant committee or other body established, sponsored or approved by any of the foregoing);

II. the Euro Short-Term Rate (or any rate which is derived from, based upon or otherwise similar to the foregoing);

III. a base rate utilised in a material number of publicly-listed new issues of Euro denominated asset backed floating rate notes prior to the effective date of such Base Rate Modification;

IV. a base rate utilised in a publicly-listed new issue of Euro denominated asset backed floating rate notes where the originator of the relevant assets is an affiliate of the Seller; or

V. such other base rate as the Rate Determination Agent (after consultation of the Servicer) reasonably determines (and in relation to which the Rate Determination Agent has provided to the Management Company and the Seller reasonable justification of its determination);

(ii) the Rate Determination Agent has confirmed to the Management Company and the Seller that a Base Rate Modification events referred to in paragraphs ((i)(A))(I) to (VI) above has occurred;

(iii) the Rating Agencies have been notified of such proposed Base Rate Modification and, based on such notification, the Servicer is not aware that the then current ratings of the Class A Notes would be adversely affected by such Base Rate Modification; and

(iv) the Seller pays all fees, costs and expenses (including legal fees) incurred by the Issuer or any other party to the Transaction Documents in connection with such Base Rate Modification.

(d) Notwithstanding Condition 5.3(c) above, no Base Rate Modification will become effective if within thirty (30) days of the delivery of the Base Rate Modification Certificate, (i) the Swap Counterparty does not consent to Base Rate Modification or (ii) Noteholders representing at least 10 per cent. of the Outstanding Note Principal Amount of the Class A Notes have notified the Issuer in writing (or otherwise in accordance with the then current practice of any applicable Clearing System through which the Class A Notes are held) that they do not consent to the Base Rate Modification (a **Noteholder Base Rate Consent Event**). Objections made in writing other than through the applicable Clearing System must be accompanied by evidence to the Issuer's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Class A Notes.

(e) If a Noteholder Base Rate Consent Event occurs, the Base Rate Modification will not become effective unless a majority resolution of the holders of the Class A Notes is passed in favour of the Base Rate Modification in compliance with Condition 12.1(h) (Representation of the Noteholders).

(f) The Servicer on behalf of the Issuer will notify the Noteholders and the Swap Counterparty on the date when the Base Rate Modification takes effect in compliance with Condition 9 (Form of Notices).

5.4 Pre-enforcement Priority of Payments

Prior to the service of an Enforcement Notice, the Issuer will distribute or allocate the Available Distribution Amount, by debiting the Issuer Account, on each Payment Date in accordance with the following Pre-enforcement Priority of Payments:

(a) *first*, any due and payable taxes owed by the Issuer;

(b) *second*, (on a *pro rata* and *pari passu* basis) any due and payable Administration Expenses and Servicing Fee (if any);

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

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

(e) *fifth*, an amount equal to the General Reserve Required Amount to the General Reserve Ledger;

(f) *sixth*, (on a *pro rata* and pari *passu* basis) the Class A Principal Redemption Amount in respect of the redemption of the Class A Notes;

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

(h) *eighth*, (on a *pro rata* and *pari passu* basis) the Class B Principal Redemption Amount in respect of the redemption of the Class B Notes;

(i) *ninth*, any due and payable interest amount on the Subordinated Loan;

(j) *tenth*, the Subordinated Loan Redemption Amount in respect of the redemption of the Subordinated Loan;

(k) *eleventh*, any indemnity payments to any party under the Transaction Documents;

(l) *twelfth*, any payments due under the Swap Agreement other than those made under paragraph (c) above; and

(m) *thirteenth*, the Final Success Fee to the Residual Unitholders.

5.5 Interest shortfall

(a) Any shortfall in the Class A Interest Amount or in the Class B Interest Amount according to the applicable Priority of Payments on a Payment Date will not be payable on that Payment Date but will become payable on subsequent Payment Dates if and to the extent that funds may be used for this purpose in accordance with the applicable Priority of Payments. Such shortfall will not accrue interest.

(b) For the avoidance of doubt, any shortfall in the Class A Interest Amount shall represent an Issuer Event of Default.

6. REDEMPTION

6.1 Amortisation – Pre-enforcement

The Issuer will redeem the Class A Notes and the Class B Notes subject to the Available Distribution Amount and in accordance with the applicable Priority of Payments.

6.2 Final Redemption

(a) On the Legal Maturity Date, each Class A Note shall, unless previously redeemed, be redeemed in full at the Aggregate Outstanding Note Principal Amount of the Class A Notes and, after all the Class A Notes have been redeemed in full, each Class B Note shall, unless previously redeemed, be redeemed in full at the Aggregate Outstanding Note Principal Amount of the Class B Notes.

(b) After the Legal Maturity Date, any principal and/or interest amount remaining unpaid in respect of the Notes shall be automatically and without any formalities (*de plein droit*) cancelled, and as a result, with effect from the Legal Maturity Date, the Noteholders shall no longer have any right to assert a claim in respect of the Notes against the Issuer.

6.3 Clean-Up Call

(a) On any Payment Date following the respective Determination Date on which (a) the Aggregate Outstanding Principal Amount is reduced to less than (10) per cent. of the Aggregate Outstanding Principal Amount at the Cut-Off Date or (b) the Class A Notes are fully redeemed, the Seller will (provided that on the relevant Payment Date no Enforcement Event has occurred) have the option under the Receivables Purchase Agreement (the **Clean-Up Call**) to repurchase all Purchased Receivables (together with any related Ancillary Rights) then outstanding against payment of the Re-transfer Amount, subject to the following requirements (the **Clean-Up Call Conditions**):

(i) the Re-transfer Amount should, together with funds credited to the General Reserve Ledger and to the Operating Ledger be at least equal to the sum of (x) the Aggregate Outstanding Note Principal Amount of all Class A Notes plus (y) accrued interest thereon plus (z) all claims of any creditors of the Issuer ranking prior to the claims of the Class A Noteholders according to the applicable Priority of Payments; and

(ii) the Seller shall have notified the Management Company of its intention to exercise the Clean-Up Call at least ten (10) days prior to the contemplated settlement date of the Clean-Up Call.

(b) An early redemption of the Notes pursuant to this Condition 6.3 shall be excluded if the Clean-Up Call associated with that early redemption does not fully satisfy French regulatory requirements (applicable from time to time) in respect of Clean-Up Calls.

(c) Upon payment in full of the amounts specified in Condition 6.3(a)(i) above to, or for the order of, the Noteholders, no Noteholders shall be entitled to receive any further payments of interest or principal.

7. POST-ENFORCEMENT PRIORITY OF PAYMENTS

After the issuance of an Enforcement Notice by the Management Company, the Management Company will apply the Available Distribution Amount, by debiting the Issuer Account, 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 Post-enforcement Priority of Payments:

(a) *first*, any due and payable taxes owed by the Issuer;

(b) *second*, (on a *pro rata* and *pari passu* basis) any due and payable Administration Expenses and Servicing Fee (if any);

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

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

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

(f) *sixth*, (subject to the Class A Notes being redeemed in full and on a *pro rata* and *pari passu* basis) any due and payable Class B Interest Amount on the Class B Notes;

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

(h) *eighth*, (subject to the Class B Notes being redeemed in full) any due and payable interest amount on the Subordinated Loan;

(i) *ninth*, any due and payable principal amounts on the Subordinated Loan until the Subordinated Loan is reduced to zero;

(j) tenth, any indemnity payments to any party under the Transaction Documents;

(k) *eleventh*, any payments due under the Swap Agreement other than those made under paragraph (c) above;

(l) *twelfth*, on the final Payment Date, to the Residual Unitholders, in respect of principal until the Residual Units are redeemed in full; and

(m) *thirteenth*, the Final Success Fee to the Residual Unitholders.

8. NOTIFICATIONS

With respect to each Payment Date, on the Calculation Date preceding such Payment Date, the Management Company shall notify the Issuer, the Swap Counterparty, the Paying Agent and, on behalf of the Issuer, by means of notification in accordance with Condition 9 (Form of Notices), the Noteholders, and for so long as any of the Notes are listed on the official list and are admitted to trading on the regulated market of the Luxembourg Stock Exchange through the Paying Agent in respect of Class A Notes only, as follows:

(a) in respect of the amount of principal payable in respect of each Class A Note and each Class B Note pursuant to Condition 6 (Redemption) and the Interest Periods, the Class A Interest Amount and the Class B Interest Amount pursuant to Condition 5.1 (Interest Calculation) in accordance with the applicable Priority of Payments and subject to the Available Distribution Amount to be paid on such Payment Date;

(b) in respect of the Aggregate Outstanding Note Principal Amount of Class A Notes, the Aggregate Outstanding Note Principal Amount of Class B Notes, the Class A Principal Redemption Amount and the Class B Principal Redemption Amount as from such Payment Date

(c) in the event of the final payment in respect of the Notes pursuant to Condition 6.2 (Final Redemption) or Condition 6.3 (Clean-Up Call), about the fact that such is the final payment; and

(d) in the event of the payment of interest and redemption after the occurrence of an Enforcement Event, in respect of the amounts of interest and principal to be paid in accordance with Condition 7 (Post-enforcement Priority of Payments).

9. FORM OF NOTICES

All notices to the Noteholders hereunder, and in particular the notifications mentioned in Condition 8 (Notifications) shall be (i) published in the Luxemburger Wort or on the website of the Luxembourg Stock Exchange (www.bourse.lu) (or such other publication conforming to the rules of the Luxembourg Stock Exchange) if and to the extent a publication in such form is required by the rules of the Luxembourg Stock Exchange and (ii) delivered to Euroclear and Clearstream Luxembourg for communication by it to the Noteholders. Any notice referred to under paragraph (i) above shall be deemed to have been given to all Noteholders on the date of such publication in the Luxemburger Wort or on the website of the Luxembourg Stock Exchange (www.bourse.lu) (or such other publication conforming to the rules of the Luxembourg Stock Exchange). Any notice referred to under paragraph (ii) 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 Euroclear and Clearstream Luxembourg.

10. AGENTS; DETERMINATIONS BINDING

(a) The Issuer has appointed BNP Paribas Securities Services as initial paying agent (the **Paying Agent**) and as the initial registrar agent (the **Registrar Agent**).

(b) The Issuer shall procure that for so long as any Notes are outstanding there shall always be a paying agent to perform the functions assigned to the Paying Agent in the Agency and Registrar Agreement, provided that for so long as the Notes are listed on the official list and are admitted to trading on the regulated market of the Luxembourg Stock Exchange. The Paying Agent shall act solely as agent for the Issuer and shall not have any agency, fiduciary or trustee relationship with the Noteholders.

(c) All calculations and determinations made by the Management Company or the Paying Agent, as the case may be, for the purposes of these Conditions shall, in the absence of manifest error, be final and binding.

11. TAXATION

Payments shall only be made by the Issuer after the deduction and withholding of current or future taxes, levies or governmental charges, regardless of their nature, which are imposed, levied or collected (collectively, "taxes") under any applicable system of law or in any country which claims fiscal jurisdiction by, or for the account of, any political subdivision thereof or government agency therein authorised to levy taxes, to the extent that such deduction or withholding is required by law or its interpretation. The Issuer shall account for the deducted or withheld taxes with the competent government agencies and shall, upon request of a Noteholder, provide proof thereof. The Issuer is not obliged to pay any additional amounts as compensation for taxes deducted or withheld in accordance with this Condition 11.

12. MISCELLANEOUS

12.1 Representation of the Noteholders

(a) The Noteholders of each class of Notes will be grouped automatically for the defence of their respective common interests in a masse (the *Masse*).

In the absence of specific legal provisions governing the legal regime of notes (*titres de créances*) issued by a *fonds commun de titrisation*, each *Masse* will be governed in accordance with Article L. 228-90 of the French Commercial Code, by the provisions of Articles L. 228-46 *et seq*. of the French Commercial Code (with the exception of the provisions of Articles L. 228-48, L. 228-59, L. 228-65, L. 228-71, L. 228-72, R. 228-63, R. 228-67, R. 228-69 and R. 228-72 thereof), and/or, as the case may be, by any other mandatory provisions from time to time governing notes (*titres de créances*) issued by a *fonds commun de titrisation*, and by the conditions set out below.

(b) Each *Masse* is a separate legal body, by virtue of Article L. 228-46 of the French Commercial Code acting in part through one representative (each a **Noteholders Representative**) and in part through the general meeting (*assemblée générale*) of the Noteholders of a class of Notes (each a N**oteholders' General Meeting**).

If, and to the extent that, all Notes of a particular class are held by a single Noteholder (as this would be the case for the Class B Notes on the Issue Date), the rights, powers and authority of the relevant *Masse* will be vested in such Noteholder and no representative of the relevant *Masse* will need to be appointed.

Each *Masse* alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits that now or in the future may accrue with respect to the Notes.

(c) Subject to paragraphs (d) and (e) below, the Noteholders Representative of the Class A Noteholders will be the *Association de Représentation des Masses de Titulaires de Valeurs Mobilières*.

(d) The office of each Noteholders Representative may be conferred on a person of any nationality. However, the following persons may not be chosen as the Noteholders Representative:

(i) the Management Company, the Custodian, its respective managers (*gérants*), general managers (*directeurs généraux*), members of their Board of Directors (*Conseil d'administration*), Management Board (*Directoire*) or Supervisory Board (*Conseil de surveillance*), as the case may be, its statutory auditors, or employees as well as their ascendants, descendants and spouses;

(ii) the Seller;

(iii) companies possessing at least 10 per cent. of the share capital of the Management Company and/or the Custodian or of which the Management Company and/or the Custodian hold at least 10 per cent. of the share capital;

(iv) companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers (*directeurs généraux*), members of their Board of Directors (*Conseil d'administration*), Management Board (*Directoire*) or Supervisory Board (*Conseil de surveillance*), their statutory auditors, or employees as well as their ascendants, descendants and spouses; and

(v) persons to whom the practice of banking activities is forbidden or who have been deprived of the right to direct, administer or manage a business in whatever capacity.

(e) In the event of death, resignation or revocation of the Noteholders Representative, a replacement Noteholders Representative will be elected by the Noteholders' General Meeting.

(f) All interested parties shall at all times have the right to obtain the name and the address of the then appointed Noteholders Representative at the head office of the Management Company, the Custodian and at the offices of the Paying Agent.

Each Noteholders Representative shall, in the absence of any decision to the contrary of the relevant Noteholders' General Meeting, have the power to take all managerial actions to defend the common interests of the Noteholders of the relevant class of Notes.

All legal proceedings against the Noteholders of a class of Notes or initiated by them, in order to be legally valid, must be brought against the Noteholders Representative or by it, and any legal proceedings which shall not be brought in accordance with this provision shall not be legally valid.

No Noteholders Representative may interfere in the management of the affairs of the Issuer.

(g) The relevant Noteholders' General Meeting may be held in any location and at any time, on convocation either by the Management Company or by the relevant Noteholders Representative. One or more Noteholders of the same class of Notes, holding together at least one-thirtieth of outstanding Notes, may address to the Management Company and the relevant Noteholders Representative a demand for convocation of the relevant Noteholders' General Meeting; if the Noteholders' General Meeting has not been convened within two (2) months from such demand, the Noteholders of the relevant class of Notes may commission one of them to petition the competent court in Paris to appoint an agent (*mandataire*) who will call the meeting on their behalf.

Notice of the date, hour, place (provided it is in European Union), agenda and quorum requirements of any meeting of a general assembly will be published as provided under Condition 9 (Form of Notices) not less than 15 calendar days prior to the date of the general assembly for a first convocation and not less than ten calendar days in the case of a second convocation prior to the date of the reconvened general assembly.

Each Noteholder has the right to participate in meetings of the relevant *Masse* in person, represented by proxy correspondence or, if the Issuer Regulations so specify, videoconference or any other means of telecommunication enabling the identification of the participating Noteholders. Each Note carries the right to one vote.

(h) Each Noteholders' General Meeting is empowered to deliberate on the dismissal and replacement of the relevant Noteholders Representative, and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the

Notes of the relevant class of Notes, including authorising the relevant Noteholders Representative to act as plaintiff or defendant.

Each Noteholders' General Meeting may further deliberate on any proposal relating to the modification of the Conditions, including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that a Noteholders' General Meeting of the Class A Noteholders may not increase the obligations of (including any amounts payable by) the Noteholders of the relevant class of Notes nor establish any unequal treatment between the Class A Noteholders.

Noteholders' General Meetings may deliberate validly on first convocation only if the Noteholders of the relevant class of Notes present or represented hold at least one quarter of the principal amount of the Notes of such Class then outstanding. On second convocation, no quorum shall be required. Decisions at these meetings shall be taken by a two-third majority of votes cast by the Noteholders attending such meeting or represented thereat.

Decisions of any Noteholders' General Meeting must be published in accordance with the provisions set out in Condition 9 (Form of Notices) not more than 90 calendar days from the date thereof.

(i) Each Noteholder or the relevant Noteholders Representative has the right, during the 15-day period preceding the holding of each Class A Noteholders' General Meeting, to consult or make a copy of the text of the resolutions which are proposed and of the reports which are presented at this meeting, which is available for inspection at the principal office of the Management Company, at the offices of any of the Paying Agent and at any other place specified in the notice of meeting.

(j) The Management Company shall make decisions in accordance with the decisions taken by the *Masses*. In the case of a conflict between the decisions taken by the different *Masses* and/or between the decisions taken by the *Masses* and the Residual Unitholders, the Management Company shall have regard to the interests of each *Masse* (except where expressly provided otherwise) but requiring the Management Company where there is a conflict of interests between one or more *Masses* in any such case to have regard (except as expressly provided otherwise) to the interests of the *Masse* of the Noteholders of Class A Notes or the *Masse* of the Noteholders of Class B Notes if no Class A Notes are outstanding.

(k) The Issuer will not pay any expenses incurred by the operation of the *Masse*, including expenses relating to the calling and holding of meetings, and more generally all administrative expenses resolved upon by a Noteholders' General Meeting, it being expressly stipulated that no expenses may be imputed against interest payable on the Class A Notes.

12.2 Governing Law

The form and content of the Notes and all of the rights and obligations of the Noteholders and the Issuer under the Notes shall be governed in all respects by French law.

12.3 Jurisdiction

The exclusive place of jurisdiction for any action or other legal proceedings arising out of or in connection with the Notes shall be the *Tribunal de Commerce* (commercial court) of Paris. The Issuer hereby submits to the jurisdiction of such court.

OVERVIEW OF THE TRANSACTION DOCUMENTS

1. ISSUER REGULATIONS

The Issuer Regulations include, *inter alia*, the rules concerning the creation, the operations (including the purchase of Receivables by the Issuer and the funding strategy of the Issuer) and the liquidation of the Issuer, the respective duties, obligations, rights and responsibilities of the Management Company and of the other parties involved in the Transaction, the characteristics of the Purchased Receivables, the characteristics of the Notes and of the Residual Units, their respective terms and conditions, the periods of the Issuer and the Priority of Payments applicable to each period and the credit enhancement set up in relation to the Issuer and any specific third party undertakings.

As a matter of French law, the Noteholders are bound by the Issuer Regulations. A copy of the Issuer Regulations is made available for inspection by the Noteholders at the registered office of the Management Company, at the specified offices of the Paying Agent and on the website of the European DataWarehouse (being, as at the Signing Date, www.eurodw.eu) and the Management Company website (being, as at the Signing Date, www.eurotitrisation.fr). Once a securitisation repository is registered in accordance with Article 10 of the Securitisation Regulation, a copy of the Issuer Regulations will be made available via such securitisation repository.

2. CUSTODIAN AGREEMENT

The Custodian Agreement sets out the contractual terms and conditions of the mission of BNP Paribas Securities Services when appointed as custodian of the *organismes de titrisation* (securitisation vehicles) governed by Articles L. 214-166-1 *et seq.* of the French Monetary and Financial Code managed by Eurotitrisation as management company.

The Custodian Agreement provides for the rights and obligations of both BNP Paribas Securities Services and Eurotitrisation and in particular the obligations of BNP Paribas Securities Services when appointed as custodian under the applicable regulation, namely:

(a) the custody of the assets of the *organismes de titrisation* (securitisation vehicles);

(b) the control of the regularity of the decisions made by the Management Company; and

(c) monitoring the cash flows of the *organismes de titrisation* (securitisation vehicles), including payments made by holders of units, shares or debt securities to the the *organismes de titrisation* (securitisation vehicles).

3. MASTER DEFINITIONS AND FRAMEWORK AGREEMENT

The Master Definitions and Framework Agreement sets out the commons terms applicable to the Transaction, which include, *inter alia*, (i) the definitions and principles of construction applicable to the other Transaction Documents and (ii) certain other provisions applicable to the other Transaction Documents.

4. RECEIVABLES PURCHASE AGREEMENT

Purchase of Eligible Receivables

Pursuant to the Receivables Purchase Agreement, the Issuer has agreed to purchase (subject to the conditions precedent to the purchase of Eligible Receivables as set out therein) from the Seller and the Seller agreed to sell and transfer to the Issuer on the Purchase Date all the Seller's right, title and interest in and to the Eligible Receivables, subject to and in accordance with French law and the provisions set out therein.

The Purchase Price of EUR 689,700,074.82 will be paid to the Seller and will be equal to the Aggregate Outstanding Principal Amount of the Purchased Receivables as of the Cut-Off Date.

Pursuant to the Receivables Purchase Agreement, the Seller shall represent to the Issuer that each Purchased Receivable complied, as of the Cut-Off Date, with the relevant Eligibility Criteria. The Portfolio Information in respect of the Receivables to be assigned to the Issuer on the Purchase Date and allowing each Receivable to be identified and individualised (*désignée et individualisée*) is annexed to the Receivables Purchase Agreement. In the Receivables Purchase Agreement, the Seller shall further represent that certain representations and warranties with respect to each Receivable offered for purchase are true and correct as of the Purchase Date (the **Seller Warranties**). For further details, see the Section entitled "Description of the Portfolio – Seller Warranties".

Subject to the satisfaction of certain conditions precedent, the Issuer will acquire in respect of the Eligible Receivables unrestricted title as from the Purchase Date (together with all of the Ancillary Rights attached thereto).

If, for any reason, title to any Purchased Receivable or Ancillary Right or Related Security attached thereto is not transferred to the Issuer, the Seller, provided that it has received the Purchase Price, shall without undue delay, take all actions necessary to perfect the transfer of title. All Losses, costs and expenses which the Issuer incurred or will incur by taking additional measures due to the Purchased Receivables or Ancillary Right or Related Security attached thereto not being sold or transferred or only being sold and transferred will be borne by the Seller.

A sale of the Receivables pursuant to the Receivables Purchase Agreement constitutes a sale without recourse. This means that the Seller will not bear the risk of the inability of any Obligor to pay the relevant Purchased Receivables. However, in the event of any breach of the relevant Eligibility Criteria and/or the Seller Warranties, the Seller owes the payment of the Re-transfer Amount regardless of the respective Obligor's credit strength.

The Issuer shall not be entitled to purchase any further Receivables after the Purchase Date.

Transfer of full ownership

Pursuant to the provisions of Article L. 214-169 of the French Monetary and Financial Code, the Eligible Receivables and all attached Ancillary Rights will be transferred from the Seller to the Issuer by the delivery to the Management Company by the Seller of a Transfer Document, without any further formalities (*de plein droit*). Such transfer shall be effective between the parties and enforceable against third parties as of the date of such delivery as specified in the Transfer Document, provided that the parties to the Receivables Purchase Agreement have agreed that the Issuer shall be entitled to the Collections under such Purchased Receivables from the Transfer Effective Date.

The acquisition of Eligible Receivables and all attached Ancillary Rights by the Issuer shall remain in force and effect notwithstanding the Seller being subject to a suspension of its payments at the time of such acquisition and the potential opening against the Seller after such acquisition of any proceeding referred to in Livre VI of the French Commercial Code or any equivalent proceeding governed by a foreign law (pursuant to Article L. 214-169, V., 4° of the French Monetary and Financial Code). Additionally, the provisions of Article L. 632-2 of the French Commercial Code (relating to the potential nullity of certain acts performed during the suspect period (*période suspecte*) if the creditors who entered into those acts with the relevant debtor knew that the debtor was insolvent) are not applicable to the payments made by the Issuer, nor to the acts against payment of a consideration (actes à titre onéreux) performed by the Issuer or made in its favour, in relation directly to the transactions provided for in Article L. 214-168 of the French Monetary and Financial Code.

Use of Related Security and Ancillary Rights

The Issuer has agreed to make use of any Ancillary Rights and Related Security only in accordance with the provisions governing such Ancillary Rights and Related Security and the related Loan Agreement or Lease Agreement, as applicable.

Notification of Assignment

The Obligors will only be notified by the Servicer in respect of the assignment of the Purchased Receivables and related Ancillary Rights and Related Security upon request by the Management Company following the occurrence of an Obligor Notification Event. Should the Servicer fail to notify the Obligors within three (3) Business Days of such request, the Management Company (or any agent appointed by it) shall, promptly notify the relevant Obligors of the assignment of the Purchased Receivables (together with the Ancillary Rights attached thereto) to the Issuer within five (5) Business Days after the Servicer fails to notify the relevant Obligors.

Prior to notification, the Obligors will continue to validly make all payments to such account of the Seller as provided in the relevant Contractual Document(s).

Re-transfer of Purchased Receivables

The Issuer is entitled to:

(d) if requested by the Seller, re-transfer to the Seller, any Purchased Receivable which has become due and payable (*créance échue*), has been entirely accelerated (*déchues de leur terme*), in accordance with, and subject to, the relevant provisions of the Receivables Purchase Agreement, provided that the Issuer shall, in any case, be free to accept or refuse such request;

(e) re-transfer to the Seller, any Purchased Receivable which the Seller contemplates to transfer to a third party or arising from a Lease Agreement or a Loan Agreement which the Seller contemplates to transfer to a third party;

(f) following the modification of the terms of a Purchased Receivable, a Lease Agreement or a Loan Agreement made in breach of the Credit and Collection Policy and/or resulting in the latest payment due under any Purchased Receivable, Loan Agreement or Lease Agreement be extended beyond the Legal Maturity Date; and

(g) following the occurrence of an Issuer Liquidation Event, if the Seller has not exercised the Clean-Up Call, re-transfer to the Seller or assign to a third party all then outstanding Purchased Receivables, in accordance with the relevant provisions of the Receivables Purchase Agreement.

For the avoidance of doubt, re-transfers of Purchased Receivables by the Issuer shall only occur in the circumstances pre-defined above, and the Management Company shall not carry out any active management of the portfolio of Purchased Receivables on a discretionary basis (meaning, (i) a management that would make the performance of the securitisation dependent both on the performance of the Purchased Receivables and on the performance of the portfolio management of the securitisation or (ii) a management performed for speculative purposes aiming to achieve better performance, increased yield, overall financial returns or other purely financial or economic benefit).

Clean-Up Call

In the circumstances described in "Terms and Conditions of the Notes – Condition 6.3 (Clean-Up Call)", the Seller may exercise the Clean-Up Call. The Re-transfer Amount for the Purchased

Receivables that are subject to the Clean-Up Call shall be determined as set out in accordance with Condition 6.3 (Clean-Up Call).

Re-transfer Amounts

If any of the following situations occurs:

(a) any Purchased Receivable was not complying with the relevant Eligibility Criteria as of the Cut-Off Date;

(b) the Seller has breached the Seller Warranties as of the Purchase Date;

(c) the Issuer re-transfers any Purchased Receivable to the Seller in accordance with, and subject to, the terms of the Receivables Purchase Agreement; or

(d) the Seller has exercised the Clean-Up Call with respect to all outstanding Purchased Receivables,

the Seller shall pay to the Issuer the corresponding Re-transfer Amount in accordance with the Receivables Purchase Agreement. The Re-transfer Amount shall be equal to:

(i) in the circumstances referred to in paragraphs (a), (b) and (c) above:

(A) for (i) all the Purchased Receivables to be re-transferred and (ii) all the Purchased Receivables the sale of which shall be deemed null and void without any further formalities (*cession résolue de plein droit*), and which are not Uncollectible Receivables, the sum of the Outstanding Loan Principal Amounts or the Outstanding Lease Principal Amounts, as applicable, of such Purchased Receivables as at the Determination Date immediately preceding the Payment Date on which, the re-transfer of such Purchased Receivables shall take place or, as applicable on which the sale of such Purchased Receivables shall be rescinded; and

(B) for (i) all the Purchased Receivables to be re-transferred and (ii) all the Purchased Receivables the sale of which shall be deemed null and void without any further formalities (*cession résolue de plein droit*), and which are Uncollectible Receivables, such amount as agreed in writing between the Seller and the Management Company as being the fair market value of such Purchased Receivables;

(ii) in the circumstances referred to in paragraph (d) above, the amount determined in accordance with Condition 6.3 (Clean-Up Call).

The costs of such re-transfer or such rescission will be borne solely by the Seller.

Upon receipt of the relevant Re-transfer Amount on the relevant Re-transfer Date, the ownership of the affected Purchased Receivable (together with the Ancillary Rights attached thereto) will be re-transferred to the Seller on such Re-transfer Date automatically in the circumstances set out in paragraphs (a) and (b) above and in accordance with, and subject to, the procedure set out in clause 12 of the Receivables Purchase Agreement, respectively, in the circumstances set out in paragraphs (c) and (d) above (in each case, without recourse or warranty on the part of the Issuer and at the sole cost of the Seller).

Any re-transfer of Purchased Receivables shall be a non-recourse or guarantee basis on the part of the Issuer.

Redelivery Receivables

The Seller shall, on the Payment Date immediately following the date falling six (6) months after the date on which the Servicer has determined in accordance with the Credit and Collection Policy that any Purchased Receivable has become a Redelivery Receivable (the **RV Payment Date**):

(a) determine the amount of any related RV Deficit Amount; and

(b) pay to the Issuer, an amount equal to the RV Deficit Amount in respect of such Purchased Receivable as Deemed Collection, by crediting the Operating Ledger no later than on such Payment Date.

For the avoidance of doubt, the Seller is not obliged to make such a payment in respect of any Redelivery Contract subject to early settlement.

Performance Reserve

The Seller has undertaken to remit to the Issuer, following the occurrence of (a) a Performance Reserve Trigger Event (provided that such Performance Reserve Trigger Event is continuing as at such date) or (b) a Servicer Termination Event (provided that such Servicer Termination Event is continuing as at such date), such amount so that the credit balance of the Performance Reserve Ledger shall be equal to the Performance Reserve Cash Deposit Amount as at the relevant Payment Date. The Seller has undertaken to transfer such amount by way of deposit as cash collateral for its actual or contingent obligations under clause 14.2 of the Receivables Purchase Agreement, in accordance with the Receivables Purchase Agreement and Articles L. 211-38 *et seq.* of the French Monetary and Financial Code.

The transfer shall be made by crediting the Issuer Account (for credit into the Performance reserve Ledger): (a) on the Payment Date immediately following the occurrence of a Performance Reserve Trigger Event or a Servicer Termination Event, if such event occurred at least two (2) Business Days prior to such Payment Date, or (b) in any other case, on the Payment Date falling in the immediately following Collection Period as long as the relevant Performance Reserve Trigger Event or Servicer Termination Event is continuing.

Under the Receivables Purchase Agreement, the Seller has undertaken to satisfy at any time the Seller Performance Undertakings. In the event of a failure by the Seller to comply with the Seller Performance Undertakings, the Seller shall indemnify the Issuer by paying an amount equal to the Compensation Payment Obligation in respect of the relevant Lease Agreement. The Performance Reserve aims at guaranteeing due and timely payment of any Compensation Payment Obligation.

In respect of the Seller, the Performance Reserve will be made of the amount standing to the credit of the Performance Reserve Ledger at any time.

The Performance Reserve Cash Deposit Amount shall be an amount equal to one per cent. (1%) of the portion of the Outstanding Lease Principal Amount corresponding to all outstanding Purchased Receivables which relate to a Lease Agreement.

On any Payment Date provided that no Compensation Payment Obligation remains unpaid by the Seller, (and if a Compensation Payment Obligation remains unpaid by the Seller, if the Management Company decides to resume with such release of the Performance Reserve in order to use the Performance Reserve as may be necessary to ensure the continued sale of the Leased Vehicle and the crediting of the corresponding proceeds to the Operating Ledger), the amount of the Performance Reserve to be released to such Seller outside any Priority of Payments, will be calculated as follows:

(a) if the Outstanding Lease Principal Amount of the relevant Lease Agreement has been paid in full (other than in the circumstances contemplated under paragraph (b) or (c) below) and the relevant Collections have been paid to the Operating Ledger during the Collection Period preceding the relevant Payment Date, one per cent. (1%) of the portion of the Outstanding Lease Principal Amount corresponding to the relevant Purchased Receivables;

(b) if any Leased Vehicle has been sold to the relevant Lessee following the exercise of the purchase option by that Lessee and the proceeds from the sale of such Leased Vehicle have been paid to the Operating Ledger during the Collection Period preceding the relevant Payment Date, one per cent. (1%) of the portion of the Outstanding Lease Principal Amount corresponding to the relevant Purchased Receivables;

(c) if any Leased Vehicle is sold to a party and the proceeds from the sale of such Leased Vehicle have been paid to the Operating Ledger during the Collection Period preceding the relevant Payment Date, one per cent. (1%) of the portion of the Outstanding Lease Principal Amount corresponding to the relevant Purchased Receivables;

(d) if any Purchased Receivables has been repurchased by a Seller in accordance with the Receivables Purchase Agreement or the sale of the relevant Purchased Receivables has been rescinded due to non-compliance with the Eligibility Criteria, in accordance with the Receivables Purchase Agreement: one per cent. (1%) of the portion of the Outstanding Lease Principal Amount corresponding to the relevant Purchased Receivables; and

(e) if the Seller provides evidence that any Leased Vehicle has been destroyed or stolen (by any means deemed satisfactory by the Management Company, including for example because it has received insurance indemnity): one per cent. (1%) of the portion of the Outstanding Lease Principal Amount corresponding to the relevant Purchased Receivables.

From any date on which the Seller breaches any of the Seller Performance Undertakings and provided that the Seller has not fully paid the corresponding Compensation Payment Obligation to the Issuer, there shall no longer be any release of the Performance Reserve to the Seller to use the Performance Reserve as may be necessary to ensure the continued sale of the Vehicle and the crediting of the corresponding proceeds to the Operating Ledger.

From any date on which the Seller breaches any of the Seller Performance Undertakings and provided that the Seller has not fully paid the corresponding Compensation Payment Obligation to the Issuer, the Management Company will be entitled to set-off the restitution obligations of the Issuer under the Seller's Performance Reserve Cash Deposit Amount against the then due and payable Compensation Payment Obligation, up to the lowest of such two amounts, in accordance with articles L. 211-38 *et seq*. of the French Monetary and Financial Code and to apply the corresponding funds as part of the Available Distribution Amount in accordance with the applicable Priority of Payments on the immediately following Payment Date (or on that date if it is a Payment Date), without the need to give prior notice of intention to enforce its rights under the Performance Reserve (*sans mise en demeure préalable*). The Performance Reserve Ledger shall be debited accordingly.

As long as the Seller has paid in a timely manner all of its due and payable Compensation Payment Obligation, the Performance Reserve Ledger shall not be debited to increase the Available Distribution Amount of any Collection Period and shall not be applied to cover any payments due in accordance with and subject to the applicable Priority of Payments.

Upon the earlier of (a) the Legal Maturity Date, (b) the date on which the Notes are fully redeemed or (c) the Issuer Liquidation Date and subject to the Seller having paid in full all due and payable indemnity payments, the amount standing to the credit of the Performance Reserve Ledger will be released and retransferred directly to the Seller (without application of any Priority of Payments).

5. SERVICING AGREEMENT

Pursuant to the Servicing Agreement and in accordance with Article L. 214-172 of the French Monetary and Financial Code, the Seller has been appointed by the Management Company as Servicer. The Servicer shall service and administer the Purchased Receivables (together with the Ancillary Rights attached thereto), collect and, if necessary, enforce the Purchased Receivables (together with the related Ancillary Rights and Related Security attached thereto) and pay all proceeds to the Issuer.

Obligations of the Servicer

In particular, the Servicer, *inter alia*, has undertaken to:

(a) maintain its corporate existence and centre of main interest in France;

(b) service, administer and collect the Purchased Receivables and the Ancillary Rights attached thereto:

  (i) in accordance with (i) the provisions of the Servicing Agreement and the provisions of the relevant Loan Agreements, Lease Agreements, Dealer Vehicle Buy Back Agreements or Vehicle Sale Agreements (as applicable) from or in connection which the Purchased Receivables arise and (ii) the Credit and Collection Policy, always subject to applicable laws and regulations; and

  (ii) with the same level of care and diligence (including in terms of allocation of technical, human and operational resources) it usually provides in relation to receivables of similar nature that it owns and which have not been sold or transferred to the Issuer;

(c) identify and calculate the amount of all Deemed Collections (including the RV Deficit Amount);

(d) transfer all Collections received or payable by the Servicer during each Collection Period, after deduction, of any Adjusted Available Collections or other undue amount, to the Issuer by crediting the Operating Ledger no later than on each Payment Date;

(e) obtain and maintain all authorisations, approvals, consents, agreements, licenses, exemptions and registrations and to make all filings or obtain all documents, including (without limitation) in relation to the protection of personal data, needed at any time for the purposes of:

  (i) the performance of the transactions contemplated in the Transaction Documents to which it is a party; and

  (ii) carrying on its activities (to the extent that such authorisations, approvals, consents, agreements, licenses, exemptions, registrations, filings or documents are necessary to observe or to perform its obligations under the Transaction Documents to which it is a party);

(f) identify and individualise without any possible ambiguity in its computer and accounting systems each Purchased Receivable sold to the Issuer on the Purchase Date;

(g) establish, maintain and implement all necessary accounting, management and administrative systems and procedures, electronic or otherwise, to establish and maintain accurate, complete, reliable and up to date information regarding the Purchased Receivables including, but not limited to, all information contained in the reports that it is required to prepare and the records relating to the Purchased Receivables including, but not limited to, all information contained

in the Monthly Reports subject in all cases to the bank secrecy rules and the Data Protection Agency Agreement;

(h) comply with any reasonable instructions that the Management Company may, from time to time, give to it in accordance with the Transaction Documents to which it is a party and which would (i) not result in the Servicer committing a breach of its obligations under the Transaction Documents or any other agreement to which it is party or in an illegal act or (ii) not be, in the opinion of such Servicer, unreasonably costly or cumbersome for such Servicer or in contradiction with its Credit and Collection Policy, provided that in such case such Servicer shall promptly inform the Management Company of such contradiction and discuss in good faith with the Management Company with a view to finding a mutually satisfactory solution;

(i) notify as soon as reasonably practicable the Management Company, upon becoming aware of any of the following events:

(i) the occurrence of any Servicer Termination Event;

(ii) any inaccuracy of any representation or warranty made, and of any breach of the undertakings given by it under the terms of the Transaction Documents to which it is a party, as soon as it becomes aware of any such inaccuracy or breach;

(iii) the occurrence of any event which results in any representation or warranty of the Servicer under the Transaction Documents no longer being true, complete or accurate in any material aspect; and

(j) any judicial proceedings initiated against it which might materially and adversely affect the title of the Issuer or the rights of the Issuer under the Purchased Receivables;

(k) (i) subject to any data protection and (without prejudice to the exceptions provided by article L. 511-33 of the French Monetary and Financial Code) banking secrecy obligations which may bind the Servicer, to provide the Management Company and the Custodian with any information in its possession as reasonably requested in writing by the Management Company or the Custodian from time to time for the purposes of (i) any enforcement of the Ancillary Rights, (ii) exercising or preserving the rights of the Issuer and in particular, without limitation, any information requested by the Data Protection Agent in accordance with the Data Protection Agency Agreement, (iii) allowing such Parties to perform their legal duties pursuant to the relevant provisions of the French Monetary and Financial Code and the AMF General Regulation and (iv) to verify that such Servicer and the Servicer's agent duly perform their obligations pursuant to the Transaction Documents; and (iv) to the extent that a Seller does not have valid retention of title over the Financed Vehicles relating to Purchased Receivables, take all appropriate measures that otherwise may be available to it to recover the relevant Financed Vehicle and/or action against the relevant Obligor to recover the Purchased Receivables (i) subject to the terms of the collection procedures and (ii) taking into account the expected net recoveries from such action as reasonably determined by the Servicer.

(l) to the extent that the Seller does not have a valid retention of title over the Financed Vehicles relating to Purchased Receivables, take all appropriate measures that otherwise may be available to it to recover the relevant Financed Vehicle and/or action against the relevant Obligor to recover the Purchased Receivables (i) subject to the terms of its Credit and Collection Policy and (ii) taking into account the expected net recoveries from such action as reasonably determined by the Servicer;

(m) notify all Obligors following the occurrence of an Obligor Notification Event upon request of the Management Company within three (3) Business Days, provided that, if the Servicer fails

to deliver such Obligor Notification Event Notice within such delay, the Management Company shall have the right, within five (5) Business Days after the Servicer fails to notify the relevant Obligors, to deliver or to instruct, a substitute servicer to deliver on behalf of the Issuer the Obligor Notification Event Notice; and

(n) on or about each Reporting Date, update the Portfolio Information as described in the Receivables Purchase Agreement and send the updated Portfolio Information to the Issuer whilst at the same time ensuring that the Decryption Key entrusted to the Data Protection Agent remains valid and, if not, swiftly provide the Data Protection Agent with a new Decryption Key.

Additionally, pursuant to Article D. 214-233 of the French Monetary and Financial Code and the terms of the Servicing Agreement, the Servicer shall ensure the safekeeping of the Contractual Documents related to the Purchased Receivables and shall establish appropriate documented custody procedures in relation thereto and an independent internal ongoing control of such procedures. The Custodian shall ensure, on the basis of a statement of the Servicer, that all appropriate documented custody procedures in relation to the Contractual Documents have been set up. This statement shall enable the Custodian to check if the Servicer has established appropriate documented custody procedures allowing the safekeeping of the Purchased Receivables and of the Related Security and the Ancillary Rights attached thereto and that the Purchased Receivables are collected for the sole benefit of the Issuer. At the request of the Management Company or the Custodian, the Servicer shall forthwith provide the relevant Contractual Documents to the Custodian, or any other entity designated by the Custodian and the Management Company.

Under the Servicing Agreement, the Servicer is authorised to modify the terms of a Purchased Receivable, a Lease Agreement or a Loan Agreement in accordance with the Credit and Collection Policy, provided that the latest payment due under any Purchased Receivable shall not be extended beyond the Legal Maturity Date. If the Servicer becomes aware that the terms of a Purchased Receivable have been modified in breach of the above, it shall immediately inform in writing the Management Company and the Seller may request the Management Company to re-transfer to the Seller such Purchased Receivable.

Delegation to Third Parties

The Servicer may delegate and sub-contract its duties under the Servicing Agreement, provided however that such third party has all licences required for the performance of the servicing delegated to it and that the Servicer remains liable vis-à-vis the Issuer for the performance of such duties.

Servicing Expenses and Reimbursement of Enforcement Expenses

As consideration for the performance of the services under the Servicing Agreement, the Servicer is entitled to a market standard Servicing Fee as agreed between the Issuer and the Servicer in a separate side letter. The Servicing Fee will be paid by the Issuer in accordance with the applicable Priority of Payments in monthly instalments on each Payment Date with respect to the immediately preceding Collection Period in arrears.

The Servicing Fee will cover any tax including value added tax (if applicable) and all costs, expenses and other disbursements reasonably incurred in connection with the enforcement and servicing of the Performing Receivables and related Ancillary Rights and Related Security as well as the rights and remedies of the Issuer (excluding, for the avoidance of doubt, Defaulted Receivables) and the other services provided by the Servicer under the Servicing Agreement.

Cash Collection Arrangements

Under the terms of the Servicing Agreement, the Collections received by the Servicer in respect of a Collection Period will be transferred on the Payment Date related to such Collection Period into the Operating Ledger or as otherwise directed by the Issuer. All payments will be made free of all bank charges and costs as well as any tax for the recipient thereof.

Information and Regular Reporting

The Servicer will use all reasonable endeavours to safely maintain records in relation to each Purchased Receivable in computer readable form.

The Servicing Agreement requires the Servicer to furnish on each Reporting Date the Monthly Report to the Management Company, with a copy to the Custodian, provided that in any event the applicable data protection laws and French banking secrecy rules shall be observed.

Reporting under the Securitisation Regulation

The Seller, in its capacity as originator, shall act as the entity responsible for compliance with the requirements of Article 7 of the Securitisation Regulation. Accordingly, pursuant to the Servicing Agreement, the Seller in its capacity as originator has undertaken to the Issuer that it will:

(a) make all such information available to the Noteholders, to competent authorities as referred to in Article 29 of the Securitisation Regulation and to potential Noteholders as is required to be made available pursuant to Article 7(1) of the Securitisation Regulation and the applicable Regulatory Technical Standards, including when available information related to the environmental performance of the Vehicles. To the extent no securitisation repository is registered in accordance with Article 10 of the Securitisation Regulation, the Servicer will make the relevant information available on the website of the European DataWarehouse (being, as at the Signing Date, www.eurodw.eu). Once a securitisation repository is registered in accordance with Article 10 of the Securitisation Regulation, the Servicer will make the information available via such securitisation repository; and

(b) provide, upon reasonable request by the Issuer, such further information as reasonably requested by the Noteholders for the purposes of compliance of such Noteholders with the requirements under Article 5 of the Securitisation Regulation and its implementation into relevant national law, subject to applicable law and availability, provided that the Servicer shall be entitled to limit the frequency of the disclosure of such additional information to not more than four times in a calendar year.

Termination of Loan Agreements and Lease Agreements and Enforcement

If an Obligor defaults on a Purchased Receivable, the Servicer will proceed in accordance with the Credit and Collection Policy. The Servicer will abide by the enforcement and realisation procedures as set out in the Receivables Purchase Agreement and the Servicing Agreement in conjunction with the Credit and Collection Policy. If the related Ancillary Rights and Related Security are to be enforced, the Servicer will take such measures as (within the limits of the Credit and Collection Policy) it deems necessary in its professional discretion to realise the related Ancillary Rights and Related Security.

The Servicer will pay the portion of the enforcement proceeds to the Issuer which have been or are to be applied to the Purchased Receivables or to which the Issuer is otherwise entitled in accordance with the Servicing Agreement.

Termination of the appointment of the Servicer

Under the Servicing Agreement, the Management Company may at any time after the occurrence of a Servicer Termination Event terminate the appointment of the Servicer and appoint a substitute servicer. In such circumstances, the Management Company shall appoint within 30 days of such termination a substitute servicer in accordance with, and subject to, Article L. 214-172 of the French Monetary and Financial Code and the Servicing Agreement, provided that the termination of the appointment of the Servicer shall not become effective until a substitute servicer, approved by the Management Company, assumes the terminated Servicer's responsibilities and obligations under the Servicing Agreement. The termination of the appointment of the Servicer shall constitute an Obligor Notification Event.

Upon termination of the appointment of the Servicer and pursuant to the provisions of the Servicing Agreement, the Data Protection Agent shall, *inter alia*, at the request of the Management Company send the Decryption Key to the substitute servicer or to any agent as designated by the Management Company, and the Management Company shall send the last (or any other relevant) encrypted Portfolio Information received from the Servicer to such substitute servicer or agent.

The Servicer (and any substitute servicer, delegate or sub-contractor) shall execute such documents and take such actions as the Management Company may require for the purpose of transferring to the substitute servicer the rights and obligations of the Servicer, assumption of the obligations of the Servicer under the Servicing Agreement and release of the Servicer from its future obligations under the Servicing Agreement. Upon termination of the Servicing Agreement with respect to the Servicer and the appointment of a substitute Servicer, the Servicer will transfer to the substitute servicer all records and any and all related material, documentation and information.

Any termination of the appointment of the Servicer will be notified by the Management Company to the Servicer, the Custodian, the Arranger, the Rating Agencies, the Registrar Agent, the Paying Agent, the Data Protection Agent, the Account Bank, the Custodian and the Swap Counterparty.

Set-off against claims of Mercedes-Benz Financial Services France and Enforcement of the Leased Vehicles Pledge Agreement

If Mercedes-Benz Financial Services France in its capacity as Servicer has breached any of its obligations under the Servicing Agreement and if as a result of such breach the Issuer has a claim for the payment of damages against Mercedes-Benz Financial Services France and such indemnification has become due and payable, then the Issuer will be entitled to (a) set off its indemnification claim(s) against all its payment obligations to Mercedes-Benz Financial Services France under, *inter alia*, the Subordinated Loan Agreement (entered into by Mercedes-Benz Financial Services France in its capacity as Subordinated Lender) or the Receivables Purchase Agreement (entered into by Mercedes-Benz Financial Services France in its capacity as Seller) and (b) enforce its rights under the Leased Vehicles Pledge Agreement.

Commingling Reserve

The Servicer has undertaken to remit to the Issuer following the occurrence of a Commingling Reserve Trigger Event and as long as such Commingling Reserve Trigger Event is continuing, such amount so that the credit balance of the Commingling Reserve Ledger shall be equal to the Commingling Reserve Required Amount as at the relevant Payment Date. The Servicer has undertaken to remit these amounts by way of deposit as cash collateral for its actual or contingent obligations under clause 6 of the Servicing Agreement and to transfer Collections to the Issuer on the immediately following Payment Date, in accordance with the Servicing Agreement and Articles L. 211-38 *et seq.* of the French Monetary and Financial Code.

Such transfers shall be made by crediting the Issuer Account (for credit into the Commingling Reserve Ledger): (a) on the Payment Date immediately following the occurrence of a Commingling Reserve Trigger Event, if such event occurred at least two (2) Business Days prior to such Payment Date, and/or (b) in any other case, on each Payment Date falling in the immediately following Collection Period as long as the relevant Commingling Reserve Trigger Event is continuing.

If, following the occurrence and continuance of a Commingling Reserve Trigger Event, a Servicer Shortfall occurs, the Issuer may use the Commingling Reserve Required Amount in an amount equal to such Servicer Shortfall to make, under the applicable Priority of Payments, payments on the relevant Payment Date (until the Commingling Reserve Trigger Event ceases).

Any excess of the amount standing to the credit of the Commingling Reserve Ledger over the Commingling Reserve Required Amount as calculated on each Calculation Date will be paid on each following Payment Date directly by the Issuer to the Servicer outside the Priority of Payments.

For the avoidance of doubt, any interest accrued on the Commingling Reserve Required Amount shall not constitute Loan Interest Collections.

The remittance of any amounts constituting Commingling Reserve Required Amount by the Servicer shall not discharge the Servicer of its obligations towards the Issuer relating to the transfer of the Collections in accordance with the provisions of the Servicing Agreement.

6. CLASS A NOTES SUBSCRIPTION AGREEMENT

Under the Class A Notes Subscription Agreement entered into between the Issuer, the Joint Lead Managers, the Managers and the Seller on or about the Signing Date, the Joint Lead Managers and the Managers have agreed, subject to certain customary closing conditions, to subscribe severally but not jointly (*sans solidarité*) for and place with relevant investors the Class A Notes.

The Seller and the Issuer have agreed to indemnify and reimburse the Managers and Joint Lead Managers against certain liabilities and expenses in connection with the issue of and subscription for the Class A Notes.

7. CLASS B NOTES AND RESIDUAL UNITS SUBSCRIPTION AGREEMENT

Under the Class B Notes and Residual Units Subscription Agreement entered into between the Issuer and the Class B Notes and Residual Units Subscriber on or about the Signing Date, the Seller has agreed, subject to certain customary closing conditions, to subscribe for the Class B Notes and the Residual Units.

8. SUBORDINATED LOAN AGREEMENT

Pursuant to the Subordinated Loan Agreement, the Subordinated Lender shall make available to the Issuer a committed subordinated term loan in a maximum amount of EUR 3,450,000 (the **Subordinated Loan**) in order to fund the General Reserve. Pursuant to the terms of the Subordinated Loan Agreement, the Subordinated Loan shall be fully drawn by the Issuer on the Issue Date and credited into the General Reserve Ledger.

The Subordinated Loan will constitute limited recourse obligations of the Issuer. The Subordinated Loan will be repaid in accordance with, and subject to, the applicable Priority of Payments.

The Subordinated Loan shall bear interest at a rate of 2.50 per cent.

All payments of principal and interest payable by the Issuer to the Subordinated Lender will be made in accordance with, and subject to, the applicable Priority of Payments. All such payments shall be

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

9. DATA PROTECTION AGENCY AGREEMENT

Pursuant to the terms of the Data Protection Agency Agreement, the Seller shall deliver to the Data Protection Agent the Decryption Key enabling the decryption of the encrypted Portfolio Information received by the Issuer from the Seller under the Receivables Purchase Agreement. The Seller shall deliver to the Data Protection Agent the first Decryption Key no later than the Purchase Date and shall deliver a new Decryption Key whenever necessary to ensure the decryption of all encrypted Portfolio Information received by the Issuer.

Pursuant to the Data Protection Agency Agreement, the Data Protection Agent shall keep the Decryption Key in safe custody and shall protect it against unauthorised access by third parties.

If an Obligor Notification Event has occurred, upon request of the Management Company, the Data Protection Agent shall deliver the last Decryption Key received from the Seller to any substitute Servicer appointed by the Management Company and/or to any agent as designated by the Management Company.

10. AGENCY AND REGISTRAR AGREEMENT

Pursuant to the Agency and Registrar Agreement, the Management Company acting on behalf of the Issuer, has appointed:

(a) the Paying Agent, to act as paying agent with respect to the Class A Notes and to forward payments to be made by the Issuer to the Class A Noteholders; and

(b) the Registrar Agent, to hold the register in relation to the Class B Notes and the Residual Units.

The functions, rights and duties of the Paying Agent are set out in the Conditions. See the Section entitled "Terms and Conditions of the Notes – Condition 10(Agents; Determinations Binding)".

11. BANK ACCOUNT AGREEMENT

General

Pursuant to the Bank Account Agreement, the Account Bank is appointed to open, hold and operate the Issuer Account in accordance with the terms set out therein.

The Management Company, under the supervision of the Custodian, will give such instructions as are necessary to the Account Bank to ensure that the Issuer Account is credited or, as the case may be, debited in the manner described in the Bank Account Agreement. All payment instructions shall be given no later than one (1) Business Day before the Payment Date.

Any payment or provision for payment is made by the Management Company only out of and to the extent of the credit balance of the Issuer Account and subject to the application of the applicable Priority of Payments. The Issuer Account shall never have a debit balance at any time during the life of the Issuer.

Opening and maintenance of the Issuer Ledgers

The Management Company shall open, maintain and operate the following ledgers in respect of all amounts payable to the Issuer and credited into the Issuer Account:

(a) the Operating Ledger;

(b) the General Reserve Ledger;

(c) the Commingling Reserve Ledger;

(d) the Performance Reserve Ledger; and

(e) the Swap Collateral Ledger.

Operating Ledger

The Servicer will debit from its collection accounts (as applicable) and forward the Collections with respect to any Collection Period to the Issuer Account (for credit into the Operating Ledger) on a monthly basis.

The Issuer will use all the Collections and the amounts standing to the credit of the Operating Ledger, together with the other amounts forming the Available Distribution Amount, and will apply those amounts according to the applicable Priority of Payments on each Payment Date by debiting the Operating Ledger and instructing the Account Bank to debit the Issuer Account accordingly.

General Reserve Ledger

The Seller shall make available the full amount of the Subordinated Loan to the Issuer on the Issue Date by crediting the Issuer Account (for credit into the General Reserve Ledger), after deducting any amount to be set-off as provided for in the relevant Transaction Documents. The amount standing to the credit of the General Reserve Ledger as of the Issue Date will accordingly be EUR 3,450,000.

The Issuer will use all the amounts standing to the credit of the General Reserve Ledger, together with the other amounts forming the Available Distribution Amount, and will apply those amounts according to the applicable Priority of Payments on each Payment Date by debiting the General Reserve Ledger and instructing the Account Bank to debit the Issuer Account accordingly.

On each Payment Date prior to the issuance of an Enforcement Notice, the Issuer will credit to the General Reserve Ledger an amount such that the amount standing to the credit of the General Reserve Ledger is equal to the General Reserve Required Amount, subject to the Available Distribution Amount and in accordance with, and subject to, the Pre-enforcement Priority of Payments.

The amounts standing to the credit of the General Reserve Ledger from time to time (being the General Reserve) will serve as liquidity support for the Class A Notes until the Class A Notes are fully redeemed and will eventually serve as credit enhancement to the Notes.

Commingling Reserve Ledger

Pursuant to the Servicing Agreement, following the occurrence of a Commingling Reserve Trigger Event and as long as such Commingling Reserve Trigger Event is continuing, the Seller, in his role as Servicer, will remit to the Issuer a deposit in such amount so that the amount standing to the credit of the Commingling Reserve Ledger equal to the Commingling Reserve Required Amount.

Such transfers shall be made by crediting the Issuer Account (for credit into the Commingling Reserve Ledger): (a) on the Payment Date immediately following the occurrence of a Commingling Reserve Trigger Event, if such event occurred at least two (2) Business Days prior to such Payment Date, and/or (b) in any other case, on each Payment Date falling in the immediately following Collection Period as long as the relevant Commingling Reserve Trigger Event is continuing.

On each Payment Date, any amount standing to the credit of the Commingling Reserve Ledger which exceeds the Commingling Reserve Required Amount as at such date, as the case may be, will be paid back by the Issuer to the Seller outside any applicable Priority of Payments. The Commingling Reserve Ledger and the Issuer Account shall be debited accordingly.

Performance Reserve Ledger

Pursuant to the Receivables Purchase Agreement, following the occurrence of (i) a Performance Reserve Trigger Event (provided that such Performance Reserve Trigger Event is continuing as at such date) or (ii) a Servicer Termination Event (provided that such Servicer Termination Event is continuing as at such date), the Seller will transfer to and deposit with to the Issuer the Performance Reserve Cash Deposit Amount.

The transfer shall be made by crediting the Issuer Account (for credit into the Performance Reserve Ledger): (a) on the Payment Date immediately following the occurrence of a Performance Reserve Trigger Event or a Servicer Termination Event, if such event occurred at least two (2) Business Days prior to such Payment Date, or (b) in any other case, on the Payment Date falling in the immediately following Collection Period, as long as the relevant Performance Reserve Trigger Event or Servicer Termination Event is continuing.

The amount, timing and conditions of release of such Performance Reserve to the Seller are structured to incentivise the administrator, the liquidator or, as the case may be, any third party purchaser to perform the transfer of the proceeds of the sale of the Leased Vehicles to the Issuer or the enforcement of the pledge created pursuant to the Leased Vehicles Pledge Agreement over the Leased Vehicles.

On each Payment Date following a Performance Reserve Trigger Event and as long as such Performance Reserve Trigger Event is continuing, and provided that the Seller has not failed to pay any applicable due and payable Compensation Payment Obligation, the Performance Reserve Cash Deposit Amount will be re-calculated by the Management Company. Any excess of the amount standing to the credit of the Performance Reserve Ledger over the Performance Reserve Cash Deposit Amount as at such Payment Date, as the case may be, will be paid back to the Seller on such Payment Date outside any applicable Priority of Payments. The Performance Reserve Ledger and the Issuer Account shall be debited accordingly.

Swap Collateral Ledger

If the Swap Counterparty ceases to have the Required Ratings, the Swap Counterparty shall use its reasonable endeavours to take the actions in accordance with the Swap Agreement, including posting eligible collateral into the interest-bearing Swap Collateral Ledger as per rating agency requirement.

The deposit in the Issuer Account (for credit into the Swap Collateral Ledger) shall not constitute Collections and shall secure solely the payment obligations of the Swap Counterparty to the Issuer under the Swap Agreement and not any obligations of the Issuer.

On each Payment Date, any amount standing to the credit of the Swap Collateral Ledger which exceeds any required collateral amounts will be paid back by the Issuer to the Swap Counterparty outside the applicable Priority of Payments.

Termination of the appointment of the Account Bank

If the Account Bank ceases to have the applicable Required Ratings, then the Management Company, by written notice to the Account Bank terminate the appointment of the Account Bank and will appoint, within 30 calendar days, a substitute account bank on the condition that such substitute account bank shall:

(i) be an Eligible Bank having at least the Required Ratings; and

(ii) have agreed with the Management Company to perform the duties and obligations of the Account Bank, pursuant to and in accordance with terms satisfactory to the Management Company,

provided that:

(A) such substitution shall not result in the downgrading of the then current ratings of the Class A Notes by the Rating Agencies; and

(B) the termination of the Account Bank's appointment shall not become effective until a substitute account bank satisfying the conditions described in paragraphs (i) and (ii) above has not been appointed by the Management Company.

Resignation of the Account Bank

The Account Bank may resign its appointment at any time, subject to the issuance 30 calendar days in advance of a written notice addressed to the Management Company (with a copy to the Custodian), provided, however, that such resignation will not take effect until the following conditions are satisfied:

(a) a substitute account bank has been appointed by the Management Company and a new bank account agreement has been entered into upon terms satisfactory to the Management Company (and notified by the Management Company to the Custodian);

(b) the substitute account bank is an Eligible Bank; and

(c) such substitution does not result in the deterioration of the level of security offered to the Noteholders. In particular, it must not result in the downgrading of the then current rating assigned to the Class A Notes by the Rating Agencies.

12. LEASED VEHICLES PLEDGE AGREEMENT

Pursuant to the Leased Vehicles Pledge Agreement, the Seller has granted a pledge without dispossession (*gage sans dépossession*) in favour of the Issuer in accordance with Articles 2333 *et seq.* of the French Civil Code and Articles L. 521-1 and L. 521-3 of the French Commercial Code.

The obligations of the Seller secured under the Leased Vehicles Pledge Agreement represent any and all present and future payable indemnity payment obligations of the Seller under clause 14.2 of the Receivables Purchase Agreement (the **Secured Obligations**).

The Management Company will be entitled to enforce the pledge created under the Leased Vehicles Pledge Agreement upon the occurrence of any default in respect of any Seller Performance Undertaking which is continuing (including for the avoidance of doubt a Servicer Termination Event).

13. SWAP AGREEMENT

The Issuer has entered into the Swap Agreement. The purpose of the Swap Agreement is to mitigate the interest rate risk of the Issuer arising in connection with the issuance of the Class A Notes. The Swap Agreement consists of an ISDA Master Agreement, the associated schedule, a confirmation and a credit support annex.

Pursuant to the Swap Agreement entered into by the Issuer and the Swap Counterparty (which shall be an Eligible Swap Counterparty) in relation to the Class A Notes, the Issuer will pay to the Swap Counterparty on each Payment Date an amount equal to the product of (i) the Swap Notional Amount and (ii) the Swap Fixed Rate and (iii) the Day Count Fraction.

In return, the Swap Counterparty will pay to the Issuer on each Payment Date an amount equal to the product of (i) the Swap Notional Amount and (ii) a rate equal to EURIBOR and (iii) the Day Count Fraction.

The Swap Agreement will be constructed to fulfil the criteria of the Rating Agencies to support the AAA(sf) target rating by DBRS and Aaa(sf) target rating by Moody's for the Class A Notes. The Swap Agreement is governed by English law.

The amount to be paid by the Issuer to the Swap Counterparty under the Swap Agreement is netted with the amount due by the Swap Counterparty to the Issuer under the Swap Agreement. A Net Swap Payment will be due by the Issuer to the Swap Counterparty or a Net Swap Receipt will be due by the Swap Counterparty to the Issuer on each Payment Date.

Payments under the Swap Agreement will be exchanged on a net basis on each Payment Date. Payments made by the Issuer under the Swap Agreement (provided that there has been no event of default under the Swap Agreement where the Swap Counterparty is the Defaulting Party (as defined in the Swap Agreement) and there has been no termination event due to a downgrade of the ratings of the Swap Counterparty) rank higher in priority than all payments on the Notes. Payments by the Swap Counterparty to the Issuer under the Swap Agreement (except for payments by the Swap Counterparty into the Swap Collateral Ledger) will be made into the Operating Ledger and will, to the extent necessary, be increased to ensure that such payments are free and clear of all taxes.

Events of default under the Swap Agreement applicable to the Issuer are limited to, and (among other things) events of default applicable to the Swap Counterparty include, the following:

(1) failure to make a payment under the Swap Agreement when due, if such failure is not remedied within three (3) Business Days of notice of such failure being given; or

(2) the occurrence of certain bankruptcy and insolvency events.

Termination events under the Swap Agreement include, among other things, the following:

(1) illegality of the transactions contemplated by the Swap Agreement;

(2) either party is required to pay additional amounts under the Swap Agreement due to certain taxes, or has the amount payable to it under the Swap Agreement reduced due to certain taxes, and a transfer to another office or affiliate of the Swap Counterparty that would eliminate the effect of such taxes has not taken place after the time set forth in the Swap Agreement;

(3) an Enforcement Event occurs or any Clean-Up Call or prepayment in full, but not in part, of the Notes occurs; or

(4) failure of the Swap Counterparty to maintain its credit rating at certain levels required by the Swap Agreement, which failure may not constitute a termination event if (in the time set forth in the Swap Agreement) the Swap Counterparty:

(i) posts an amount of collateral (in the form of cash and/or securities) as calculated in accordance with the credit support annex to the Swap Agreement; or

(ii) obtains a guarantee from an institution with an acceptable rating; or

(iii) transfers its rights and obligations under the Swap Agreement to a successor Swap Counterparty which is an Eligible Swap Counterparty; or

(iv) take such other action in order to maintain the rating of the Class A Notes, or to restore the rating of the Class A Notes to the level it would have been at immediately prior to such downgrade.

A segregated Swap Collateral Ledger is established with the Account Bank and security created over such account in favour of the Issuer in accordance with provisions in the Bank Account Agreement. Any cash collateral posted to such Swap Collateral Ledger as a result of a ratings downgrade (as referred to in paragraph (4)(i) above) shall be monitored on a specific collateral ledger and shall bear interest. Such cash collateral shall be segregated from the Operating Ledger and from the general cash flow of the Issuer and shall not constitute Collections. Collateral posted to such Swap Collateral Ledger is solely for the purposes of, and in connection with, collateralising the Swap Agreement.

Upon the occurrence of any event of default or termination event specified in the Swap Agreement, the non-defaulting party (in case of an event of default) or the party not being regarded as responsible for causing a termination event (pursuant to the provisions of the Swap Agreement) may, after a period of time set forth in the Swap Agreement, elect to terminate such Swap Agreement. If the Swap Agreement is terminated due to an event of default or a termination event, a Swap Termination Payment may be due to the Swap Counterparty by the Issuer out of its available funds. The amount of any such Swap Termination Payment may be based on the actual cost or market quotations of the cost of entering into a similar swap transaction or such other methods as may be required under the Swap Agreement, in each case in accordance with the procedures set forth in the Swap Agreement. Any such Swap Termination Payment could, if market rates or other conditions have changed materially, be substantial. Unless the Swap Counterparty is the Defaulting Party (as defined in the Swap Agreement) or there has been a termination event due to a downgrade of the ratings of the Swap Counterparty, termination payments required to be made by the Issuer to the Swap Counterparty will rank higher in priority than all payments on the Notes.

The Management Company shall use its best endeavours to find a replacement swap counterparty upon the Swap Counterparty being the Defaulting Party (as defined in the Swap Agreement) or if there has been a termination event due to a downgrade of the ratings of the Swap Counterparty.

Under the Swap Agreement, the Swap Counterparty undertakes to the Issuer that it will perform, prepare and submit the relevant reports, confirmations, reconciliation and keep the relevant records as required pursuant to EMIR and its relevant technical standards.

The Swap Counterparty may transfer its rights and obligations under the Swap Agreement to a third party which is an Eligible Swap Counterparty.

14. PRIORITY OF PAYMENTS

Each Transaction Party will, pursuant to the Transaction Documents to which it is a party, expressly irrevocably acknowledges and agrees that any amount due and payable from time to time by the Issuer

shall be paid in accordance with the applicable Priority of Payments (unless expressly provided to the contrary in such Transaction Documents).

15. LIMITED RECOURSE

Without limiting the scope of the obligations and the possibility of recourse of the Issuer, by entering into any Transaction Document, each Transaction Party will acknowledge that it shall have no direct right of action or recourse, under any circumstances whatsoever, against the Obligors under the Purchased Receivables and will expressly and irrevocably:

(a) agree that, in accordance with Articles L. 214-169 and L. 214-175, III. of the French Monetary and Financial Code, it has no claim whatsoever against the Issuer for sums in excess of the amount of the Issuer's assets available for making such payments in accordance with the applicable Priority of Payments and the cash allocation provisions set out in the Issuer Regulations, even if the Issuer is liquidated;

(b) agrees that in accordance with Article L. 214-169 of the French Monetary and Financial Code, the Issuer's assets may only be subject to civil proceedings (*mesures civiles d'exécution*) in accordance with the applicable Priority of Payments and the cash allocation provisions set out in the Issuer Regulations;

(c) to the extent that it may have any claim (including any contractual claim or action (*action en responsabilité contractuelle*)) against the Issuer the payment of which is not expressly contemplated under any applicable Priority of Payments and the cash allocation provisions set out in the Issuer Regulations, undertake to waive to demand payment of any such claim as long as all Notes and Residual Units have not been repaid in full; and

(d) agree that in accordance with Article L. 214-175, III. of the French Monetary and Financial Code, provisions of Book VI of the French Commercial Code are not applicable to the Issuer.

16. MODIFICATION OF THE TRANSACTION DOCUMENTS

Publication

Any modification to the information provided in this Prospectus will be made public in a report (*communiqué*), after prior notification of the Rating Agencies. This report (*communiqué*) will be annexed to a supplement pursuant to Article 23 of the Prospectus Regulation and incorporated in the next Monthly Investor Report to be issued by the Management Company acting on behalf of the Issuer. Any modification occurring after the date on which the trading of the Class A Notes has begun will be published in accordance with Condition 9 (Form of Notices). These changes will be binding upon the Noteholders and the Residual Unitholders within three (3) Business Days after they have been informed thereof.

Modifications and waivers

The Management Company may agree to amend or waive from time to time the provisions of certain Transaction Documents, provided that:

(a) such amendment or waiver shall be made in writing between the parties to the relevant Transaction Documents;

(b) any amendment to the financial characteristics or of any rule governing the allocation of available funds of any Class of Notes shall require the prior approval of the Noteholders of the relevant Class of Notes;

(c) any amendment to any rule governing the allocation of available funds between the different Classes of Notes shall require the prior approval of the affected Noteholders of any Class of Notes (as the case may be, by a decision of the general assembly of the relevant *Masse* passed under the applicable majority rule);

(d) any amendment to the Administration Expenses and Servicing Fees shall, with respect to the Administration Expenses, require the prior approval of the Seller and, with respect to the Servicing Fees, the Seller and Servicer;

(e) any amendment to the financial characteristics of the Residual Units shall require the prior approval of the Residual Unitholders; and/or

(f) whenever any party to any Transaction Document wishes to make any amendment or waiver to a Transaction Document which may adversely affect any of the Swap Counterparty with respect to any amount payable to, or by, such Swap Counterparty or the priority of payment of any amount payable to, or by this Swap Counterparty, the Management Company shall immediately notify the Swap Counterparty accordingly and the Swap Counterparty shall give their prior written consent (not to be unreasonably withheld or refused and to be provided with a reasonable time period) to such amendment.

The Management Company shall provide a copy of any such amendment or waiver to the Rating Agencies and the Custodian.

17. GOVERNING LAW AND SUBMISSION TO JURISDICTION

Governing Law

All the Transaction Documents (other than the Swap Agreement which is governed by, and shall be construed in accordance with, English law) are governed by and shall be construed in accordance with French law.

Submission to Jurisdiction

The *Tribunal de Commerce* (commercial court) of Paris will have exclusive jurisdiction to settle any dispute that may arise in connection with the Transaction Documents (other than the Swap Agreement which is governed, and shall be construed in accordance with, English law).

DESCRIPTION OF THE PORTFOLIO

The following is a description of the Portfolio. The Portfolio is not actively managed, and the Purchased Receivables may not be replenished or replaced.

1. LOAN RECEIVABLES

Loan Agreements

The Loan Receivables arise from Loan Agreements entered into between the Seller and one or several Borrower(s), being either (a) a private individual, (b) a small business company or (c) an individual acting for professional purposes, domiciled in Metropolitan France in order to finance the acquisition of a Vehicle.

Loan Receivables Eligibility Criteria

To be eligible for purchase by the Issuer on the Purchase Date, pursuant to the Receivables Purchase Agreement, any Loan Receivable must have met the following cumulative criteria (the **Loan Receivables Eligibility Criteria**) as at the Cut-Off Date:

(a) such Loan Receivable is originated by the Seller pursuant to a Loan Agreement entered into in the ordinary course of the Seller's business in compliance with the Credit and Collection Policy;

(b) the corresponding Loan Agreement relates to one Vehicle only;

(c) the corresponding Financed Vehicle exists;

(d) the corresponding Loan Agreement is legally valid and binding and enforceable against the relevant Borrower(s) with full recourse (except that enforceability may be limited by bankruptcy or insolvency or other mandatory provisions of law limiting the enforceability of creditors' rights against debtors generally);

(e) the corresponding Loan Agreement has not been terminated and is not subject to a material breach, default or violation of any obligation thereunder;

(f) the corresponding Loan Agreement has been entered into between the Seller and the relevant Borrower(s) after 1 January 2015;

(g) such Loan Receivable has a contractual term of no longer than 96 months;

(h) on the Cut-Off Date, at least one instalment has been paid in respect of the corresponding Loan Agreement;

(i) the relevant Borrower(s) has(have) its(their) registered office (for corporates) or its(their) place of residence (for individuals) in Metropolitan France;

(j) such Loan Receivable can be validly transferred by way of sale and assignment, such transfer is not subject to any legal or contractual restriction which prevents the valid transfer thereof to the Issuer;

(k) such Loan Receivable is owned by the Seller free of third-party rights, including any set-off rights, any defence, retention or revocation rights of the relevant Borrower;

(l) such Loan Receivable is not in arrears and is not defaulted;

(m) to the extent the relevant Lessee(s) was(were) granted a right of withdrawal (*droit de rétractation*) either by any applicable law or contractually under any applicable Contractual Document, such withdrawal period has lapsed;

(n) the corresponding Loan Agreement has been entered into with one or several Borrower(s) which is(are) not a credit-impaired borrower, where a credit-impaired borrower is any borrower that, to the best of the Seller's knowledge:

(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 Issue Date

(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 exposures held by the Seller which are not securitised;

(o) such Loan Receivable is denominated and payable in Euros;

(p) such Loan Receivable is governed by the laws of France;

(q) such Loan Receivable is amortised on a monthly basis and gives rise to monthly instalment payments;

(r) the relevant Borrower is not an employee of Daimler AG or any of its affiliates;

(s) the interest rate applicable to the Loan Receivable is a fixed rate;

(t) the monthly instalments are paid by the Borrower(s) through direct debit;

(u) if the relevant Borrower(s) is(are) *consommateurs* (consumers) for the purposes of the French Consumer Code, all applicable form requirements and notifications have been complied with, including, but not limited to, under the relevant provisions of the French Consumer Code; and

(v) the relevant Borrower(s) has(have) not deposited funds with the Seller.

If the Management Company or the Seller, as applicable, becomes aware that one or more Purchased Loan Receivables did not fulfil the Loan Receivables Eligibility Criteria on the Cut-Off Date, it shall immediately inform in writing the other party and the sale of such Purchased Loan Receivables (together, the **Affected Loan Receivables**), together with the Ancillary Rights attached thereto, shall be automatically rescinded with effect on the Payment Date immediately following the date on which the Management Company or the Seller, as applicable, has informed the other party of the same, in accordance with clause 9 of the Receivables Purchase Agreement unless such non-compliance is fully remedied by the Seller to the satisfaction of the Management Company. The Seller shall pay the corresponding Re-transfer Amount to the Issuer no later than on such Payment Date.

2. LEASE SERIES OF RECEIVABLES

Lease Agreements

The Lease Receivables arise from Lease Agreements entered into between the Seller and one or several Lessee(s), being either (a) a private individual, (b) a small business company or (c) an individual acting for professional purposes, domiciled In Metropolitan France in order to lease a Vehicle.

Lease Series of Receivables Eligibility Criteria

To be eligible for purchase by the Issuer on the Purchase Date, pursuant to the Receivables Purchase Agreement, any Lease Receivable have met the following cumulative criteria (the **Lease Series of Receivables Eligibility Criteria**) as at the Cut-Off Date:

(a) with regard to the Lease Receivables solely:

(i) the Lease Receivables arise under a Lease Agreement relating to the long-term lease with purchase option (*location avec option d'achat* and *crédit-bail*) of a Vehicle and such Lease Agreement was entered into in the ordinary course of the Seller's business in compliance with the Credit and Collection Policy;

(ii) the corresponding Lease Agreement relates to one Vehicle only;

(iii) the corresponding Lease Agreement is legally valid and binding and enforceable against the relevant Lessee(s) with full recourse (except that enforceability may be limited by bankruptcy or insolvency or other mandatory provisions of law limiting the enforceability of creditors' rights against debtors generally);

(iv) to the extent the relevant Lessee(s) was(were) granted a right of withdrawal (*droit de rétractation*) either by any applicable law or contractually under any applicable Contractual Document, such withdrawal period has lapsed;

(v) the corresponding Lease Agreement has not been terminated and is not subject to a material breach, default or violation of any obligation thereunder;

(vi) the Lease Receivables have monthly instalment payments;

(vii) the monthly instalments are paid by the Lessee(s) through direct debit;

(viii) the Lease Receivable has a contractual term of no longer than 96 months;

(ix) the corresponding Lease Agreement has been entered into between the Seller and the relevant Lessee after 1 January 2015;

(x) the corresponding Leased Vehicle exists;

(xi) the Seller has acquired full title to the Leased Vehicle and such Leased vehicle is not subject to any Security Interest or equivalent right in favour of third parties (other than, for the avoidance of doubt, pursuant to the Leased Vehicles Pledge Agreement);

(xii) none of the Lessees is an affiliate of Daimler AG;

(xiii) on the Cut-Off Date, at least one Lease Instalment has been paid in respect of the corresponding Lease Agreement;

(xiv) the relevant Lessee(s) has(have) its(their) registered office (for corporates) or its(their) place of residence (for individuals) in Metropolitan France;

(xv) the Lease Agreement has been entered into with one or several Lessee(s) which is(are) not credit-impaired, where a credit-impaired lessee is any lessee that, to the best of the Seller's knowledge:

(1) 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 Issue Date

(2) 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

(3) 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 Seller which are not securitised;

(b) with regard to the Lease Series of Receivables:

(i) the Lease Series of Receivables are free from rights of third parties and are freely assignable without any prior consent of any Obligor;

(ii) the Lease Series of Receivables may be segregated and identified at any time for purposes of ownership;

(iii) all Lease Series of Receivables are governed by the laws of France;

(iv) the Lease Series of Receivables are denominated and payable in Euros;

(v) the Lease Series of Receivables are not in arrears and are not defaulted;

(vi) the Lease Series of Receivables are free of defences, whether pre-emptory or otherwise for the agreed term of the Lease Agreements;

(vii) if the relevant Lessee(s) is(are) *consommateurs* (consumers) for the purposes of the French Consumer Code, all applicable form requirements and notifications have been complied with, including, but not limited to, under the relevant provisions of the French Consumer Code; and

(viii) the relevant Lessee(s) has(have) not deposited funds with the Seller.

If the Management Company or the Seller, as applicable, becomes aware that one or more Purchased Lease Receivables did not fulfil the Lease Series of Receivables Eligibility Criteria on the Cut-Off Date, it shall immediately inform in writing the other party and the sale of such Purchased Lease Receivable, together with all other Receivables forming part of the same Lease Series of Receivables (together, the **Affected Lease Receivables**), together with the Ancillary Rights attached thereto, shall be automatically rescinded with effect on the Payment Date immediately following the date on which the Management Company or the Seller, as applicable, has informed the other party of the same, in accordance with clause 9 of the Receivables Purchase Agreement, unless such non-compliance is fully remedied by the Seller to the satisfaction of the Management Company. The Seller shall pay the corresponding Re-transfer Amount to the Issuer no later than on such Payment Date.

3. SELLER WARRANTIES

Pursuant to the Receivables Purchase Agreement, the Seller shall represent and warrants on the Issue Date to the Issuer that:

(a) all Loan Receivables comply with the Loan Receivables Eligibility Criteria on the Cut-Off Date, including that they are valid and enforceable and not subject to any right of revocation, set-off or counter-claim, warranty claims of the Borrowers or any other right of objection due to their compliance with all relevant applicable consumer legislation in France. Any misrepresentation of the Seller regarding the non-eligibility shall be remedied only in accordance with clause 9 of the Receivables Purchase Agreement;

(b) all Lease Series of Receivables comply with the Lease Series of Receivables Eligibility Criteria on the Cut-Off Date, including that they are valid and enforceable and not subject to any right of revocation, set-off or counter-claim, warranty claims of the relevant Obligors or any other right of objection due to their compliance with all relevant applicable consumer legislation in France. Any misrepresentation of the Seller regarding the non-eligibility shall be remedied only in accordance with clause 9 of the Receivables Purchase Agreement;

(c) it has not altered the legal existence of any Receivable or otherwise waived, altered or modified any provision in relation to any Receivable, in particular, by challenge, termination or any other means, unless made in accordance with the provisions of the Servicing Agreement;

(d) all information given in respect of the Receivables, together with any Ancillary Rights and Related Security attached thereto, is true and correct in all material aspects;

(e) each Loan Agreement identifier allows each Purchased Loan Receivable to be identifiable in the Seller's systems and the Financed Vehicle's identification number stated in each Loan Agreement or any information or document relating thereto, allows each Financed Vehicle relating to a Loan Receivable to be separately identified;

(f) each Lease Agreement identifier allows each Purchased Lease Receivable to be identifiable in the Seller's systems and the Leased Vehicle's identification number stated in each Lease Agreement or any information or document relating thereto, allows each Leased Vehicle relating to a Lease Receivable to be separately identified;

(g) if the Receivable is existing as at the Purchase Date, it is separately individualised and identified (*identifiée et individualisée*) in the systems of the Seller on or before the Purchase Date, and the Seller has all means as may be necessary for the purpose of identifying and individualising (*moyens d'identification et d'individualisation*), as soon as it comes to existence, the Receivable which is future as of the Purchase Date, such that the Management Company may at any time separately identify and individualise any and all Purchased Receivables; and

(h) it has assessed the Lessees' and Borrowers' creditworthiness in accordance with the requirements set out in the provisions of article 8 of Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC.

Any misrepresentation of the Seller regarding the non-compliance of the Purchased Receivables with the relevant Eligibility Criteria (under paragraphs (a) and (b) above) shall result in the rescission of the sale of the relevant Affected Loan Receivables and/or Affected Lease Receivables, as applicable), as described above, in accordance with, and subject to, the relevant provisions of the Receivables Purchase Agreement.

PORTFOLIO CHARACTERISTICS AND HISTORICAL DATA

The portfolio information presented in this Prospectus is based on a portfolio as of the Cut-Off Date.

Portfolio Characteristics

Cut-Off Date: 2020-09-30	Lease	Loan	Total
Aggregate Outstanding Principal Amount	€ 640,199,340	€ 49,500,735	€ 689,700,075
Aggregate Outstanding Principal Amount (percentage of Total)	*92.8%*	*7.2%*	*100.0%*
Aggregate Principal Balance	€ 246,618,958	€ 49,500,735	€ 296,119,693
Aggregate Principal Balance (percentage)*	*38.5%*	*100.0%*	*42.9%*
Aggregate Contractual Residual Value Balance	€ 393,580,382	€ 0	€ 393,580,382
Aggregate Contractual Residual Value Balance (percentage)*	*61.5%*	*0.0%*	*57.1%*
Aggregate Original Principal Amount	€ 880,568,805	€ 79,994,597	€ 960,563,401
Number of Leases / Loans	24,910	4,735	29,645
Number of Leases / Loans (percentage of Total)	*84.0%*	*16.0%*	*100.0%*
Number of Lessees / Borrowers	23,834	4,700	28,507
Average Outstanding Principal Amount per Leases / Loans	€ 25,700	€ 10,454	€ 23,265
Average Outstanding Principal Amount per Lessees / Borrowers	€ 26,861	€ 10,532	€ 24,194
Weighted Average Interest Rate (APR)	3.74%	4.45%	3.79%
Weighted Average Seasoning (months)	15.8	17.3	15.9
Weighted Average Remaining Term (months)	25.0	39.4	26.0
Weighted Average Contractual Term (months)	40.8	56.7	41.9

** Percentage is a percentage of the Aggregate Outstanding Principal Amount, by sub-portfolio*

Portfolio Information – Distribution by Sub-Portfolio

Distribution by Sub-Portfolio	Aggregate Outstanding Principal Amount (€)	%	Number of Leases / Loans	%
Loans / Retail Small Business	12,938,161.78	1.88%	799	2.70%
Leases / Retail Small Business	339,261,028.01	49.19%	12,750	43.01%
Loans / Retail Private	36,562,573.45	5.30%	3,936	13.28%
Leases / Retail Private	300,938,311.58	43.63%	12,160	41.02%
Total	**689,700,074.82**	**100.00%**	**29,645**	**100.00%**

Portfolio Information – Distribution by Outstanding Principal Amount

Outstanding Principal Amount (€)	Aggregate Outstanding Principal Amount (€)	%	Number of Leases / Loans	%
0 < x <= 10,000	28,611,404.42	4.15%	4,790	16.16%
10,000 < x <= 20,000	110,643,241.59	16.04%	7,189	24.25%
20,000 < x <= 30,000	266,766,372.14	38.68%	10,790	36.40%
30,000 < x <= 40,000	147,343,893.25	21.36%	4,324	14.59%
40,000 < x <= 50,000	65,114,370.94	9.44%	1,470	4.96%
50,000 < x <= 60,000	32,578,501.84	4.72%	599	2.02%
60,000 < x <= 70,000	14,718,902.24	2.13%	230	0.78%
70,000 < x <= 80,000	6,166,948.43	0.89%	83	0.28%
80,000 < x <= 90,000	4,670,680.68	0.68%	55	0.19%
90,000 < x <= 100,000	3,980,534.47	0.58%	42	0.14%
100,000 < x <= 110,000	1,785,110.51	0.26%	17	0.06%
110,000 < x <= 120,000	2,435,337.07	0.35%	21	0.07%
120,000 < x <= 130,000	1,870,746.30	0.27%	15	0.05%
130,000 < x <= 140,000	1,217,382.75	0.18%	9	0.03%
> 140,000	1,796,648.19	0.26%	11	0.04%
Total	**689,700,074.82**	**100.00%**	**29,645**	**100.00%**

Max	225,053.80
Min	1,008.76
Avg	23,265.31

Portfolio Information – Distribution by Original Principal Amount

Original Principal Amount (€)	Aggregate Outstanding Principal Amount (€)	%	Number of Leases / Loans	%
0 < x <= 10,000	8,983,984.51	1.30%	2,037	6.87%
10,000 < x <= 20,000	41,253,673.65	5.98%	4,045	13.64%
20,000 < x <= 30,000	142,333,278.58	20.64%	7,570	25.54%
30,000 < x <= 40,000	232,709,996.11	33.74%	9,310	31.40%
40,000 < x <= 50,000	113,553,586.02	16.46%	3,515	11.86%
50,000 < x <= 60,000	69,770,047.02	10.12%	1,760	5.94%
60,000 < x <= 70,000	33,333,406.41	4.83%	690	2.33%
70,000 < x <= 80,000	13,637,602.63	1.98%	254	0.86%
80,000 < x <= 90,000	5,524,597.17	0.80%	101	0.34%
90,000 < x <= 100,000	7,076,839.56	1.03%	113	0.38%
100,000 < x <= 110,000	4,280,497.36	0.62%	63	0.21%
110,000 < x <= 120,000	2,823,235.51	0.41%	40	0.13%
120,000 < x <= 130,000	3,269,755.77	0.47%	44	0.15%
130,000 < x <= 140,000	3,235,741.13	0.47%	35	0.12%
> 140,000	7,913,833.39	1.15%	68	0.23%
Total	**689,700,074.82**	**100.00%**	**29,645**	**100.00%**

Max	331,000.00
Min	1,758.00
Avg	32,402.21

Portfolio Information – Distribution by Vehicle Type (New/Used)

New / Used	Aggregate Outstanding Principal Amount (€)	%	Number of Leases / Loans	%
New	603,861,173.10	87.55%	23,337	78.72%
Used	85,838,901.72	12.45%	6,308	21.28%
Total	**689,700,074.82**	**100.00%**	**29,645**	**100.00%**

Portfolio Information – Distribution by Client Type (Retail Private/Retail Small Business)

Client Type	Aggregate Outstanding Principal Amount (€)	%	Number of Leases / Loans	%
Retail Private	337,500,885.03	48.93%	16,096	54.30%
Retail Small Business	352,199,189.79	51.07%	13,549	45.70%
Total	**689,700,074.82**	**100.00%**	**29,645**	**100.00%**

Portfolio Information – Distribution by Contract Type (Loan/Lease)

Contract Type	Aggregate Outstanding Principal Amount (€)	%	Number of Contracts	%
Lease	640,199,339.59	92.82%	24,910	84.03%
Loan	49,500,735.23	7.18%	4,735	15.97%
Total	**689,700,074.82**	**100.00%**	**29,645**	**100.00%**

Portfolio Information – Distribution by Region

Region	Aggregate Outstanding Principal Amount (€)	%	Number of Leases / Loans	%
Île de France	149,566,823.12	21.69%	6,713	22.64%
Rhône-Alpes	68,706,238.88	9.96%	2,855	9.63%
Provence-Alpes-Côte d'Azur	60,791,304.86	8.81%	2,780	9.38%
Aquitaine	40,800,215.91	5.92%	1,729	5.83%
Lorraine	39,487,196.97	5.73%	1,856	6.26%
Nord - Pas-de-Calais	34,795,577.62	5.05%	1,339	4.52%
Pays de la Loire	32,654,491.24	4.73%	1,347	4.54%
Midi-Pyrénées	31,239,170.96	4.53%	1,338	4.51%
Bretagne	28,637,965.46	4.15%	1,263	4.26%
Languedoc-Roussillon	28,590,429.40	4.15%	1,160	3.91%
Centre	24,560,970.44	3.56%	1,008	3.40%
Haute-Normandie	22,400,354.13	3.25%	945	3.19%
Alsace	20,952,427.67	3.04%	834	2.81%
Bourgogne	18,941,739.85	2.75%	763	2.57%
Poitou-Charentes	18,940,644.21	2.75%	815	2.75%
Champagne-Ardenne	15,241,431.96	2.21%	625	2.11%
Picardie	14,018,217.75	2.03%	571	1.93%
Auvergne	11,632,225.23	1.69%	505	1.70%
Basse-Normandie	10,699,553.87	1.55%	453	1.53%
Limousin	9,705,659.92	1.41%	449	1.51%
Franche-Comté	7,337,435.37	1.06%	297	1.00%
Total	**689,700,074.82**	**100.00%**	**29,645**	**100.00%**

Portfolio Information – Distribution by Interest Rate (APR)

Interest Rate (in %)	Aggregate Outstanding Principal Amount (€)	%	Number of Leases / Loans	%
x = 0.00	0.00	0.00%	0	0.00%
0.00 < x <= 0.50	1,571,493.61	0.23%	94	0.32%
0.50 < x <= 1.00	19,177,386.53	2.78%	1,107	3.73%
1.00 < x <= 1.50	6,114,329.31	0.89%	333	1.12%
1.50 < x <= 2.00	43,932,636.29	6.37%	1,669	5.63%
2.00 < x <= 2.50	7,001,826.95	1.02%	170	0.57%
2.50 < x <= 3.00	165,212,386.91	23.95%	6,058	20.44%
3.00 < x <= 3.50	73,418,477.59	10.64%	3,239	10.93%
3.50 < x <= 4.00	187,423,672.45	27.17%	7,660	25.84%
4.00 < x <= 4.50	20,109,582.55	2.92%	1,124	3.79%
4.50 < x <= 5.00	64,957,195.26	9.42%	3,336	11.25%
5.00 < x <= 5.50	38,710,151.20	5.61%	1,590	5.36%
5.50 < x <= 6.00	29,061,013.25	4.21%	1,956	6.60%
6.00 < x <= 6.50	7,349,248.90	1.07%	327	1.10%
6.50 < x <= 7.00	23,097,442.07	3.35%	824	2.78%
7.00 < x <= 7.50	1,329,240.20	0.19%	56	0.19%
> 7.50	1,233,991.75	0.18%	102	0.34%
Total	**689,700,074.82**	**100.00%**	**29,645**	**100.00%**

Max	8.90
Min	0.01
Wavg	3.79

Portfolio Information – Distribution by Contractual Term

Contractual Term (months)	Aggregate Outstanding Principal Amount (€)	%	Number of Leases / Loans	%
0 < x <= 12	46,011.03	0.01%	11	0.04%
12 < x <= 24	6,063,952.97	0.88%	303	1.02%
24 < x <= 36	31,035,755.25	4.50%	1,626	5.48%
36 < x <= 48	504,224,313.65	73.11%	19,938	67.26%
48 < x <= 60	111,354,579.85	16.15%	6,579	22.19%
60 < x <= 72	34,244,706.10	4.97%	1,150	3.88%
72 < x <= 84	2,259,391.97	0.33%	34	0.11%
84 < x <= 96	471,364.00	0.07%	4	0.01%
Total	**689,700,074.82**	**100.00%**	**29,645**	**100.00%**

Max	87.00
Min	12.00
Wavg	41.94

Portfolio Information – Distribution by Remaining Term

Remaining Term (months)	Aggregate Outstanding Principal Amount (€)	%	Number of Leases / Loans	%
0 < x <= 12	102,500,564.59	14.86%	5,504	18.57%
12 < x <= 24	222,148,307.65	32.21%	9,946	33.55%
24 < x <= 36	250,148,982.55	36.27%	9,297	31.36%
36 < x <= 48	62,661,442.89	9.09%	2,955	9.97%
48 < x <= 60	49,718,597.51	7.21%	1,907	6.43%
60 < x <= 72	2,522,179.63	0.37%	36	0.12%
Total	**689,700,074.82**	**100.00%**	**29,645**	**100.00%**

Max	71.00
Min	1.00
Wavg	26.00

Portfolio Information – Distribution by Seasoning

Seasoning (months)	Aggregate Outstanding Principal Amount (€)	%	Number of Leases / Loans	%
0 < x <= 6	120,280,500.38	17.44%	3,932	13.26%
6 < x <= 12	172,890,251.73	25.07%	6,219	20.98%
12 < x <= 24	261,267,156.20	37.88%	11,137	37.57%
24 < x <= 36	123,331,085.99	17.88%	7,032	23.72%
36 < x <= 48	11,931,080.52	1.73%	1,325	4.47%
Total	**689,700,074.82**	**100.00%**	**29,645**	**100.00%**

Max	45.00
Min	2.00
Wavg	15.94

Portfolio Information – Distribution by Vehicle Make

Vehicle Make	Aggregate Outstanding Principal Amount (€)	%	Number of Leases / Loans	%
Mercedes-Benz	662,260,499.13	96.02%	26,937	90.87%
Smart	27,439,575.69	3.98%	2,708	9.13%
Total	**689,700,074.82**	**100.00%**	**29,645**	**100.00%**

Portfolio Information – Distribution by Fuel Type

Fuel Type	Aggregate Outstanding Principal Amount (€)	%	Number of Leases / Loans	%
Diesel	521,544,249.74	75.62%	21,435	72.31%
Petrol	136,771,060.29	19.83%	7,154	24.13%
Hybrid	25,615,045.54	3.71%	650	2.19%
Electric	5,762,418.92	0.84%	405	1.37%
Other	7,300.33	0.00%	1	0.00%
Total	**689,700,074.82**	**100.00%**	**29,645**	**100.00%**

Portfolio Information – Distribution by Contractual Residual Value as a percentage of Original Principal Amount (Lease only)

Contractual Residual Value as a % of Original Principal Amount	Aggregated Outstanding Lease Principal Amount (€)	%	Number of Leases	%
x = 0.00	0.00	0.00%	0	0.00%
0 < x <= 5	66,875,459.30	10.45%	2,972	11.93%
5 < x <= 10	18,986,711.80	2.97%	847	3.40%
10 < x <= 15	17,924,699.46	2.80%	716	2.87%
15 < x <= 20	9,309,496.21	1.45%	365	1.47%
20 < x <= 25	4,929,118.09	0.77%	200	0.80%
25 < x <= 30	9,773,806.76	1.53%	369	1.48%
30 < x <= 35	9,962,933.50	1.56%	438	1.76%
35 < x <= 40	11,999,602.38	1.87%	545	2.19%
40 < x <= 45	19,871,563.93	3.10%	769	3.09%
45 < x <= 50	37,470,167.47	5.85%	1,335	5.36%
50 < x <= 55	96,422,880.73	15.06%	3,673	14.75%
55 < x <= 60	170,196,144.58	26.58%	6,343	25.46%
60 < x <= 65	112,028,196.05	17.50%	4,230	16.98%
65 < x <= 70	36,930,641.70	5.77%	1,432	5.75%
70 < x <= 75	9,676,547.82	1.51%	376	1.51%
75 < x <= 80	2,976,166.10	0.46%	122	0.49%
80 < x <= 85	1,866,083.60	0.29%	69	0.28%
85 < x <= 90	1,833,582.91	0.29%	64	0.26%
90 < x <= 95	1,165,537.20	0.18%	45	0.18%
95 < x <= 100	0.00	0.00%	0	0.00%
> 100	0.00	0.00%	0	0.00%
Total	**640,199,339.59**	**100.00%**	**24,910**	**100.00%**

Max	94.98
Min	0.95
Wavg	47.09

Portfolio Information – Distribution by Contractual Residual Value (Lease only)

Contractual Residual Value (€)	Aggregated Outstanding Lease Principal Amount (€)	%	Number of Leases	%
x = 0.00	0.00	0.00%	0	0.00%
0 < x <= 1,000	52,697,438.10	8.23%	2,733	10.97%
1,000 < x <= 2,500	15,857,884.94	2.48%	521	2.09%
2,500 < x <= 5,000	22,085,513.15	3.45%	1,104	4.43%
5,000 < x <= 7,500	22,699,326.32	3.55%	1,464	5.88%
7,500 < x <= 10,000	27,552,652.66	4.30%	1,713	6.88%
10,000 < x <= 15,000	49,155,692.46	7.68%	2,294	9.21%
15,000 < x <= 20,000	178,978,892.40	27.96%	7,475	30.01%
20,000 < x <= 25,000	112,533,664.05	17.58%	3,870	15.54%
25,000 < x <= 30,000	75,218,480.31	11.75%	2,046	8.21%
30,000 < x <= 40,000	70,854,183.01	11.07%	1,519	6.10%
40,000 < x <= 50,000	6,793,043.48	1.06%	110	0.44%
50,000 < x <= 75,000	3,635,822.21	0.57%	43	0.17%
75,000 < x <= 100,000	1,963,570.09	0.31%	17	0.07%
100,000 < x <= 150,000	173,176.41	0.03%	1	0.00%
> 150,000	0.00	0.00%	0	0.00%
Total	**640,199,339.59**	**100.00%**	**24,910**	**100.00%**

Max	100,501.25
Min	59.53
Avg	15,800.10

Portfolio Information – Distribution by Contractual Residual Value as a percentage of Outstanding Principal Amount (Lease only)

Contractual Residual Value as a % of Outstanding Principal Amount	Aggregated Outstanding Lease Principal Amount (€)	%	Number of Leases	%
x = 0.00	0.00	0.00%	0	0.00%
0 < x <= 5	62,260,590.72	9.73%	2,593	10.41%
5 < x <= 10	4,795,018.50	0.75%	277	1.11%
10 < x <= 15	12,803,759.93	2.00%	496	1.99%
15 < x <= 20	15,283,224.31	2.39%	579	2.32%
20 < x <= 25	8,783,015.30	1.37%	359	1.44%
25 < x <= 30	7,122,573.83	1.11%	317	1.27%
30 < x <= 35	8,507,427.41	1.33%	336	1.35%
35 < x <= 40	7,673,812.95	1.20%	289	1.16%
40 < x <= 45	8,561,497.72	1.34%	332	1.33%
45 < x <= 50	11,219,220.71	1.75%	382	1.53%
50 < x <= 55	16,383,344.85	2.56%	530	2.13%
55 < x <= 60	36,649,409.79	5.72%	1,136	4.56%
60 < x <= 65	63,914,144.05	9.98%	2,044	8.21%
65 < x <= 70	70,157,744.53	10.96%	2,399	9.63%
70 < x <= 75	67,089,953.84	10.48%	2,496	10.02%
75 < x <= 80	68,979,744.20	10.77%	2,705	10.86%
80 < x <= 85	61,032,274.80	9.53%	2,519	10.11%
85 < x <= 90	45,382,535.68	7.09%	2,013	8.08%
90 < x <= 95	34,935,903.43	5.46%	1,663	6.68%
95 < x <= 100	28,664,143.04	4.48%	1,445	5.80%
> 100	0.00	0.00%	0	0.00%
Total	**640,199,339.59**	**100.00%**	**24,910**	**100.00%**

Max	100.00
Min	1.03
Wavg	61.48

Portfolio Information – Top 20 Obligors

Top 20 Obligors	Aggregate Outstanding Principal Amount (€)	%	Number of Leases / Loans	%
Top 1	272,480.13	0.04%	4	0.01%
Top 2	225,053.80	0.03%	1	0.00%
Top 3	222,741.32	0.03%	3	0.01%
Top 4	218,415.78	0.03%	4	0.01%
Top 5	218,258.23	0.03%	2	0.01%
Top 6	214,631.41	0.03%	2	0.01%
Top 7	199,523.79	0.03%	2	0.01%
Top 8	196,646.78	0.03%	4	0.01%
Top 9	190,743.52	0.03%	2	0.01%
Top 10	187,534.92	0.03%	2	0.01%
Top 11	185,665.36	0.03%	5	0.02%
Top 12	179,536.50	0.03%	3	0.01%
Top 13	176,502.02	0.03%	3	0.01%
Top 14	173,300.11	0.03%	2	0.01%
Top 15	173,176.41	0.03%	1	0.00%
Top 16	172,126.11	0.02%	3	0.01%
Top 17	172,023.30	0.02%	2	0.01%
Top 18	171,273.27	0.02%	1	0.00%
Top 19	170,694.04	0.02%	2	0.01%
Top 20	165,663.71	0.02%	2	0.01%
Others	685,814,084.31	99.44%	29,595	99.83%
Total	**689,700,074.82**	**100.00%**	**29,645**	**100.00%**

Portfolio Information – Distribution by Monthly Instalment

Instalment Amount (€)	Aggregate Outstanding Principal Amount (€)	%	Number of Leases / Loans	%
0 < x <= 250	68,397,999.78	9.92%	5,990	20.21%
250 < x <= 500	303,915,276.32	44.06%	13,975	47.14%
500 < x <= 750	172,920,071.43	25.07%	6,148	20.74%
750 < x <= 1,000	73,722,673.42	10.69%	2,149	7.25%
1,000 < x <= 1,250	29,706,654.74	4.31%	729	2.46%
1,250 < x <= 1,500	12,237,564.13	1.77%	254	0.86%
1,500 < x <= 1,750	8,106,527.00	1.18%	138	0.47%
1,750 < x <= 2,000	6,420,468.34	0.93%	96	0.32%
2,000 < x <= 2,250	4,561,795.94	0.66%	60	0.20%
2,250 < x <= 2,500	3,876,829.19	0.56%	45	0.15%
2,500 < x <= 2,750	2,028,600.64	0.29%	23	0.08%
2,750 < x <= 3,000	1,632,612.41	0.24%	15	0.05%
> 3,000	2,173,001.48	0.32%	23	0.08%
Total	**689,700,074.82**	**100.00%**	**29,645**	**100.00%**

Max	12,581.00
Min	24.89
Wavg	592.84

Portfolio Information – Distribution by Payment Method

Payment Method	Aggregate Outstanding Principal Amount (€)	%	Number of Leases / Loans	%
Direct Debit	689,700,074.82	100.00%	29,645	100.00%
Total	**689,700,074.82**	**100.00%**	**29,645**	**100.00%**

Historical performance data

The historical performance data set out hereafter relate to the portfolio of auto loan receivables and auto lease receivables granted by the Seller to retail commercial borrowers, relating to used or new vehicles. Loans to employees have been excluded from the historical performance data.

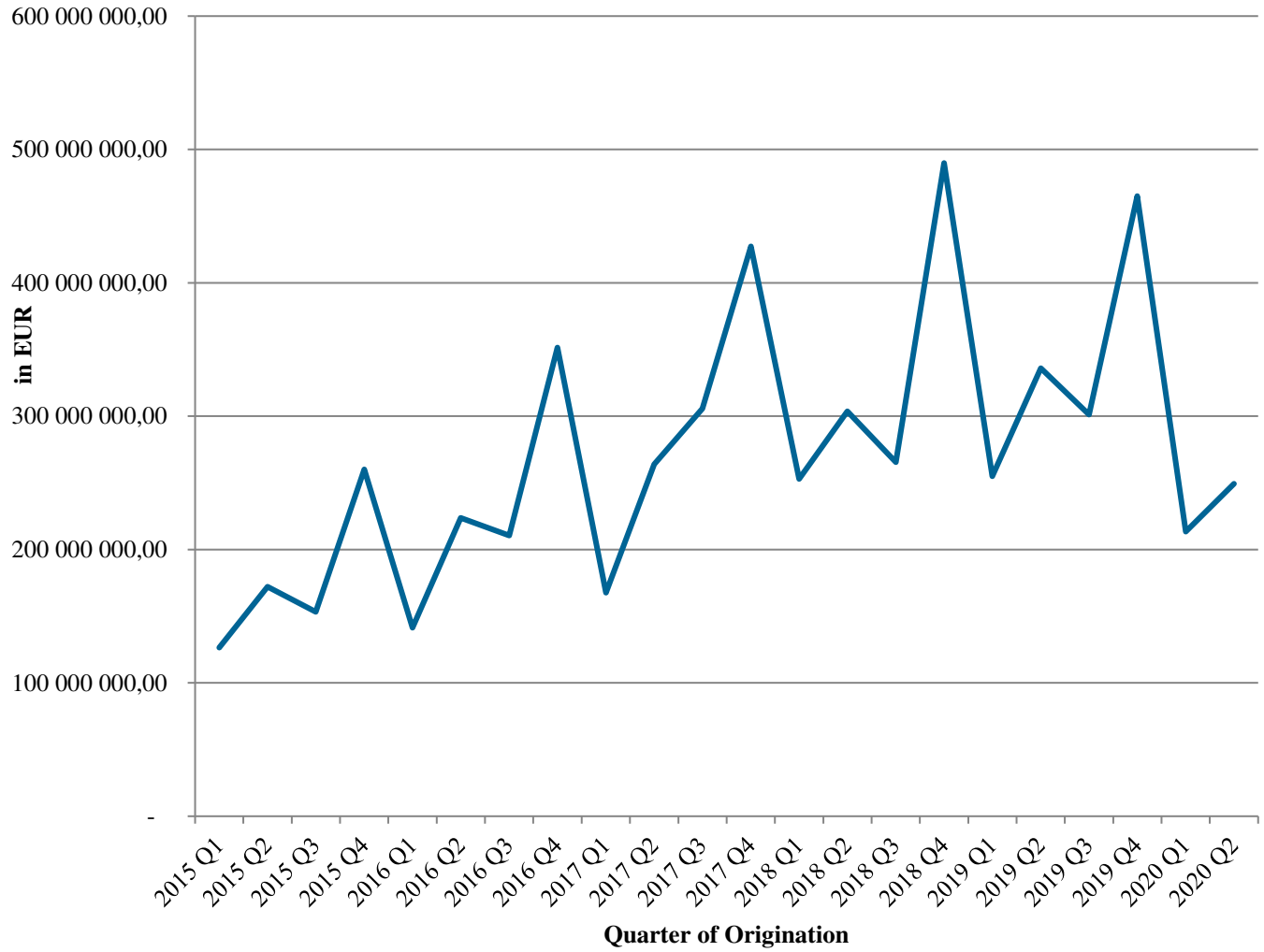
In each of the tables below, "Q1" refers to the period from 1 January to 31 March, "Q2" refers to the period from 1 April to 30 June, "Q3" refers to the period from 1 July to 30 September and "Q4" refers to the period from 1 October to 31 December.

The tables below were prepared on the basis of the internal records of the Seller.

There can be no assurance that the future experience and performance of the Loan Receivables and the Lease Receivables will be similar to the historical performance set out in the tables below.

Production

Quarterly production – Total portfolio



Quarter of Origination	Number of Contracts	Originated Amount (€)
2015 Q1	4,995	126,454,634.20
2015 Q2	6,832	172,154,569.60
2015 Q3	6,058	153,182,654.26
2015 Q4	10,020	260,187,394.47
2016 Q1	5,447	141,414,682.64
2016 Q2	8,334	223,657,818.77
2016 Q3	7,438	210,521,582.63
2016 Q4	12,439	351,360,361.50
2017 Q1	6,003	167,644,435.81
2017 Q2	8,889	263,891,777.46
2017 Q3	10,320	305,583,758.73
2017 Q4	14,778	427,376,988.27
2018 Q1	8,620	253,006,818.41
2018 Q2	9,926	303,693,611.85
2018 Q3	8,541	265,541,058.88
2018 Q4	15,859	489,827,283.40
2019 Q1	8,580	254,890,260.35
2019 Q2	10,608	335,992,312.32
2019 Q3	9,547	301,156,908.98
2019 Q4	14,295	464,990,775.78
2020 Q1	6,590	213,355,479.45
2020 Q2	7,666	249,423,911.99

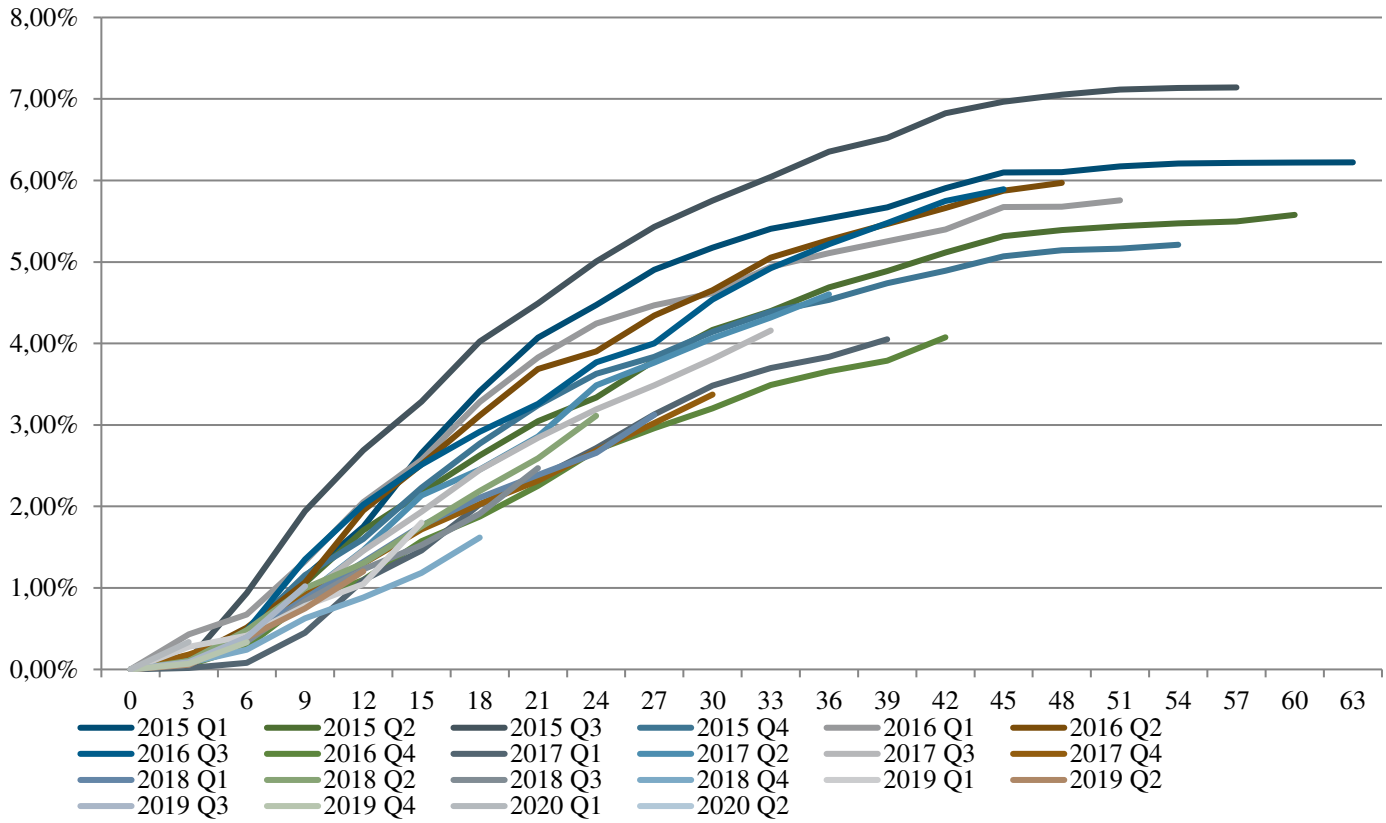
Gross default rates

For a generation of originated loans and leases (being all loans and leases originated during the same quarter), the cumulative gross default rate in respect of a month is calculated as the ratio of:

(i) the cumulative defaulted amount recorded between the quarter when such loans or leases were originated and the relevant month, to

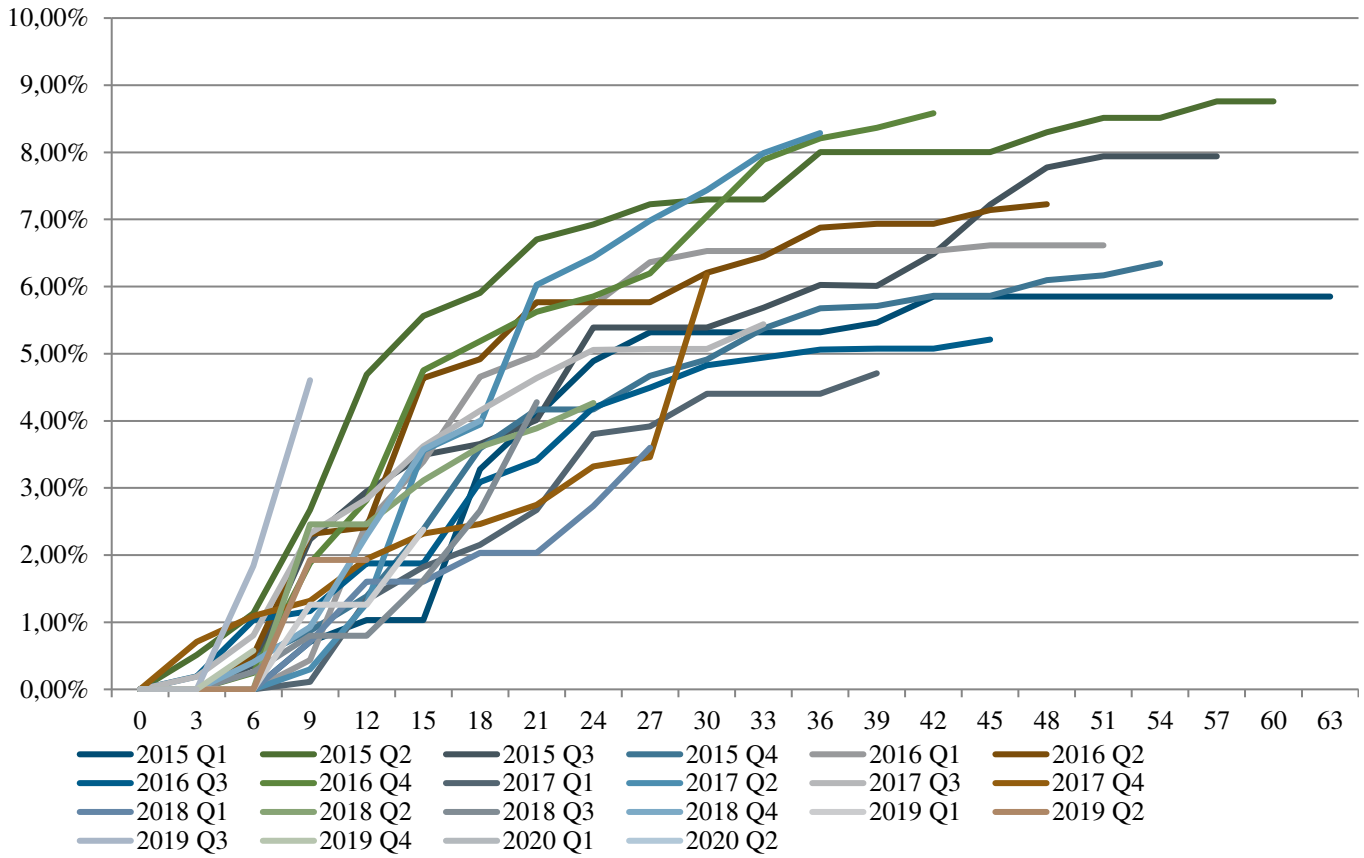
(ii) the initial outstanding amount of such loans and leases.

Cumulative gross default rate - total portfolio



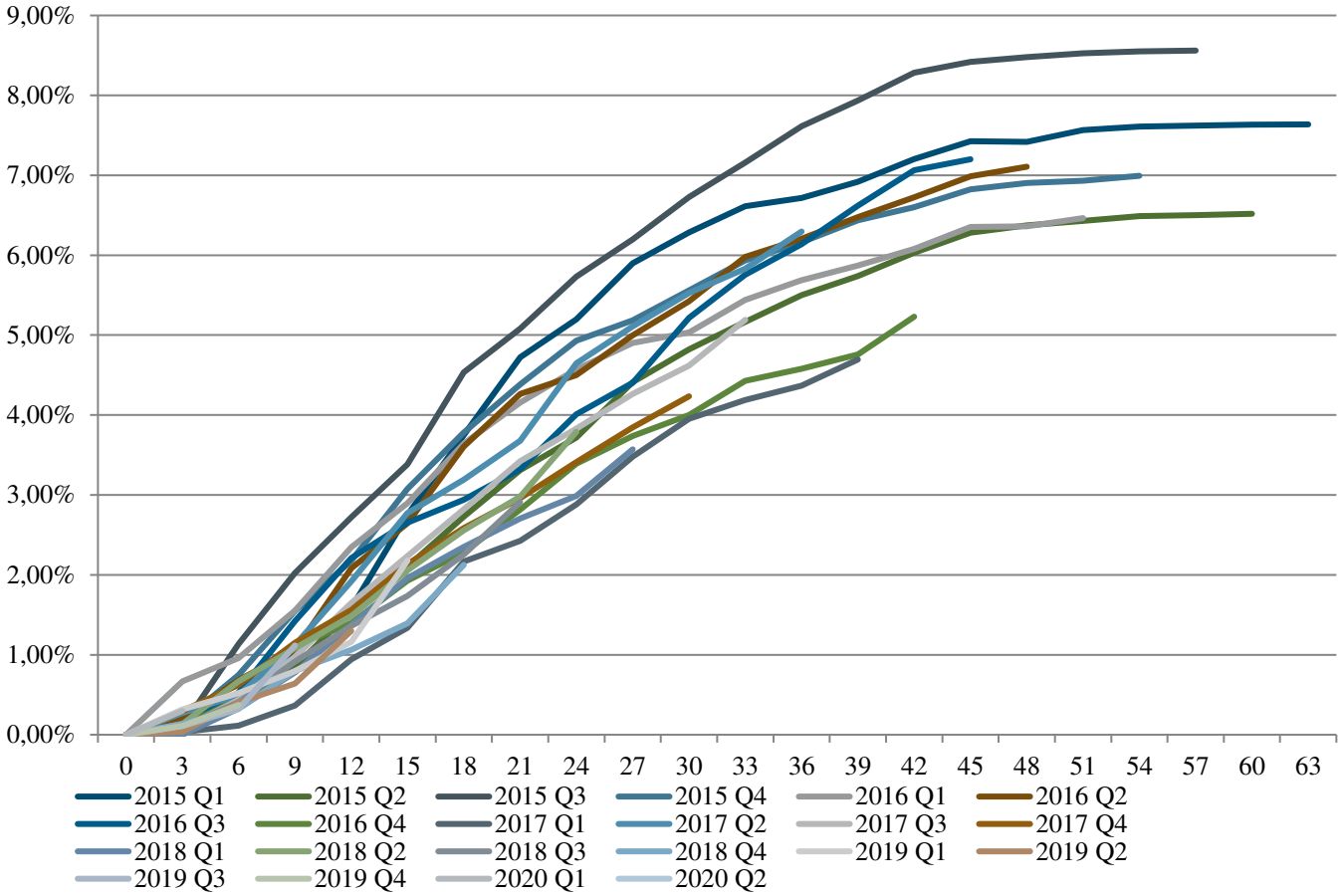
		CUMULATED GROSS DEFAULT RATES - QUARTERLY																					
		Number of months after origination																					
Quarter of Origination	Originated Amount	0	3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60	63
2015 Q1	126,454,634	0.00%	0.16%	0.42%	1.14%	1.75%	2.65%	3.41%	4.07%	4.47%	4.90%	5.17%	5.41%	5.54%	5.67%	5.91%	6.10%	6.10%	6.17%	6.21%	6.21%	6.22%	6.22%
2015 Q2	172,154,570	0.00%	0.10%	0.34%	1.06%	1.71%	2.17%	2.62%	3.05%	3.34%	3.79%	4.17%	4.40%	4.69%	4.89%	5.12%	5.32%	5.39%	5.44%	5.47%	5.50%	5.58%	
2015 Q3	153,182,654	0.00%	0.11%	0.94%	1.94%	2.69%	3.29%	4.03%	4.49%	5.01%	5.43%	5.75%	6.04%	6.35%	6.52%	6.82%	6.97%	7.05%	7.12%	7.13%	7.14%		
2015 Q4	260,187,394	0.00%	0.08%	0.47%	1.16%	1.60%	2.23%	2.77%	3.24%	3.63%	3.84%	4.14%	4.39%	4.53%	4.74%	4.89%	5.07%	5.14%	5.16%	5.21%			
2016 Q1	141,414,683	0.00%	0.43%	0.67%	1.33%	2.05%	2.57%	3.28%	3.83%	4.24%	4.47%	4.62%	4.94%	5.11%	5.25%	5.40%	5.67%	5.68%	5.76%				
2016 Q2	223,657,819	0.00%	0.14%	0.51%	1.07%	1.95%	2.51%	3.12%	3.69%	3.90%	4.34%	4.65%	5.05%	5.27%	5.47%	5.66%	5.87%	5.97%					
2016 Q3	210,521,583	0.00%	0.07%	0.48%	1.35%	2.02%	2.51%	2.92%	3.26%	3.77%	4.00%	4.54%	4.92%	5.22%	5.48%	5.75%	5.89%						
2016 Q4	351,360,362	0.00%	0.05%	0.28%	0.83%	1.10%	1.57%	1.88%	2.25%	2.69%	2.96%	3.20%	3.49%	3.66%	3.79%	4.08%							
2017 Q1	167,644,436	0.00%	0.02%	0.08%	0.45%	1.10%	1.46%	2.02%	2.35%	2.72%	3.13%	3.48%	3.70%	3.84%	4.05%								
2017 Q2	263,891,777	0.00%	0.14%	0.38%	0.91%	1.46%	2.13%	2.46%	2.86%	3.48%	3.76%	4.06%	4.32%	4.60%									
2017 Q3	305,583,759	0.00%	0.08%	0.42%	0.90%	1.46%	1.93%	2.45%	2.84%	3.19%	3.49%	3.81%	4.16%										
2017 Q4	427,376,988	0.00%	0.18%	0.43%	0.91%	1.30%	1.72%	2.03%	2.32%	2.68%	3.02%	3.37%											
2018 Q1	253,006,818	0.00%	0.06%	0.41%	0.87%	1.32%	1.77%	2.11%	2.39%	2.66%	3.12%												
2018 Q2	303,693,612	0.00%	0.10%	0.48%	1.00%	1.30%	1.75%	2.19%	2.59%	3.11%													
2018 Q3	265,541,059	0.00%	0.08%	0.34%	0.83%	1.23%	1.53%	1.91%	2.47%														
2018 Q4	489,827,283	0.00%	0.08%	0.24%	0.63%	0.88%	1.19%	1.62%															
2019 Q1	254,890,260	0.00%	0.28%	0.42%	0.78%	1.05%	1.80%																
2019 Q2	335,992,312	0.00%	0.06%	0.39%	0.75%	1.20%																	
2019 Q3	301,156,909	0.00%	0.09%	0.39%	1.02%																		
2019 Q4	464,990,776	0.00%	0.07%	0.33%																			
2020 Q1	213,355,479	0.00%	0.34%																				
2020 Q2	249,423,912	0.00%																					

Cumulative gross default rate – loans / retail small business



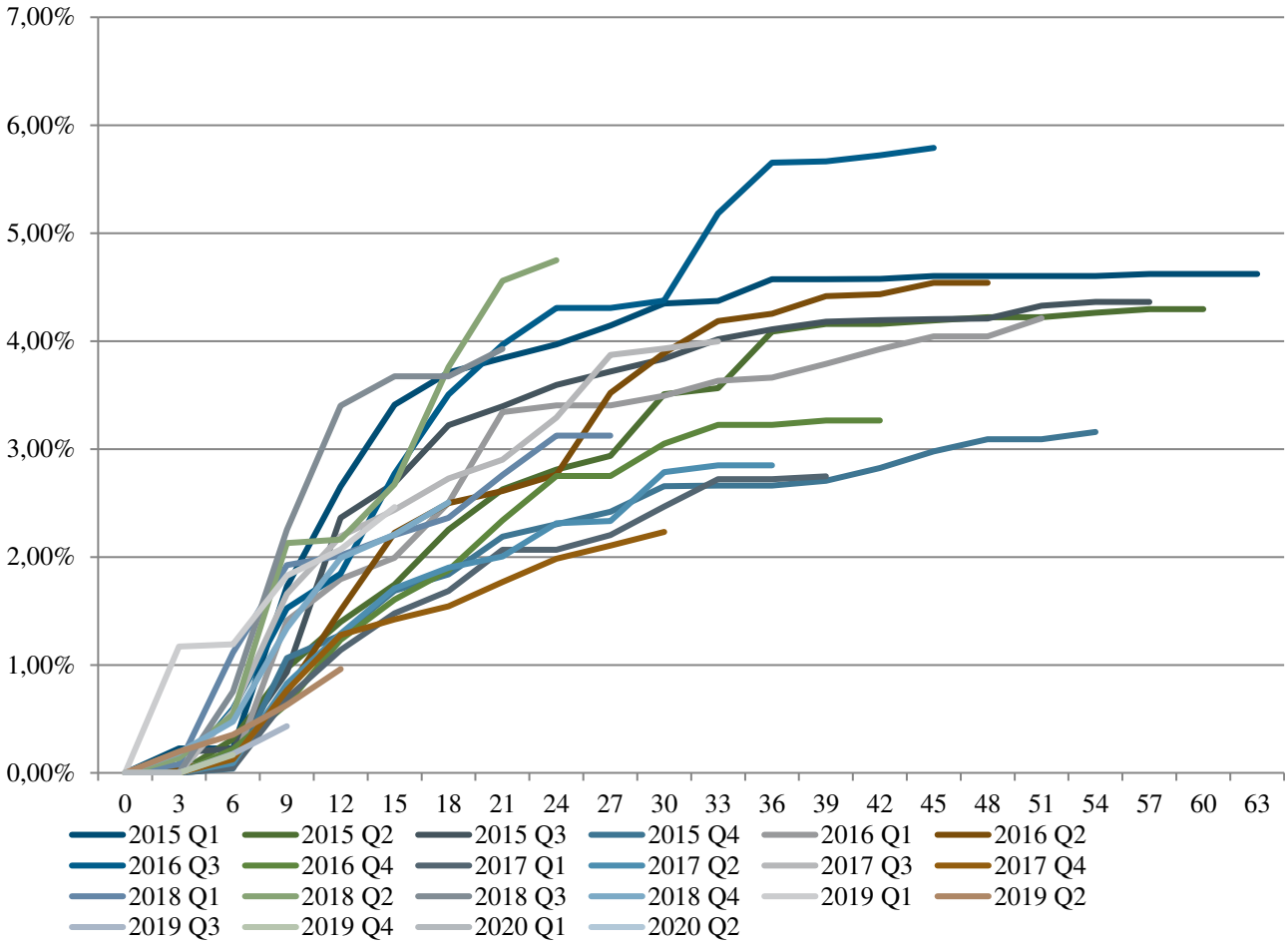
		CUMULATED GROSS DEFAULT RATES - QUARTERLY																				
		Number of months after origination																				
Quarter of Origination	Originated Amount	0	3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60	63
2015 Q1	5,751,222	0.00%	0.00%	0.00%	0.71%	1.03%	1.03%	3.28%	4.07%	4.89%	5.32%	5.32%	5.32%	5.32%	5.46%	5.85%	5.85%	5.85%	5.85%	5.85%	5.85%	5.85%	5.85%
2015 Q2	8,883,176	0.00%	0.51%	1.13%	2.67%	4.69%	5.56%	5.91%	6.70%	6.93%	7.23%	7.30%	7.30%	8.00%	8.00%	8.00%	8.00%	8.30%	8.51%	8.51%	8.76%	8.76%	
2015 Q3	7,684,416	0.00%	0.00%	0.36%	2.23%	2.95%	3.49%	3.65%	4.01%	5.39%	5.39%	5.39%	5.69%	6.02%	6.01%	6.49%	7.22%	7.77%	7.94%	7.94%	7.94%		
2015 Q4	11,117,312	0.00%	0.00%	0.46%	0.87%	1.39%	2.38%	3.59%	4.17%	4.17%	4.67%	4.91%	5.38%	5.68%	5.71%	5.86%	5.86%	6.10%	6.17%	6.35%			
2016 Q1	7,650,928	0.00%	0.00%	0.00%	0.44%	2.48%	3.39%	4.65%	4.98%	5.72%	6.36%	6.53%	6.53%	6.53%	6.53%	6.53%	6.61%	6.61%	6.61%				
2016 Q2	9,793,625	0.00%	0.00%	0.51%	2.31%	2.42%	4.64%	4.92%	5.77%	5.77%	5.77%	6.20%	6.45%	6.88%	6.94%	6.94%	7.14%	7.23%					
2016 Q3	10,294,626	0.00%	0.20%	1.03%	1.17%	1.88%	1.88%	3.09%	3.41%	4.20%	4.49%	4.83%	4.94%	5.06%	5.07%	5.07%	5.21%						
2016 Q4	12,697,923	0.00%	0.00%	0.25%	1.88%	2.82%	4.75%	5.19%	5.62%	5.85%	6.20%	7.05%	7.89%	8.21%	8.36%	8.58%							
2017 Q1	7,849,545	0.00%	0.00%	0.00%	0.11%	1.33%	1.83%	2.15%	2.67%	3.80%	3.92%	4.40%	4.40%	4.40%	4.71%								
2017 Q2	8,274,180	0.00%	0.00%	0.00%	0.30%	1.28%	3.56%	3.94%	6.02%	6.44%	6.98%	7.44%	7.99%	8.29%									
2017 Q3	10,429,269	0.00%	0.19%	0.80%	2.33%	2.84%	3.62%	4.15%	4.64%	5.06%	5.07%	5.07%	5.44%										
2017 Q4	12,277,678	0.00%	0.71%	1.10%	1.32%	1.95%	2.32%	2.46%	2.75%	3.32%	3.46%	6.17%											
2018 Q1	8,999,425	0.00%	0.00%	0.00%	0.71%	1.61%	1.61%	2.03%	2.03%	2.73%	3.60%												
2018 Q2	8,529,984	0.00%	0.00%	0.00%	2.46%	2.46%	3.11%	3.61%	3.89%	4.27%													
2018 Q3	7,299,509	0.00%	0.00%	0.26%	0.80%	0.80%	1.62%	2.66%	4.28%														
2018 Q4	8,926,652	0.00%	0.00%	0.40%	0.93%	2.29%	3.57%	4.00%															
2019 Q1	7,083,875	0.00%	0.00%	0.00%	1.26%	1.26%	2.38%																
2019 Q2	5,997,562	0.00%	0.00%	0.00%	1.93%	1.93%																	
2019 Q3	6,399,321	0.00%	0.00%	1.84%	4.61%																		
2019 Q4	8,423,461	0.00%	0.00%	0.58%																			
2020 Q1	5,291,548	0.00%	0.00%																				
2020 Q2	3,817,784	0.00%																					

Cumulative gross default rate – leases / retail small business



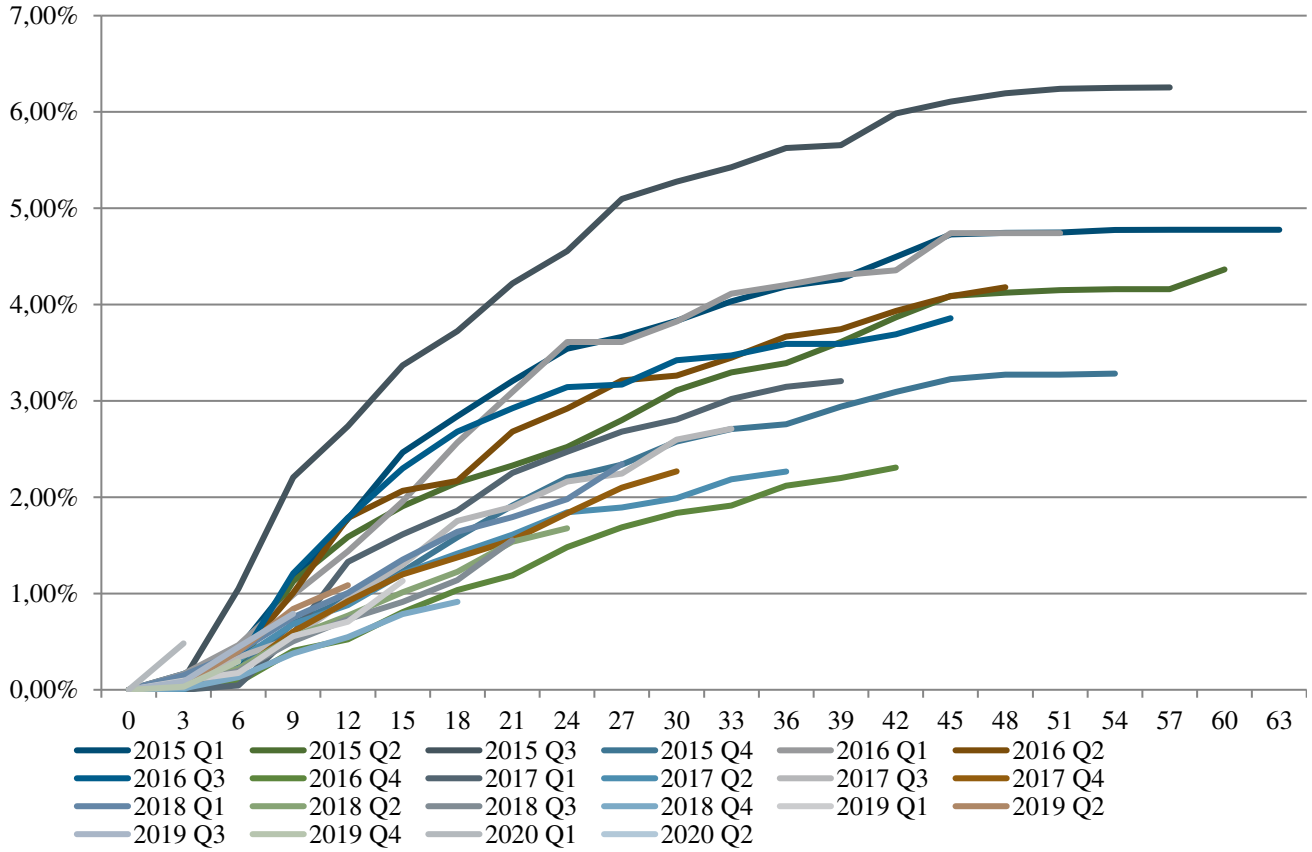
		CUMULATED GROSS DEFAULT RATES - QUARTERLY																				
		Number of months after origination																				
Quarter of Origination	Originated Amount	0	3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60	63
2015 Q1	62,572,415	0.00%	0.15%	0.50%	1.04%	1.59%	2.75%	3.75%	4.72%	5.20%	5.90%	6.28%	6.61%	6.72%	6.92%	7.20%	7.43%	7.42%	7.56%	7.61%	7.62%	7.63%	7.64%
2015 Q2	79,527,541	0.00%	0.07%	0.34%	0.85%	1.55%	2.10%	2.73%	3.31%	3.72%	4.41%	4.82%	5.16%	5.50%	5.74%	6.03%	6.28%	6.37%	6.43%	6.49%	6.50%	6.52%	
2015 Q3	70,928,065	0.00%	0.10%	1.14%	2.02%	2.72%	3.38%	4.53%	5.08%	5.73%	6.20%	6.73%	7.16%	7.61%	7.94%	8.28%	8.42%	8.48%	8.52%	8.55%	8.56%		
2015 Q4	126,982,955	0.00%	0.17%	0.75%	1.55%	2.18%	3.08%	3.78%	4.38%	4.93%	5.18%	5.56%	5.93%	6.16%	6.44%	6.60%	6.82%	6.90%	6.93%	6.99%			
2016 Q1	80,102,881	0.00%	0.67%	0.96%	1.55%	2.35%	2.90%	3.64%	4.16%	4.57%	4.90%	5.03%	5.44%	5.69%	5.87%	6.08%	6.35%	6.36%	6.46%				
2016 Q2	123,953,693	0.00%	0.20%	0.69%	1.06%	2.08%	2.65%	3.61%	4.26%	4.50%	5.00%	5.43%	5.98%	6.20%	6.48%	6.73%	6.99%	7.11%					
2016 Q3	112,393,967	0.00%	0.10%	0.53%	1.42%	2.21%	2.65%	2.94%	3.32%	4.01%	4.40%	5.22%	5.75%	6.14%	6.62%	7.06%	7.20%						
2016 Q4	176,453,418	0.00%	0.11%	0.45%	1.11%	1.40%	1.93%	2.28%	2.82%	3.39%	3.74%	4.00%	4.43%	4.58%	4.76%	5.23%							
2017 Q1	92,754,969	0.00%	0.03%	0.11%	0.36%	0.94%	1.34%	2.17%	2.43%	2.88%	3.48%	3.95%	4.19%	4.37%	4.69%								
2017 Q2	138,160,623	0.00%	0.27%	0.50%	1.12%	1.92%	2.77%	3.19%	3.68%	4.65%	5.11%	5.53%	5.83%	6.30%									
2017 Q3	155,595,949	0.00%	0.08%	0.44%	0.98%	1.65%	2.23%	2.82%	3.42%	3.83%	4.27%	4.62%	5.19%										
2017 Q4	216,325,784	0.00%	0.30%	0.62%	1.15%	1.56%	2.13%	2.59%	2.96%	3.41%	3.84%	4.23%											
2018 Q1	137,512,308	0.00%	0.00%	0.33%	0.78%	1.37%	1.96%	2.35%	2.71%	2.99%	3.57%												
2018 Q2	167,678,111	0.00%	0.13%	0.67%	1.08%	1.49%	2.05%	2.56%	2.98%	3.79%													
2018 Q3	134,983,899	0.00%	0.10%	0.41%	0.91%	1.36%	1.74%	2.25%	2.91%														
2018 Q4	237,634,665	0.00%	0.14%	0.32%	0.80%	1.06%	1.39%	2.13%															
2019 Q1	134,718,261	0.00%	0.32%	0.52%	0.79%	1.16%	2.18%																
2019 Q2	171,892,675	0.00%	0.04%	0.40%	0.64%	1.30%																	
2019 Q3	158,080,134	0.00%	0.11%	0.32%	1.12%																		
2019 Q4	238,372,547	0.00%	0.11%	0.37%																			
2020 Q1	120,993,149	0.00%	0.30%																				
2020 Q2	129,212,409	0.00%																					

Cumulative gross default rate – loans / retail private customer



		CUMULATED GROSS DEFAULT RATES - QUARTERLY																					
		Number of months after origination																					
Quarter of Origination	Originated Amount	0	3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60	63
2015 Q1	15,094,776	0.00%	0.23%	0.23%	1.73%	2.65%	3.41%	3.71%	3.84%	3.97%	4.14%	4.35%	4.37%	4.57%	4.57%	4.58%	4.60%	4.60%	4.60%	4.60%	4.62%	4.62%	4.62%
2015 Q2	21,373,217	0.00%	0.00%	0.31%	0.97%	1.40%	1.74%	2.25%	2.62%	2.81%	2.94%	3.51%	3.56%	4.09%	4.16%	4.16%	4.19%	4.22%	4.22%	4.26%	4.30%	4.30%	
2015 Q3	21,470,136	0.00%	0.19%	0.22%	0.93%	2.36%	2.68%	3.22%	3.39%	3.59%	3.72%	3.84%	4.02%	4.11%	4.18%	4.19%	4.20%	4.21%	4.33%	4.36%	4.36%		
2015 Q4	28,450,853	0.00%	0.00%	0.04%	1.06%	1.28%	1.69%	1.84%	2.19%	2.30%	2.42%	2.66%	2.66%	2.66%	2.71%	2.82%	2.98%	3.09%	3.09%	3.16%			
2016 Q1	16,682,439	0.00%	0.07%	0.07%	1.41%	1.80%	1.99%	2.50%	3.34%	3.40%	3.40%	3.49%	3.63%	3.66%	3.79%	3.92%	4.04%	4.04%	4.21%				
2016 Q2	21,860,583	0.00%	0.05%	0.10%	0.75%	1.50%	2.22%	2.50%	2.61%	2.76%	3.52%	3.89%	4.19%	4.25%	4.42%	4.43%	4.54%	4.54%					
2016 Q3	19,967,618	0.00%	0.00%	0.59%	1.53%	1.84%	2.77%	3.50%	3.97%	4.31%	4.31%	4.38%	5.18%	5.65%	5.66%	5.72%	5.79%						
2016 Q4	26,873,661	0.00%	0.00%	0.22%	0.64%	1.23%	1.60%	1.88%	2.34%	2.75%	2.75%	3.05%	3.22%	3.23%	3.26%	3.26%							
2017 Q1	17,872,814	0.00%	0.00%	0.05%	0.69%	1.14%	1.48%	1.69%	2.07%	2.07%	2.20%	2.47%	2.72%	2.72%	2.75%								
2017 Q2	16,983,859	0.00%	0.00%	0.09%	0.83%	1.29%	1.71%	1.90%	2.01%	2.31%	2.33%	2.78%	2.85%	2.85%									
2017 Q3	21,797,536	0.00%	0.00%	0.57%	1.66%	2.19%	2.44%	2.73%	2.90%	3.29%	3.87%	3.93%	4.00%										
2017 Q4	31,051,320	0.00%	0.00%	0.13%	0.76%	1.28%	1.42%	1.54%	1.77%	1.98%	2.11%	2.23%											
2018 Q1	22,632,302	0.00%	0.08%	1.11%	1.92%	2.01%	2.20%	2.36%	2.76%	3.12%	3.12%												
2018 Q2	19,322,630	0.00%	0.14%	0.54%	2.13%	2.16%	2.67%	3.76%	4.56%	4.75%													
2018 Q3	17,035,943	0.00%	0.00%	0.75%	2.25%	3.40%	3.67%	3.67%	3.93%														
2018 Q4	18,700,126	0.00%	0.19%	0.48%	1.34%	1.99%	2.21%	2.50%															
2019 Q1	15,664,378	0.00%	1.17%	1.19%	1.83%	2.07%	2.46%																
2019 Q2	17,299,735	0.00%	0.20%	0.35%	0.63%	0.96%																	
2019 Q3	17,960,579	0.00%	0.00%	0.18%	0.43%																		
2019 Q4	23,213,103	0.00%	0.00%	0.17%																			
2020 Q1	13,140,504	0.00%	0.00%																				
2020 Q2	10,963,073	0.00%																					

Cumulative gross default rate – leases / retail private customer



		CUMULATED GROSS DEFAULT RATES - QUARTERLY																					
		Number of months after origination																					
Quarter of Origination	Originated Amount	0	3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60	63
2015 Q1	43,036,222	0.00%	0.17%	0.42%	1.13%	1.77%	2.46%	2.84%	3.21%	3.54%	3.66%	3.83%	4.03%	4.19%	4.27%	4.49%	4.73%	4.74%	4.75%	4.78%	4.78%	4.78%	4.78%
2015 Q2	62,370,635	0.00%	0.11%	0.23%	1.12%	1.59%	1.91%	2.15%	2.33%	2.52%	2.80%	3.11%	3.29%	3.39%	3.61%	3.87%	4.09%	4.12%	4.15%	4.16%	4.16%	4.36%	
2015 Q3	53,100,037	0.00%	0.11%	1.05%	2.20%	2.74%	3.37%	3.73%	4.22%	4.56%	5.10%	5.28%	5.42%	5.62%	5.66%	5.98%	6.11%	6.19%	6.24%	6.25%	6.25%		
2015 Q4	93,636,274	0.00%	0.00%	0.21%	0.69%	0.94%	1.23%	1.58%	1.91%	2.20%	2.34%	2.58%	2.71%	2.76%	2.94%	3.09%	3.23%	3.27%	3.27%	3.28%			
2016 Q1	36,978,434	0.00%	0.17%	0.47%	0.98%	1.44%	1.96%	2.57%	3.09%	3.61%	3.61%	3.82%	4.11%	4.20%	4.31%	4.36%	4.74%	4.74%	4.74%				
2016 Q2	68,049,917	0.00%	0.09%	0.33%	1.00%	1.78%	2.07%	2.17%	2.68%	2.92%	3.21%	3.26%	3.45%	3.67%	3.74%	3.94%	4.09%	4.18%					
2016 Q3	67,865,372	0.00%	0.03%	0.28%	1.21%	1.79%	2.30%	2.68%	2.92%	3.14%	3.17%	3.42%	3.47%	3.59%	3.59%	3.69%	3.86%						
2016 Q4	135,335,360	0.00%	0.00%	0.07%	0.40%	0.52%	0.81%	1.03%	1.19%	1.48%	1.69%	1.84%	1.91%	2.12%	2.20%	2.31%							
2017 Q1	49,167,108	0.00%	0.00%	0.04%	0.58%	1.33%	1.62%	1.86%	2.25%	2.47%	2.68%	2.81%	3.02%	3.15%	3.21%								
2017 Q2	100,473,116	0.00%	0.00%	0.31%	0.68%	0.88%	1.21%	1.42%	1.61%	1.84%	1.89%	1.99%	2.19%	2.27%									
2017 Q3	117,761,004	0.00%	0.10%	0.34%	0.54%	0.94%	1.30%	1.75%	1.90%	2.16%	2.25%	2.60%	2.71%										
2017 Q4	167,722,206	0.00%	0.03%	0.18%	0.60%	0.92%	1.20%	1.37%	1.55%	1.83%	2.10%	2.27%											
2018 Q1	83,862,783	0.00%	0.15%	0.40%	0.75%	1.01%	1.35%	1.64%	1.79%	1.98%	2.34%												
2018 Q2	108,162,886	0.00%	0.06%	0.22%	0.55%	0.77%	1.01%	1.22%	1.54%	1.68%													
2018 Q3	106,221,708	0.00%	0.07%	0.19%	0.50%	0.73%	0.91%	1.14%	1.55%														
2018 Q4	224,565,840	0.00%	0.02%	0.13%	0.38%	0.55%	0.79%	0.91%															
2019 Q1	97,423,747	0.00%	0.10%	0.18%	0.56%	0.71%	1.13%																
2019 Q2	140,802,341	0.00%	0.06%	0.40%	0.84%	1.09%																	
2019 Q3	118,716,876	0.00%	0.08%	0.45%	0.79%																		
2019 Q4	194,981,665	0.00%	0.03%	0.29%																			
2020 Q1	73,930,279	0.00%	0.48%																				
2020 Q2	105,430,646	0.00%																					

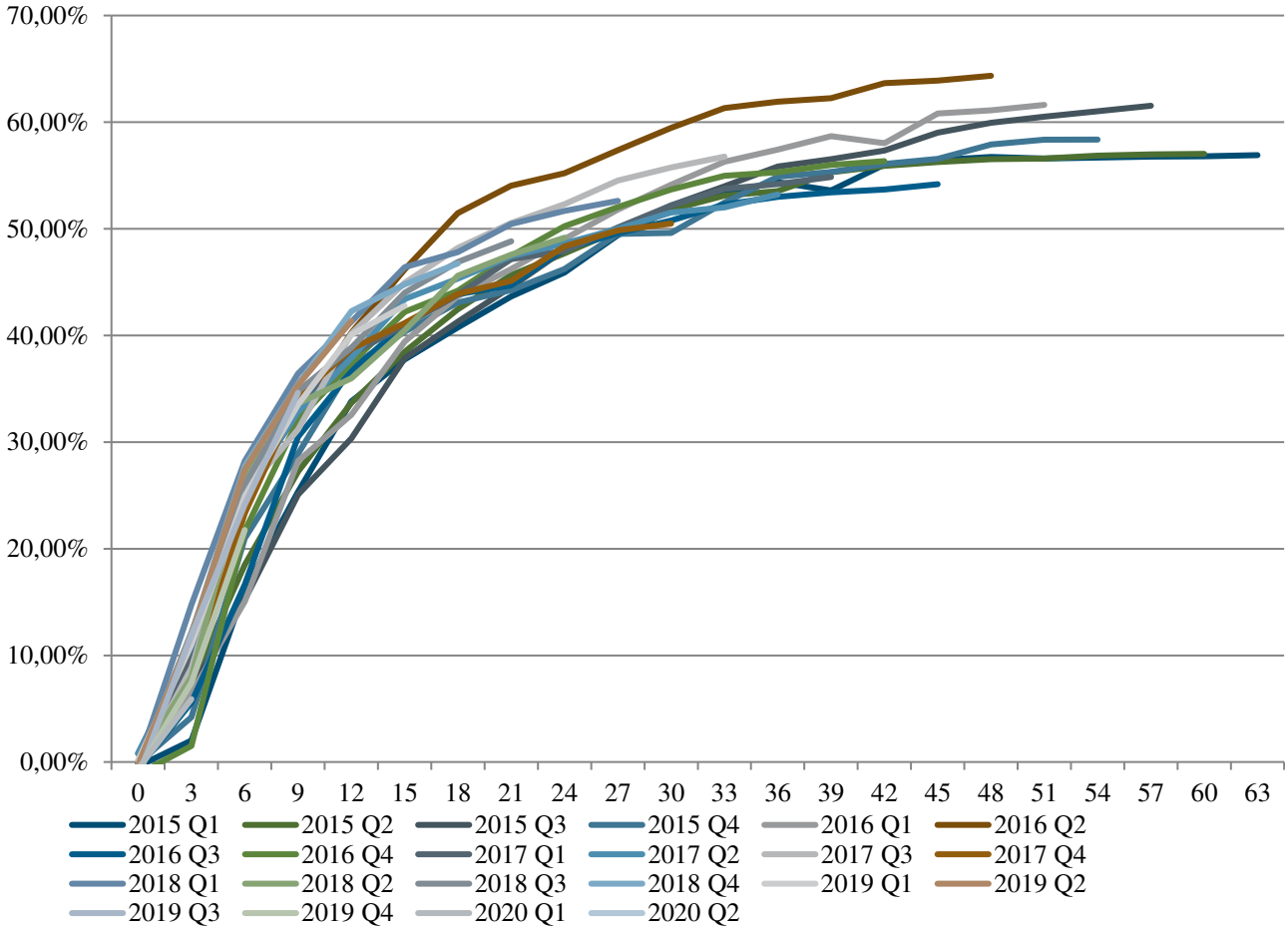
Recovery rates

For a generation of defaulted loans and leases (being all loans and leases defaulted during the same quarter), the cumulative recovery rate in respect of a month is calculated as the ratio of:

(i) the cumulative recovered amounts recorded between the quarter when such loans were defaulted and the relevant month, to

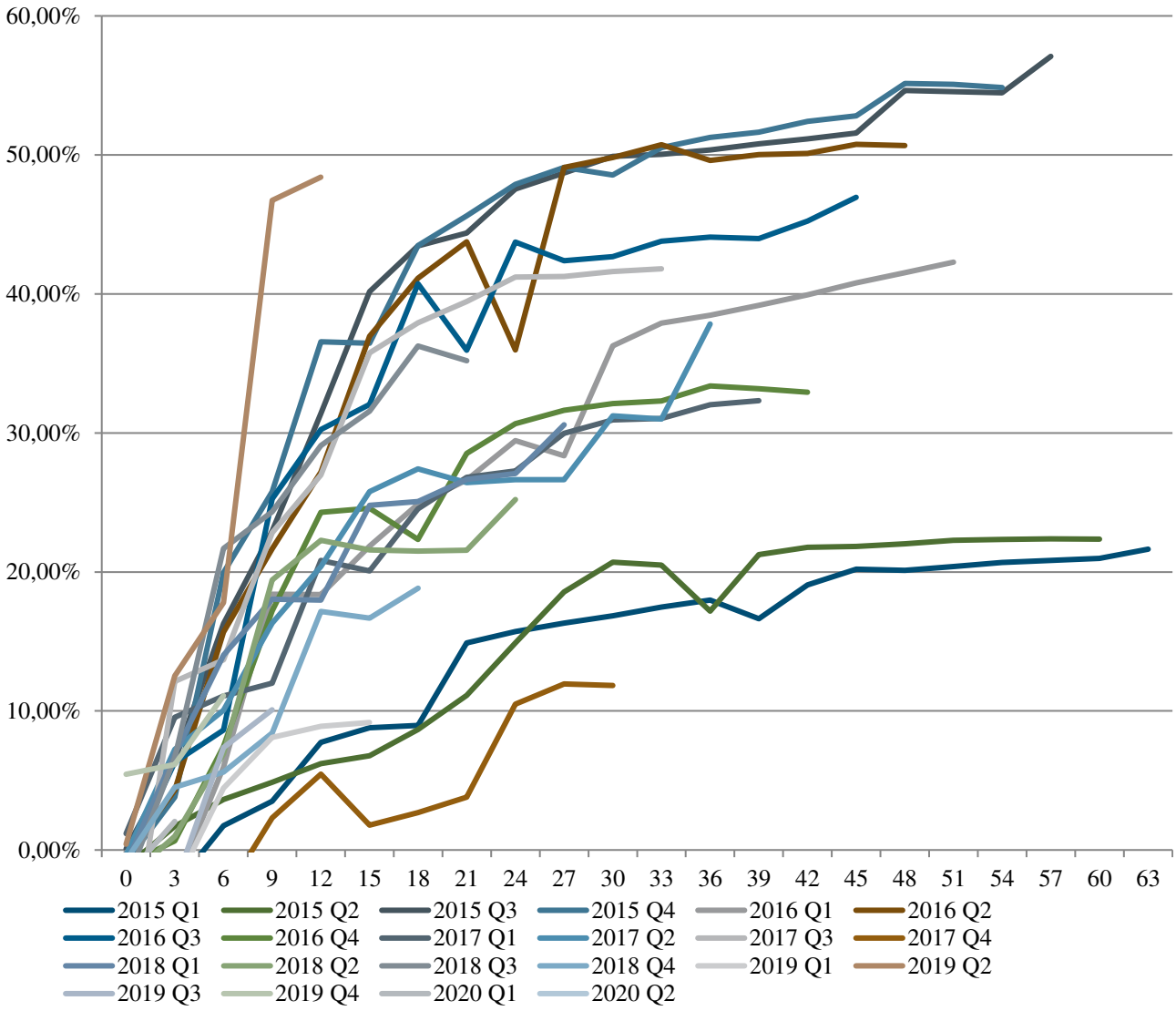
(ii) the gross defaulted amount of such loans and leases.

Cumulative recovery rate – total portfolio



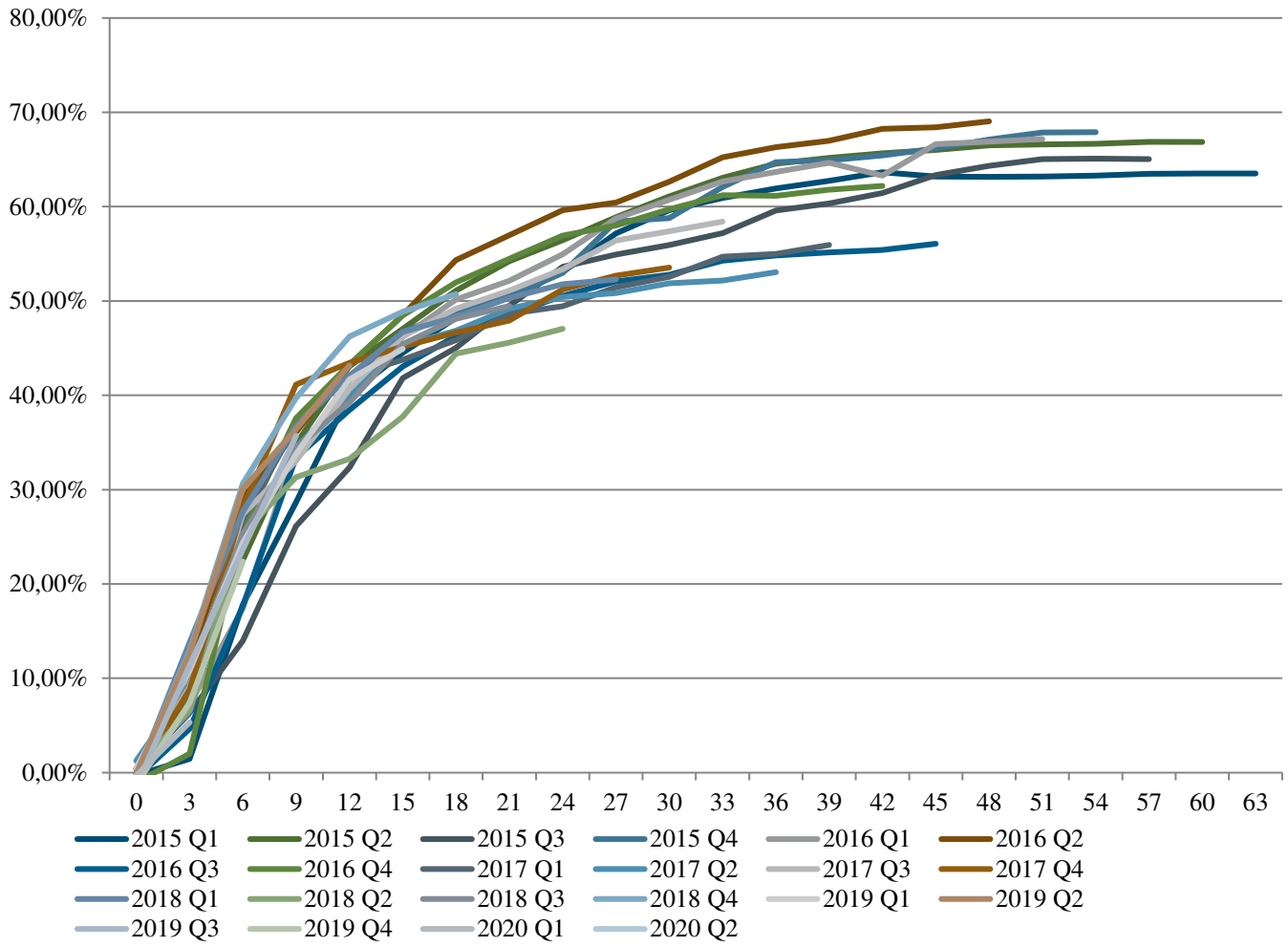
	CUMULATED RECOVERY RATES - QUARTERLY																					
	Number of months after default																					
Default Quarter	Default Amount	0	3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60	63
2015 Q1	10,260,931	-0.42%	2.03%	16.12%	25.36%	33.83%	37.74%	40.73%	43.66%	45.89%	49.39%	51.78%	53.43%	54.36%	53.60%	56.01%	56.45%	56.75%	56.59%	56.68%	56.78%	56.79%	56.91%
2015 Q2	10,698,676	-0.20%	7.36%	18.48%	27.24%	33.67%	38.47%	42.46%	45.65%	47.68%	49.85%	51.80%	53.11%	53.54%	55.31%	55.90%	56.27%	56.52%	56.59%	56.87%	56.99%	57.03%	
2015 Q3	10,703,217	0.78%	7.01%	15.24%	25.09%	30.34%	37.88%	41.29%	44.54%	48.03%	49.86%	52.17%	53.98%	55.83%	56.53%	57.33%	59.02%	59.94%	60.53%	61.03%	61.54%		
2015 Q4	8,928,007	-0.11%	4.21%	20.99%	28.92%	37.08%	40.36%	43.09%	44.24%	46.22%	49.53%	49.60%	52.46%	54.89%	55.34%	56.09%	56.56%	57.90%	58.35%	58.37%			
2016 Q1	12,445,086	-0.53%	6.45%	15.04%	28.22%	32.58%	39.42%	43.69%	46.22%	49.05%	51.79%	54.14%	56.30%	57.43%	58.68%	58.04%	60.80%	61.10%	61.62%				
2016 Q2	10,771,384	-0.30%	10.13%	25.85%	32.56%	40.28%	46.20%	51.48%	54.06%	55.22%	57.36%	59.47%	61.31%	61.92%	62.24%	63.64%	63.91%	64.35%					
2016 Q3	9,115,894	-0.59%	5.59%	16.65%	30.49%	36.66%	41.05%	43.86%	44.69%	48.11%	49.57%	50.78%	52.27%	52.99%	53.41%	53.67%	54.18%						
2016 Q4	9,718,153	-1.16%	1.51%	21.66%	32.08%	37.43%	42.20%	44.20%	47.46%	50.24%	52.03%	53.69%	54.97%	55.29%	55.98%	56.34%							
2017 Q1	11,518,561	-0.14%	9.51%	25.36%	33.23%	38.27%	40.94%	43.84%	47.15%	47.94%	50.13%	52.20%	53.74%	54.19%	54.86%								
2017 Q2	11,725,966	0.83%	10.89%	25.05%	32.84%	37.91%	43.40%	45.32%	47.43%	48.61%	49.99%	51.54%	52.02%	53.22%									
2017 Q3	9,826,681	-0.59%	8.81%	25.24%	31.19%	40.16%	44.94%	48.19%	50.53%	52.29%	54.54%	55.74%	56.77%										
2017 Q4	11,643,400	-0.64%	7.69%	23.32%	34.28%	38.74%	41.15%	43.89%	45.11%	48.34%	49.86%	50.49%											
2018 Q1	9,781,661	-0.14%	14.75%	28.23%	36.43%	41.30%	46.41%	47.81%	50.45%	51.68%	52.62%												
2018 Q2	12,367,366	0.11%	7.99%	26.92%	33.60%	35.99%	40.47%	45.61%	47.56%	49.16%													
2018 Q3	12,977,388	-0.45%	12.17%	25.95%	34.78%	38.85%	44.02%	46.90%	48.83%														
2018 Q4	13,608,781	-0.24%	12.03%	27.76%	35.43%	42.28%	44.80%	46.76%															
2019 Q1	13,701,428	0.16%	11.04%	24.94%	33.52%	40.08%	42.77%																
2019 Q2	13,245,898	-0.27%	11.94%	27.42%	35.35%	41.35%																	
2019 Q3	11,923,230	-1.40%	11.91%	24.15%	34.62%																		
2019 Q4	12,059,023	-0.85%	7.43%	21.76%																			
2020 Q1	14,974,041	-0.63%	5.89%																				
2020 Q2	19,119,066	0.64%																					

Cumulative recovery rate – loans / retail small business



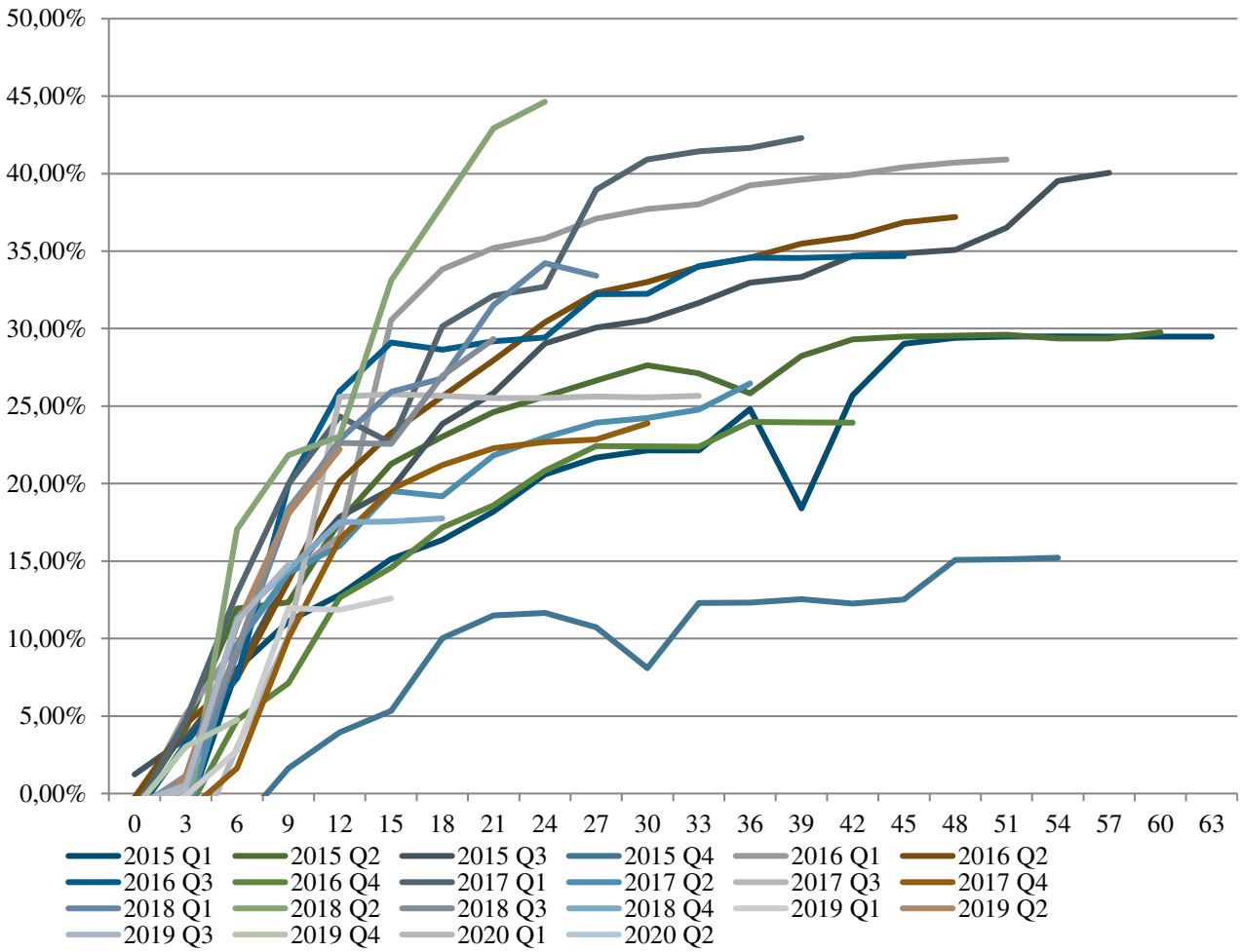
	CUMULATED RECOVERY RATES - QUARTERLY																					
	Number of months after default																					
Default Quarter	Default Amount	0	3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60	63
2015 Q1	954,813	-1.60%	-2.61%	1.75%	3.52%	7.75%	8.78%	8.96%	14.89%	15.72%	16.32%	16.84%	17.47%	17.99%	16.63%	19.08%	20.21%	20.13%	20.40%	20.68%	20.82%	20.97%	21.64%
2015 Q2	841,685	-1.22%	1.70%	3.64%	4.87%	6.21%	6.78%	8.66%	11.11%	14.90%	18.56%	20.71%	20.51%	17.17%	21.24%	21.77%	21.84%	22.03%	22.29%	22.34%	22.38%	22.37%	
2015 Q3	770,211	0.08%	6.44%	16.28%	22.94%	31.39%	40.17%	43.46%	44.38%	47.55%	48.70%	49.90%	50.04%	50.35%	50.79%	51.15%	51.57%	54.64%	54.55%	54.46%	57.09%		
2015 Q4	526,458	-0.88%	3.80%	19.94%	25.78%	36.56%	36.44%	43.47%	45.61%	47.88%	49.11%	48.56%	50.52%	51.26%	51.64%	52.41%	52.81%	55.14%	55.08%	54.85%			
2016 Q1	766,625	-0.17%	-2.61%	5.96%	18.41%	18.38%	21.86%	24.87%	26.61%	29.44%	28.35%	36.27%	37.89%	38.47%	39.18%	39.93%	40.80%	41.54%	42.29%				
2016 Q2	789,694	-0.39%	4.30%	15.67%	21.67%	27.17%	36.95%	41.13%	43.75%	35.96%	49.11%	49.81%	50.73%	49.61%	50.02%	50.11%	50.76%	50.67%					
2016 Q3	650,691	-1.12%	6.32%	8.62%	25.26%	30.25%	32.04%	40.72%	35.96%	43.73%	42.38%	42.68%	43.80%	44.09%	43.98%	45.23%	46.95%						
2016 Q4	675,947	-1.07%	0.67%	7.45%	17.20%	24.29%	24.59%	22.33%	28.54%	30.67%	31.63%	32.11%	32.30%	33.38%	33.19%	32.93%							
2017 Q1	813,665	1.18%	9.54%	11.08%	12.01%	20.83%	20.08%	24.54%	26.81%	27.27%	29.97%	30.93%	31.05%	32.04%	32.32%								
2017 Q2	900,132	-0.35%	7.25%	10.05%	16.33%	20.40%	25.79%	27.42%	26.43%	26.63%	26.63%	31.24%	31.01%	37.84%									
2017 Q3	243,955	-10.10%	12.12%	13.68%	22.83%	26.98%	35.77%	37.91%	39.46%	41.22%	41.25%	41.61%	41.81%										
2017 Q4	791,474	-0.63%	-5.08%	-3.37%	2.31%	5.45%	1.78%	2.68%	3.79%	10.50%	11.95%	11.83%											
2018 Q1	810,931	-0.99%	6.91%	14.02%	18.05%	17.99%	24.79%	25.07%	26.67%	27.09%	30.59%												
2018 Q2	413,951	-2.14%	0.99%	6.92%	19.42%	22.28%	21.60%	21.51%	21.57%	25.21%													
2018 Q3	414,163	-2.42%	6.62%	21.69%	24.33%	29.09%	31.57%	36.25%	35.20%														
2018 Q4	879,642	-0.75%	4.52%	5.61%	8.42%	17.17%	16.68%	18.83%															
2019 Q1	624,339	-1.50%	-2.64%	4.46%	8.11%	8.89%	9.17%																
2019 Q2	556,539	0.42%	12.53%	17.78%	46.72%	48.40%																	
2019 Q3	519,101	-1.14%	-2.55%	7.37%	10.09%																		
2019 Q4	510,352	5.45%	6.14%	11.10%																			
2020 Q1	600,122	-1.96%	2.05%																				
2020 Q2	1,102,864	1.09%																					

Cumulative recovery rate – leases / retail small business



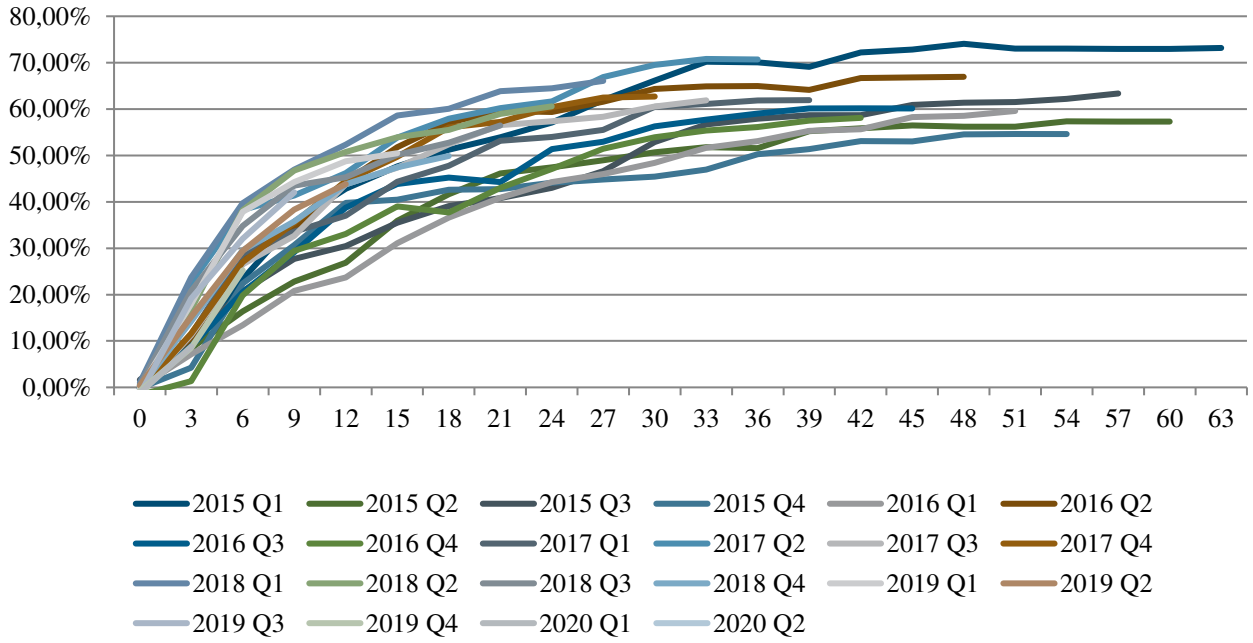
		CUMULATED RECOVERY RATES - QUARTERLY																					
		Number of months after default																					
Default Quarter	Default Amount	0	3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60	63
2015 Q1	5,676,942	-0.28%	1.44%	17.80%	28.66%	40.08%	44.53%	48.22%	50.99%	53.07%	57.15%	59.62%	60.94%	61.92%	62.75%	63.65%	63.18%	63.16%	63.18%	63.31%	63.48%	63.50%	63.51%
2015 Q2	6,252,321	-0.04%	8.32%	22.54%	34.85%	43.10%	47.05%	51.09%	54.21%	56.46%	58.88%	61.10%	63.05%	64.56%	65.18%	65.66%	66.02%	66.50%	66.59%	66.66%	66.87%	66.86%	
2015 Q3	6,140,938	0.41%	6.31%	13.98%	26.14%	32.34%	41.84%	45.05%	49.49%	53.63%	54.91%	55.93%	57.18%	59.60%	60.33%	61.45%	63.35%	64.32%	65.05%	65.09%	65.05%		
2015 Q4	5,152,930	0.42%	6.35%	24.46%	33.15%	41.62%	46.76%	48.96%	50.44%	52.96%	58.42%	58.78%	62.10%	64.73%	64.92%	65.42%	66.18%	67.10%	67.85%	67.90%			
2016 Q1	7,354,692	-0.75%	7.24%	17.41%	34.44%	40.17%	46.22%	50.15%	52.13%	54.97%	58.75%	60.73%	62.66%	63.69%	64.66%	63.30%	66.62%	66.90%	67.18%				
2016 Q2	6,406,607	-0.06%	11.54%	29.07%	36.09%	43.23%	48.50%	54.36%	56.98%	59.62%	60.43%	62.64%	65.24%	66.29%	67.00%	68.24%	68.41%	69.05%					
2016 Q3	5,432,632	-0.54%	4.63%	17.68%	33.42%	38.44%	43.06%	46.30%	48.55%	50.56%	52.07%	52.78%	54.29%	54.84%	55.15%	55.40%	56.07%						
2016 Q4	6,227,626	-1.04%	2.00%	25.86%	37.57%	43.30%	48.49%	51.97%	54.46%	56.94%	57.99%	59.73%	61.21%	61.15%	61.80%	62.20%							
2017 Q1	7,259,063	-0.01%	9.29%	26.85%	36.78%	42.06%	43.78%	45.86%	48.62%	49.45%	51.45%	52.54%	54.70%	55.00%	55.94%								
2017 Q2	7,611,474	1.26%	9.36%	24.73%	34.49%	40.16%	45.26%	46.84%	49.19%	50.42%	50.85%	51.88%	52.18%	53.05%									
2017 Q3	6,433,530	-0.09%	9.04%	27.40%	33.03%	40.70%	46.23%	49.17%	51.08%	53.37%	56.40%	57.37%	58.42%										
2017 Q4	6,763,379	-0.45%	8.78%	28.09%	41.15%	43.45%	45.17%	46.67%	47.93%	51.21%	52.70%	53.54%											
2018 Q1	5,747,748	-0.41%	13.79%	27.64%	36.75%	42.10%	46.73%	48.31%	50.34%	51.78%	52.29%												
2018 Q2	8,179,636	0.47%	6.57%	25.31%	31.31%	33.26%	37.75%	44.40%	45.58%	47.05%													
2018 Q3	8,302,516	-0.58%	10.82%	25.27%	34.42%	39.26%	45.44%	48.11%	49.47%														
2018 Q4	8,737,400	-0.09%	12.90%	30.64%	39.72%	46.23%	48.85%	50.73%															
2019 Q1	9,850,673	0.52%	10.85%	24.37%	33.78%	41.69%	44.93%																
2019 Q2	8,518,593	-0.07%	12.58%	30.08%	36.43%	43.17%																	
2019 Q3	7,406,760	-1.45%	11.35%	23.67%	35.72%																		
2019 Q4	7,597,303	-1.29%	7.42%	22.39%																			
2020 Q1	10,127,111	-0.32%	5.33%																				
2020 Q2	12,642,251	0.85%																					

Cumulative recovery rate – loans / retail private customer



		CUMULATED RECOVERY RATES - QUARTERLY																					
		Number of months after default																					
Default Quarter	Default Amount	0	3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60	63
2015 Q1	1,438,969	-0.64%	-1.50%	8.04%	11.10%	12.82%	15.14%	16.36%	18.19%	20.59%	21.68%	22.13%	22.14%	24.82%	18.40%	25.70%	29.02%	29.40%	29.49%	29.50%	29.49%	29.48%	29.48%
2015 Q2	1,211,096	-0.86%	4.17%	11.94%	12.34%	17.55%	21.28%	23.03%	24.61%	25.62%	26.65%	27.63%	27.10%	25.82%	28.23%	29.31%	29.48%	29.55%	29.61%	29.36%	29.36%	29.76%	
2015 Q3	1,074,182	1.23%	3.54%	7.87%	14.10%	17.86%	19.65%	23.85%	25.85%	29.05%	30.08%	30.56%	31.65%	32.97%	33.33%	34.70%	34.86%	35.09%	36.51%	39.54%	40.06%		
2015 Q4	889,340	-2.59%	-8.02%	-2.23%	1.64%	3.94%	5.34%	10.02%	11.50%	11.66%	10.72%	8.10%	12.29%	12.33%	12.53%	12.25%	12.51%	15.08%	15.11%	15.21%			
2016 Q1	924,610	-1.16%	5.11%	9.60%	14.11%	16.59%	30.55%	33.84%	35.19%	35.82%	37.10%	37.72%	38.02%	39.25%	39.61%	39.93%	40.42%	40.72%	40.92%				
2016 Q2	960,660	-0.25%	4.48%	7.42%	13.72%	20.15%	23.27%	25.61%	27.95%	30.41%	32.30%	33.01%	33.99%	34.57%	35.48%	35.93%	36.84%	37.20%					
2016 Q3	924,667	-1.44%	3.24%	7.45%	19.94%	25.97%	29.11%	28.65%	29.18%	29.43%	32.22%	32.25%	34.03%	34.58%	34.56%	34.66%	34.69%						
2016 Q4	748,767	-0.96%	-1.33%	4.74%	7.12%	12.63%	14.58%	17.17%	18.60%	20.83%	22.43%	22.41%	22.38%	23.98%	23.94%	23.93%							
2017 Q1	704,698	-1.20%	4.75%	12.94%	19.97%	24.33%	22.62%	30.14%	32.12%	32.71%	38.97%	40.92%	41.44%	41.67%	42.30%								
2017 Q2	928,133	-0.84%	-1.69%	9.65%	14.24%	15.98%	19.52%	19.18%	21.81%	22.99%	23.93%	24.23%	24.79%	26.46%									
2017 Q3	636,239	-0.80%	-4.53%	2.95%	10.15%	25.60%	25.77%	25.66%	25.51%	25.53%	25.62%	25.56%	25.66%										
2017 Q4	1,029,148	-1.64%	-1.24%	1.62%	10.04%	16.41%	19.61%	21.20%	22.28%	22.68%	22.85%	23.89%											
2018 Q1	720,531	-0.95%	0.30%	9.00%	18.08%	22.82%	25.92%	26.79%	31.51%	34.23%	33.41%												
2018 Q2	998,437	-1.24%	-1.89%	17.05%	21.84%	23.04%	33.10%	38.00%	42.92%	44.64%													
2018 Q3	1,186,961	-1.07%	1.15%	9.26%	18.40%	22.63%	22.56%	26.96%	29.33%														
2018 Q4	704,701	-1.75%	0.12%	11.32%	14.47%	17.51%	17.56%	17.75%															
2019 Q1	662,384	-1.93%	-0.15%	2.77%	11.96%	11.86%	12.59%																
2019 Q2	1,377,941	-3.15%	1.18%	10.87%	18.06%	22.22%																	
2019 Q3	919,495	-0.66%	0.52%	11.11%	14.79%																		
2019 Q4	637,599	-0.96%	3.02%	4.76%																			
2020 Q1	504,365	-1.00%	0.30%																				
2020 Q2	682,446	0.12%																					

Cumulative recovery rate – leases / retail private customer



		CUMULATED RECOVERY RATES - QUARTERLY																					
		Number of months after default																					
Default Quarter	Default Amount	0	3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60	63
2015 Q1	2,190,208	-0.11%	7.89%	23.32%	35.69%	42.80%	47.62%	51.19%	53.93%	57.06%	61.91%	66.16%	70.21%	70.04%	69.12%	72.23%	72.82%	74.07%	73.07%	73.07%	72.99%	72.97%	73.18%
2015 Q2	2,393,574	0.07%	8.47%	16.39%	22.78%	26.88%	35.91%	41.63%	46.10%	47.45%	48.98%	50.66%	51.75%	51.58%	55.22%	55.83%	56.48%	56.20%	56.19%	57.35%	57.32%	57.31%	
2015 Q3	2,717,886	1.63%	10.12%	20.70%	27.68%	30.47%	35.48%	39.09%	40.80%	43.02%	46.61%	52.87%	56.69%	57.89%	58.71%	58.70%	60.89%	61.37%	61.49%	62.19%	63.36%		
2015 Q4	2,359,279	-0.17%	4.23%	22.37%	30.65%	39.76%	40.46%	42.62%	42.72%	44.14%	44.84%	45.41%	46.98%	50.24%	51.39%	53.06%	53.00%	54.54%	54.62%	54.60%			
2016 Q1	3,399,158	0.02%	7.13%	13.44%	20.82%	23.71%	31.08%	36.62%	40.86%	44.27%	46.01%	48.39%	51.67%	53.10%	55.32%	55.66%	58.28%	58.52%	59.59%				
2016 Q2	2,614,422	-0.89%	10.52%	27.83%	34.11%	44.40%	51.79%	57.07%	59.61%	59.39%	61.55%	64.33%	64.92%	64.99%	64.11%	66.66%	66.79%	66.95%					
2016 Q3	2,107,904	-0.16%	8.84%	20.49%	29.17%	38.74%	43.87%	45.21%	44.23%	51.34%	52.96%	56.25%	57.70%	59.04%	60.10%	60.16%	60.10%						
2016 Q4	2,065,814	-1.65%	1.32%	19.81%	29.43%	33.04%	39.03%	37.71%	43.01%	47.09%	51.44%	53.91%	55.39%	56.14%	57.52%	58.10%							
2017 Q1	2,741,135	-0.62%	11.33%	28.82%	33.54%	37.00%	44.34%	47.75%	53.15%	54.01%	55.48%	60.50%	61.10%	61.83%	61.92%								
2017 Q2	2,286,227	0.57%	22.52%	38.26%	41.38%	46.20%	53.82%	57.94%	60.22%	61.67%	66.90%	69.49%	70.80%	70.68%									
2017 Q3	2,512,957	-0.90%	11.29%	26.51%	32.63%	43.74%	47.39%	52.38%	56.53%	57.39%	58.37%	60.57%	61.87%										
2017 Q4	3,059,399	-0.73%	11.60%	26.97%	35.52%	44.47%	49.69%	56.05%	57.25%	60.41%	62.50%	62.70%											
2018 Q1	2,502,451	1.00%	23.68%	39.72%	46.92%	52.33%	58.58%	60.07%	63.85%	64.45%	66.07%												
2018 Q2	2,775,342	-0.15%	16.77%	38.17%	46.72%	50.76%	53.95%	55.50%	58.93%	60.58%													
2018 Q3	3,073,748	0.43%	20.83%	34.82%	43.47%	45.30%	50.15%	52.76%	56.46%														
2018 Q4	3,287,038	-0.18%	14.27%	29.54%	35.76%	43.80%	47.41%	49.88%															
2019 Q1	2,564,032	-0.29%	18.00%	37.84%	44.26%	48.76%	50.48%																
2019 Q2	2,792,824	0.39%	15.19%	29.40%	38.32%	43.83%																	
2019 Q3	3,077,874	-1.54%	19.11%	32.03%	42.05%																		
2019 Q4	3,313,769	-0.80%	8.52%	25.23%																			
2020 Q1	3,742,443	-1.21%	8.79%																				
2020 Q2	4,691,505	0.04%																					

Prepayments

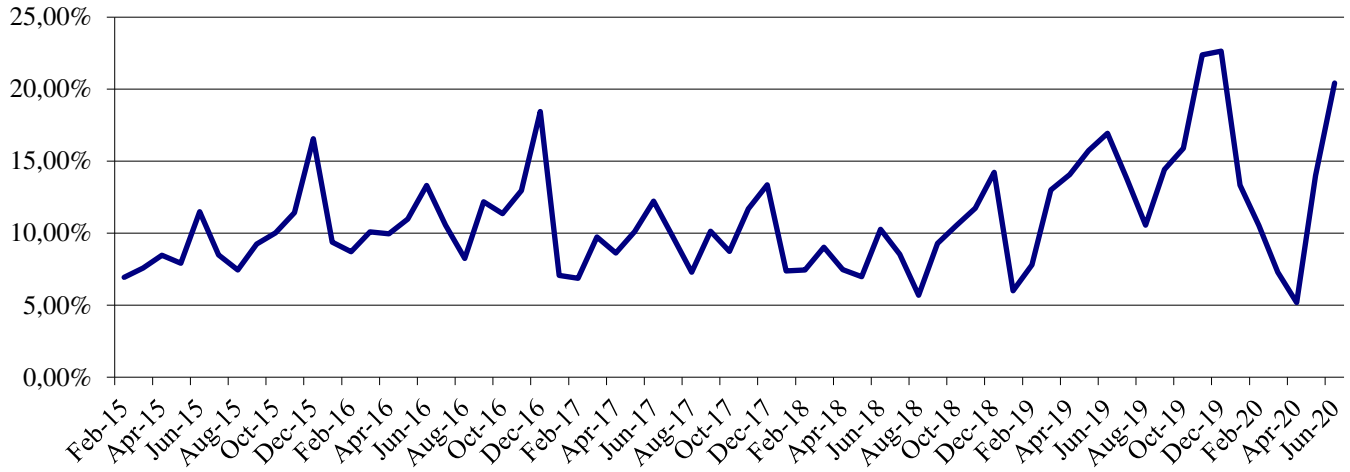
For a given month, the annual prepayment rate (APR) is calculated from the monthly prepayment rate (MPR) according to the following formula: APR = 1-(1-MPR)^12.

The monthly prepayment rate (**MPR**) is calculated as the ratio of:

(i) the outstanding principal balance of all loans and leases prepaid during the month, to

(ii) the outstanding principal balance of all loans and leases (defaulted loans and leases excluded) at the end of the previous month.

Annual prepayment rates – Total portfolio



Month	Outstanding Principal Balance (€ per month beginning balance)	Prepaid Balance (€)	Annualised Prepayment Rate (%)
2015-Jan	1,213,705,882.58	5,927,217.19	5.71%
2015-Feb	1,187,656,614.20	7,092,508.68	6.94%
2015-Mar	1,180,150,636.01	7,724,061.65	7.58%
2015-Apr	1,197,446,420.18	8,801,998.08	8.47%
2015-May	1,198,362,719.48	8,208,347.26	7.92%
2015-Jun	1,204,285,840.03	12,177,272.45	11.48%
2015-Jul	1,225,989,915.96	9,032,667.07	8.49%
2015-Aug	1,237,267,731.14	7,952,476.99	7.45%
2015-Sep	1,227,120,054.24	9,894,070.18	9.26%
2015-Oct	1,236,741,577.95	10,846,516.29	10.03%
2015-Nov	1,253,694,413.56	12,622,164.76	11.43%
2015-Dec	1,277,150,259.60	19,121,471.20	16.56%
2016-Jan	1,348,697,303.75	11,033,864.75	9.39%
2016-Feb	1,330,863,273.70	10,063,941.56	8.71%
2016-Mar	1,323,395,417.47	11,681,230.86	10.09%
2016-Apr	1,321,446,749.72	11,500,032.24	9.96%
2016-May	1,352,371,604.75	13,056,008.36	10.99%
2016-Jun	1,367,286,560.85	16,174,115.41	13.31%
2016-Jul	1,406,086,156.71	13,000,869.32	10.55%
2016-Aug	1,423,724,275.88	10,163,262.97	8.24%
2016-Sep	1,415,754,842.15	15,235,271.89	12.18%
2016-Oct	1,442,197,998.23	14,430,945.41	11.37%
2016-Nov	1,472,474,042.40	16,919,742.56	12.95%
2016-Dec	1,505,817,404.28	25,370,805.48	18.45%
2017-Jan	1,607,397,398.36	9,787,110.86	7.07%
2017-Feb	1,586,185,965.47	9,372,953.39	6.86%
2017-Mar	1,578,528,984.05	13,429,944.78	9.75%
2017-Apr	1,592,759,454.34	11,915,093.07	8.62%
2017-May	1,606,525,882.55	14,221,162.53	10.12%
2017-Jun	1,642,565,346.34	17,743,866.02	12.22%
2017-Jul	1,677,702,272.72	14,289,614.98	9.76%
2017-Aug	1,741,176,521.86	10,965,292.92	7.30%
2017-Sep	1,746,398,645.86	15,491,656.16	10.14%
2017-Oct	1,786,828,504.92	13,576,024.53	8.75%
2017-Nov	1,834,548,320.75	18,894,718.25	11.68%
2017-Dec	1,885,728,444.31	22,411,202.72	13.37%
2018-Jan	1,999,475,723.11	12,745,423.44	7.39%
2018-Feb	1,996,552,637.09	12,846,247.02	7.45%
2018-Mar	2,018,422,901.09	15,833,860.91	9.02%

2018-Apr	2,036,983,219.81	13,153,135.11	7.48%
2018-May	2,062,126,414.38	12,415,290.72	6.99%
2018-Jun	2,089,872,102.59	18,767,075.25	10.26%
2018-Jul	2,123,884,823.75	15,714,960.24	8.53%
2018-Aug	2,145,136,505.85	10,450,690.91	5.69%
2018-Sep	2,132,640,263.69	17,273,622.95	9.30%
2018-Oct	2,158,977,227.50	19,925,518.83	10.53%
2018-Nov	2,208,160,849.50	22,858,494.81	11.74%
2018-Dec	2,261,259,443.72	28,719,881.02	14.22%
2019-Jan	2,377,643,496.70	12,211,231.55	5.99%
2019-Feb	2,346,642,533.20	15,843,492.87	7.81%
2019-Mar	2,367,054,671.10	27,321,294.54	13.00%
2019-Apr	2,384,984,334.33	29,942,253.01	14.07%
2019-May	2,406,706,308.18	34,101,172.48	15.74%
2019-Jun	2,437,162,348.33	37,410,201.66	16.94%
2019-Jul	2,479,185,719.11	30,485,898.22	13.80%
2019-Aug	2,516,651,445.84	23,302,646.03	10.56%
2019-Sep	2,513,186,115.47	32,428,007.43	14.43%
2019-Oct	2,525,072,941.14	36,178,681.79	15.90%
2019-Nov	2,569,198,140.63	53,679,321.11	22.38%
2019-Dec	2,595,815,229.59	54,938,965.51	22.64%
2020-Jan	2,704,687,489.08	32,084,547.67	13.34%
2020-Feb	2,673,537,967.55	24,693,570.22	10.54%
2020-Mar	2,681,111,191.98	16,860,098.31	7.29%
2020-Apr	2,646,172,462.59	11,710,410.58	5.18%
2020-May	2,590,805,856.97	32,380,076.86	14.01%
2020-Jun	2,589,320,024.37	48,813,749.91	20.42%

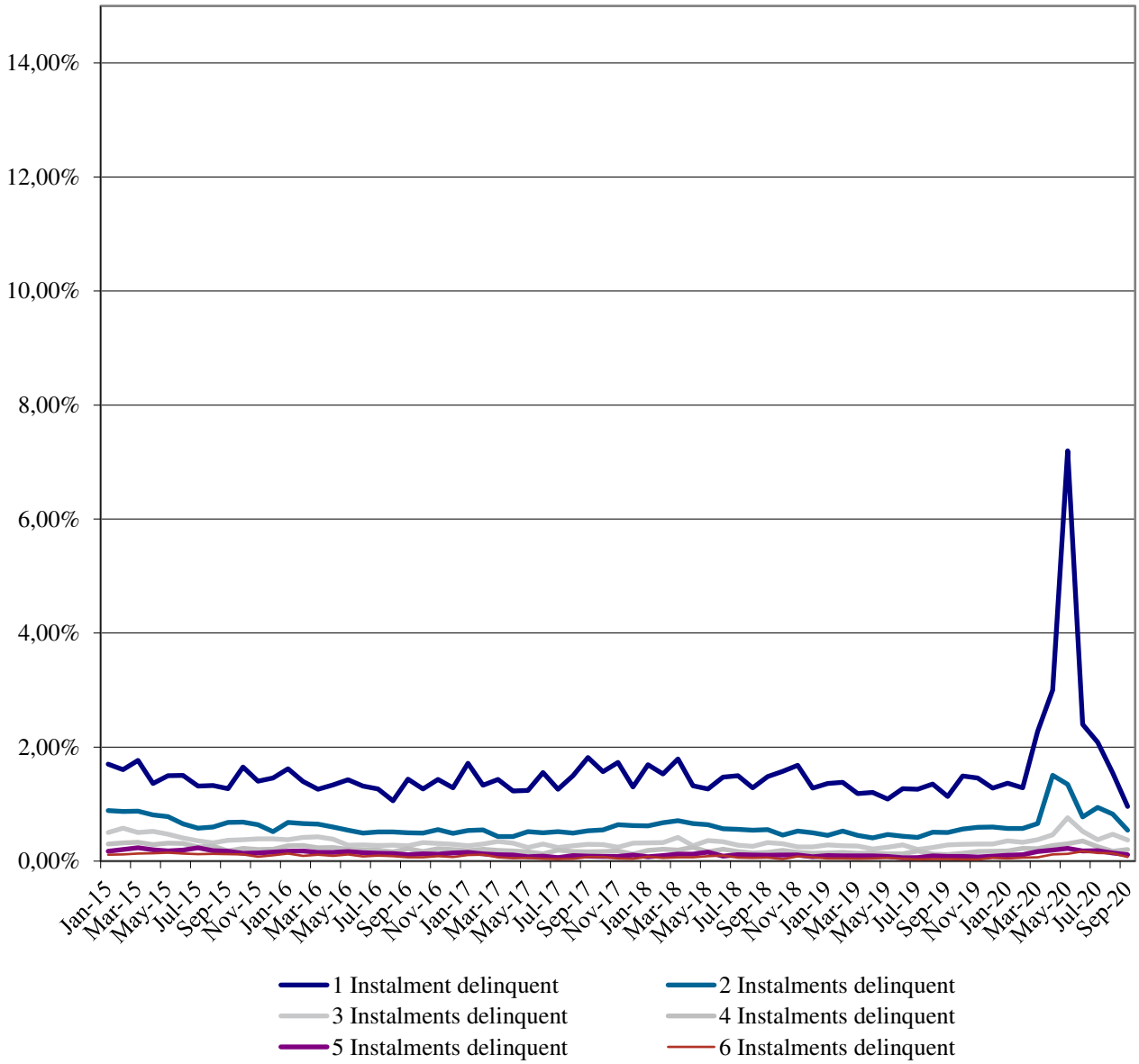
Delinquencies

For a given month and a given delinquency bucket (e.g. 1 instalment delinquent), the delinquency rate is calculated as the ratio of:

(i) the outstanding principal balance of all delinquent loans and leases (in the same delinquency bucket) during the month, to

(ii) the outstanding principal balance of all loans and leases (defaulted loans excluded) at the end of the month.

Delinquency rates – Total portfolio



Month	Outstanding Principal Balance (€ per month end)	1 Instalment delinquent	2 Instalments delinquent	3 Instalments delinquent	4 Instalments delinquent	5 Instalments delinquent	6 Instalments delinquent
2015-Jan	1,187,656,614.20	1.70%	0.88%	0.50%	0.30%	0.17%	0.11%
2015-Feb	1,180,150,636.01	1.60%	0.87%	0.58%	0.32%	0.20%	0.12%
2015-Mar	1,197,446,420.18	1.77%	0.88%	0.50%	0.33%	0.24%	0.13%
2015-Apr	1,198,362,719.48	1.36%	0.81%	0.52%	0.29%	0.20%	0.14%
2015-May	1,204,285,840.03	1.50%	0.78%	0.47%	0.31%	0.18%	0.15%
2015-Jun	1,225,989,915.96	1.50%	0.65%	0.40%	0.31%	0.19%	0.14%
2015-Jul	1,237,267,731.14	1.32%	0.58%	0.35%	0.25%	0.23%	0.12%
2015-Aug	1,227,120,054.24	1.33%	0.60%	0.32%	0.27%	0.18%	0.13%
2015-Sep	1,236,741,577.95	1.27%	0.68%	0.37%	0.18%	0.17%	0.12%
2015-Oct	1,253,694,413.56	1.65%	0.68%	0.37%	0.22%	0.14%	0.12%
2015-Nov	1,277,150,259.60	1.40%	0.64%	0.39%	0.20%	0.14%	0.08%
2015-Dec	1,348,697,303.75	1.46%	0.51%	0.39%	0.21%	0.16%	0.10%
2016-Jan	1,330,863,273.70	1.62%	0.68%	0.37%	0.27%	0.17%	0.13%
2016-Feb	1,323,395,417.47	1.40%	0.66%	0.42%	0.27%	0.18%	0.09%
2016-Mar	1,321,446,749.72	1.26%	0.65%	0.43%	0.24%	0.15%	0.11%
2016-Apr	1,352,371,604.75	1.34%	0.60%	0.38%	0.24%	0.15%	0.09%
2016-May	1,367,286,560.85	1.43%	0.54%	0.28%	0.21%	0.17%	0.12%
2016-Jun	1,406,086,156.71	1.31%	0.49%	0.28%	0.20%	0.15%	0.08%
2016-Jul	1,423,724,275.88	1.27%	0.51%	0.27%	0.19%	0.14%	0.10%
2016-Aug	1,415,754,842.15	1.06%	0.51%	0.28%	0.16%	0.13%	0.09%
2016-Sep	1,442,197,998.23	1.44%	0.50%	0.27%	0.22%	0.11%	0.07%
2016-Oct	1,472,474,042.40	1.27%	0.49%	0.32%	0.17%	0.13%	0.07%
2016-Nov	1,505,817,404.28	1.44%	0.55%	0.31%	0.22%	0.12%	0.09%
2016-Dec	1,607,397,398.36	1.29%	0.49%	0.30%	0.20%	0.14%	0.07%
2017-Jan	1,586,185,965.47	1.72%	0.54%	0.27%	0.18%	0.15%	0.11%
2017-Feb	1,578,528,984.05	1.33%	0.55%	0.30%	0.21%	0.13%	0.11%
2017-Mar	1,592,759,454.34	1.43%	0.43%	0.35%	0.19%	0.11%	0.07%
2017-Apr	1,606,525,882.55	1.23%	0.43%	0.32%	0.18%	0.11%	0.05%
2017-May	1,642,565,346.34	1.24%	0.52%	0.24%	0.16%	0.08%	0.06%
2017-Jun	1,677,702,272.72	1.55%	0.50%	0.30%	0.13%	0.09%	0.04%
2017-Jul	1,741,176,521.86	1.26%	0.52%	0.24%	0.19%	0.06%	0.04%
2017-Aug	1,746,398,645.86	1.50%	0.49%	0.27%	0.17%	0.10%	0.04%
2017-Sep	1,786,828,504.92	1.82%	0.53%	0.30%	0.16%	0.09%	0.07%
2017-Oct	1,834,548,320.75	1.57%	0.55%	0.29%	0.17%	0.08%	0.07%
2017-Nov	1,885,728,444.31	1.73%	0.64%	0.24%	0.18%	0.08%	0.05%
2017-Dec	1,999,475,723.11	1.30%	0.62%	0.32%	0.12%	0.11%	0.04%
2018-Jan	1,996,552,637.09	1.69%	0.62%	0.32%	0.19%	0.08%	0.08%
2018-Feb	2,018,422,901.09	1.53%	0.67%	0.32%	0.21%	0.10%	0.06%
2018-Mar	2,036,983,219.81	1.79%	0.71%	0.41%	0.19%	0.12%	0.07%
2018-Apr	2,062,126,414.38	1.32%	0.66%	0.27%	0.24%	0.12%	0.07%
2018-May	2,089,872,102.59	1.27%	0.64%	0.36%	0.16%	0.16%	0.09%
2018-Jun	2,123,884,823.75	1.47%	0.57%	0.34%	0.21%	0.09%	0.10%
2018-Jul	2,145,136,505.85	1.50%	0.56%	0.28%	0.17%	0.11%	0.06%
2018-Aug	2,132,640,263.69	1.29%	0.54%	0.26%	0.14%	0.11%	0.06%
2018-Sep	2,158,977,227.50	1.48%	0.55%	0.32%	0.16%	0.10%	0.06%
2018-Oct	2,208,160,849.50	1.57%	0.46%	0.30%	0.19%	0.11%	0.04%
2018-Nov	2,261,259,443.72	1.68%	0.53%	0.25%	0.15%	0.11%	0.08%
2018-Dec	2,377,643,496.70	1.28%	0.50%	0.25%	0.14%	0.08%	0.07%
2019-Jan	2,346,642,533.20	1.36%	0.45%	0.28%	0.14%	0.10%	0.05%
2019-Feb	2,367,054,671.10	1.38%	0.53%	0.27%	0.15%	0.09%	0.05%
2019-Mar	2,384,984,334.33	1.19%	0.45%	0.27%	0.14%	0.09%	0.04%
2019-Apr	2,406,706,308.18	1.21%	0.41%	0.21%	0.14%	0.09%	0.05%
2019-May	2,437,162,348.33	1.09%	0.47%	0.24%	0.13%	0.08%	0.05%
2019-Jun	2,479,185,719.11	1.27%	0.43%	0.29%	0.13%	0.06%	0.04%
2019-Jul	2,516,651,445.84	1.26%	0.42%	0.21%	0.18%	0.06%	0.03%
2019-Aug	2,513,186,115.47	1.35%	0.50%	0.24%	0.13%	0.09%	0.04%
2019-Sep	2,525,072,941.14	1.13%	0.50%	0.28%	0.11%	0.08%	0.04%
2019-Oct	2,569,198,140.63	1.50%	0.56%	0.30%	0.14%	0.08%	0.03%
2019-Nov	2,595,815,229.59	1.46%	0.59%	0.30%	0.17%	0.07%	0.03%

2019-Dec	2,704,687,489.08	1.28%	0.60%	0.30%	0.17%	0.09%	0.06%
2020-Jan	2,673,537,967.55	1.36%	0.57%	0.36%	0.18%	0.10%	0.05%
2020-Feb	2,681,111,191.98	1.29%	0.58%	0.33%	0.22%	0.11%	0.06%
2020-Mar	2,646,172,462.59	2.28%	0.66%	0.38%	0.22%	0.17%	0.07%
2020-Apr	2,590,805,856.97	3.00%	1.51%	0.46%	0.27%	0.20%	0.12%
2020-May	2,589,320,024.37	7.20%	1.34%	0.76%	0.31%	0.23%	0.13%
2020-Jun	2,690,062,727.82	2.40%	0.77%	0.52%	0.35%	0.18%	0.17%
2020-Jul	2,707,064,143.48	2.09%	0.94%	0.38%	0.25%	0.18%	0.14%
2020-Aug	2,682,657,393.80	1.55%	0.83%	0.47%	0.18%	0.14%	0.14%
2020-Sep	2,671,332,884.78	0.96%	0.54%	0.37%	0.21%	0.11%	0.07%

Inferential statement of the Issuer

The Issuer states herewith that the securitised assets backing the issue have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the Notes.

Economic Environment

The global economy continued to be severely affected by the covid-19 pandemic in the third quarter. Following the massive slump in economic output in the second quarter as a result of national shutdowns in nearly all major economies, a fairly dynamic recovery began in May as restrictions were relaxed, and this continued in the third quarter. This improvement was quite uneven, however, both by region and by sector. Retail sales developed very dynamically, especially in Europe and North America, and in many places were already higher in the third quarter than in the prior-year period. The recovery of industry also came as a positive surprise, although production was still significantly below the previous year's level. The situation was significantly more difficult in the service sector, tourism for example. Leading indicators such as the purchasing managers' index for the service sector fell again perceptibly towards the end of the quarter, showing that there is still a long way to go to old normal levels, not least due to the renewed rise in new infections. The global stock market continued to improve in the third quarter and, despite a slight weakness at the end of the quarter, was recently almost 10% higher than a year earlier. The US economy recovered strongly in the third quarter and is likely to have grown significantly compared with the previous quarter. Compared with last year, however, American gross domestic product contracted once again. Consumer spending in particular recovered strongly and actually exceeded the prior-year level. The economy of the euro zone has also been recovering since May and is expected to have grown noticeably in the third quarter, although it still fell well below the prior-year level, with major differences within the region. Recent monthly data also show that the recovery has recently lost momentum after the number of new coronavirus infections reached new record highs in some regions. In China, which had already returned to pre-crisis levels in the second quarter, the situation normalized further in the third quarter and growth is likely to have accelerated again. Among the other major economies, the recovery in Japan was rather sluggish and the Indian economy was still severely affected by high infection rates, while the Brazilian economy developed noticeably better than had been feared. Central banks and governments in China, Europe, the United States and other regions maintained their expansive course in the third quarter, thus supporting the upswing. The price of oil remained within a fairly narrow corridor of USD 40-45 per barrel, providing little stimulus for the commodity exporting economies.

The development of worldwide demand for cars continued to be severely affected by the corona crisis. In line with the overall economic situation, most of the sales markets relevant for Daimler had already reached their low point in the second quarter and showed a noticeable revival in the third quarter. However, worldwide demand for cars was slightly lower than in the third quarter of last year.

The Chinese market, which had already reached its low point in February, continued its recovery. Car sales in the third quarter were again significantly above the prior-year level. The US market for cars and light trucks also improved visibly, but still recorded a year-on-year decline of nearly 10%.

The European market has also been on a recovery path since the low point in April and was only slightly below the prior-year level in the past quarter. A similar pattern was observed in Western Europe, where demand for cars was about 5% lower than in the previous year. All major Western European sales markets improved significantly in recent months. While sales numbers in Germany, France and pain were still down by between 5 and 7%, market volumes in the United Kingdom and Italy were actually close to the prior-year levels. Due primarily to the improved situation in the Russian market and strong growth in Turkey, demand in Eastern Europe was significantly higher than in the same period of last year.

Demand for vans in the EU30 region (European Union, United Kingdom, Norway and Switzerland) in the third quarter of 2020 was about at the prior-year level. The market volume for midsize and large vans was significantly above its prior-year magnitude, while the market volume for small vans was down by about 10%. The US market for large vans was slightly smaller than in the third quarter of last year. Demand for large vans in Latin America decreased significantly.

Major truck markets improved visibly in the third quarter after their severe losses in the first half of the year. In most cases, however, sales figures were still significantly lower than in the third quarter of last year. The North American market for heavy-duty trucks (class 8) contracted at a somewhat lower rate in the third quarter, but was still down by about 30% compared with the prior-year period.

Demand for heavy-duty trucks improved also in the EU30 region compared with the spring. According to recent estimates, the market was just slightly below the prior-year level, which had been relatively weak, however, as a result of regulatory special effects. The recovery in Brazil has recently been more dynamic than expected, with sales of heavy-duty truck only about 10% lower than in the third quarter of last year. Demand in Japan was rather weak with a decrease of about 20%.

Bus markets also continued to be affected by the corona crisis. According to the latest estimates, demand for buses in the EU30 region was significantly below the prior-year level, primarily due to the ongoing weakness of the touring-coach segment. The market in Brazil also declined significantly in the third quarter.

EXPECTED MATURITY AND AVERAGE LIFE OF NOTES AND ASSUMPTIONS

The weighted average life of the Notes refers to the average amount of time that will elapse from the Issue 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 respectively repaid or reduced, which may be in the form of scheduled amortisation, prepayments or defaults. The weighted average life of the Notes may also be influenced by factors like arrears.

The following table is prepared on the basis of certain assumptions, as described below:

(i) the Notes are issued on the Issue Date of 12 November 2020;

(ii) the first Payment Date will be on 21 December 2020 and thereafter each following Payment Date will be the 20th day of each calendar month, subject to the Business Day Convention;

(iii) the relevant scheduled amortisation profile of the Purchased Receivables as of the Cut-Off Date;

(iv) the Purchased Receivables are subject to a constant annual rate of principal prepayments as set out in the below table;

(v) the Purchased Receivables are fully performing and do not show any delinquencies or defaults;

(vi) the Purchased Receivables are not subject to, as applicable, loan restructuring or lease restructuring;

(vii) no Purchased Receivables are repurchased by the Seller from the Issuer in any situation other than under (viii);

(viii) the Seller will exercise its right to exercise the Clean-Up Call at the earliest Payment Date possible; and

(ix) the initial amount of each Class of Notes is equal to the Aggregate Outstanding Note Principal Amount as set forth on the front cover of this Prospectus.

The approximate weighted average life and principal payment window of each Class of Notes, at various assumed rates of prepayment of the Purchased Receivables, would be as follows (with "**CPR**" being the constant prepayment rate):

Class A Notes average life and payment windows

Class A Notes

CPR	Weighted Average Life	First Principal Payment Date	Expected Maturity Date
	(in years)		
0.0%	1.08	Dec-20	Dec-22
5.0%	1.00	Dec-20	Nov-22
10.0%	0.92	Dec-20	Oct-22
12.0%	**0.89**	**Dec-20**	**Sep-22**
15.0%	0.85	Dec-20	Sep-22
20.0%	0.79	Dec-20	Aug-22

Class B Notes average life and payment windows

Class B Notes

CPR	Weighted Average Life *(in years)*	First Principal Payment Date	Expected Maturity Date
0.0%	2.55	Dec-22	Aug-23
5.0%	2.50	Nov-22	Aug-23
10.0%	2.41	Oct-22	Jul-23
12.0%	**2.38**	**Sep-22**	**Jul-23**
15.0%	2.29	Sep-22	May-23
20.0%	2.20	Aug-22	Apr-23

The exact average life of the Class A Notes and of the Class B Notes cannot be predicted as the actual rate at which the Purchased Receivables will be repaid and a number of other relevant factors are unknown.

The average life of each Class of Notes is subject to factors largely outside the control of the Issuer and consequently no assurance can be given that the assumptions and the estimates above will prove in any way to be realistic and they must, therefore, be viewed with considerable caution.

Assumed Amortisation of the Notes

This amortisation scenario is based on the assumptions listed above under weighted average life of the Notes and is assuming a CPR of 12 per cent. The actual amortisation of the Notes may differ substantially from the amortisation scenario indicated below.

Period	Payment Date	Class A Balance	Class A Principal	Class B Balance	Class B Principal
0		500,000,000.00		189,700,000.00	
1	21-12-20	457,107,612.77	42,892,387.23	189,700,000.00	0.00
2	20-01-21	430,972,512.62	26,135,100.16	189,700,000.00	0.00
3	22-02-21	400,759,266.97	30,213,245.64	189,700,000.00	0.00
4	22-03-21	378,070,874.41	22,688,392.57	189,700,000.00	0.00
5	20-04-21	357,332,598.92	20,738,275.48	189,700,000.00	0.00
6	20-05-21	334,386,746.83	22,945,852.09	189,700,000.00	0.00
7	21-06-21	312,321,222.60	22,065,524.23	189,700,000.00	0.00
8	20-07-21	290,273,323.85	22,047,898.75	189,700,000.00	0.00
9	20-08-21	265,492,397.45	24,780,926.40	189,700,000.00	0.00
10	20-09-21	244,177,174.34	21,315,223.11	189,700,000.00	0.00
11	20-10-21	225,154,951.31	19,022,223.03	189,700,000.00	0.00
12	22-11-21	203,499,985.29	21,654,966.02	189,700,000.00	0.00
13	20-12-21	179,264,531.85	24,235,453.44	189,700,000.00	0.00
14	20-01-22	154,072,031.15	25,192,500.70	189,700,000.00	0.00
15	21-02-22	123,227,686.75	30,844,344.40	189,700,000.00	0.00
16	21-03-22	107,208,517.26	16,019,169.49	189,700,000.00	0.00
17	20-04-22	89,108,421.85	18,100,095.41	189,700,000.00	0.00
18	20-05-22	71,218,193.20	17,890,228.64	189,700,000.00	0.00
19	20-06-22	53,496,639.48	17,721,553.73	189,700,000.00	0.00
20	20-07-22	35,190,352.60	18,306,286.87	189,700,000.00	0.00
21	22-08-22	14,768,286.07	20,422,066.54	189,700,000.00	0.00
22	20-09-22	0.00	14,768,286.07	186,457,850.97	3,242,149.03
23	20-10-22	0.00	0.00	171,991,750.69	14,466,100.29
24	21-11-22	0.00	0.00	158,222,668.76	13,769,081.92
25	20-12-22	0.00	0.00	141,836,372.47	16,386,296.29
26	20-01-23	0.00	0.00	125,858,117.97	15,978,254.51
27	20-02-23	0.00	0.00	103,555,633.30	22,302,484.66
28	20-03-23	0.00	0.00	92,330,387.73	11,225,245.57
29	20-04-23	0.00	0.00	81,207,617.56	11,122,770.17
30	22-05-23	0.00	0.00	73,435,831.04	7,771,786.52
31	20-06-23	0.00	0.00	69,101,987.87	4,333,843.17
32	20-07-23	0.00	0.00	0.00	69,101,987.87
33	21-08-23	0.00	0.00	0.00	0.00
34	20-09-23	0.00	0.00	0.00	0.00
35	20-10-23	0.00	0.00	0.00	0.00
36	20-11-23	0.00	0.00	0.00	0.00

THE ISSUER

1. GENERAL

Silver Arrow France 2020-1, is a French *fonds commun de titrisation* (securitisation mutual fund), established at the initiative of the Management Company, acting as founder, on the Issue Date.

The legal entity identifier (LEI) of the Issuer is: 9695006WHKQW55PAQI53.

The Issuer is established pursuant to, and governed by, the provisions of Articles L. 214-166-1 to L. 214-190 and Articles D. 214-217 to D. 214-240 of the French Monetary and Financial Code, the Issuer Regulations and the other relevant Transaction Documents.

The Issuer does not have a *personnalité morale* (separate legal personality) but it is represented by the Management Company. The Issuer has no capitalisation, no internal management body and no business operations other than the purchase of the Eligible Receivables, the issue of the Notes and the Residual Units. Therefore, no place of registration, registration number, registered address, telephone number or website can be disclosed in relation to the Issuer. The business address of the Management Company is 12, rue James Watt, 93200 Saint-Denis, France, and its telephone number is +33 174 73 04 74. The Issuer is neither subject to the provisions of the French Civil Code relating to the rules of *indivision* (co-ownership) nor to the provisions of Articles 1871 to 1873 of the French Civil Code relating to *sociétés en participation* (partnerships). The Issuer's name shall be validly substituted for that of the co-owners with respect to any transaction made in the name and on behalf of the co-owners of the Issuer. The Issuer is a *fonds d'investissement alternatif* (alternative investment fund) pursuant to Article L. 214-24, II., 4° of the French Monetary and Financial Code. The website of the Management Company (on which certain information relating to the Issuer will be published as mentioned in this Prospectus) is (www.eurotitrisation.fr). For the avoidance of doubt, this website and the contents thereof do not form part of this Prospectus.

2. PURPOSE OF THE ISSUER

In accordance with Articles L. 214-168 and L. 214-175-1 of the French Monetary and Financial Code and pursuant to the terms of the Issuer Regulations, the sole purpose of the Issuer is to issue the Notes and the Residual Units in order to acquire, on the Purchase Date, from the Seller, Lease Series of Receivables and Loan Receivables.

3. BUSINESS ACTIVITY

The Issuer has not previously carried on any business or activities other than entering into certain transactions prior to the Issue Date with respect to the Transaction contemplated herein.

4. ISSUE DATE

On the Issue Date, the Issuer will acquire a portfolio of Receivables from the Seller pursuant to the Receivables Purchase Agreement. In order to fund the acquisition of the Eligible Receivables, the Issuer will issue on the Issue Date:

(a) €500,000,000 Class A Notes;

(b) €189,700,000 Class B Notes subordinated to the Class A Notes and to be subscribed in full by the Seller; and

(c) two (2) Residual Units of €150 each, to be subscribed by the Seller.

5. FUNDING STRATEGY OF THE ISSUER

In accordance with Article R. 214-217 2° of the French Monetary and Financial Code and pursuant to the terms of the Issuer Regulations, the funding strategy (*stratégie de financement*) of the Issuer is to issue the Class A Notes and the Class B Notes and the Residual Units.

The Issuer will also be granted a Subordinated Loan pursuant to the Subordinated Loan Agreement. See the Section entitled "Overview of the Transaction Documents – Subordinated Loan Agreement".

6. HEDGING STRATEGY OF THE ISSUER

(a) In accordance with Articles R. 214-217-2° and R.214-224 of the French Monetary and Financial Code and pursuant to the terms of the Issuer Regulations, the hedging strategy (*stratégie de couverture*) of the Issuer is to enter into the Swap Agreement in order to hedge the mismatch between the fixed interest rate of the Purchased Receivables and the floating rate payable to the Class A Notes.

(b) Except as provided under paragraph (a) above, the Issuer shall not enter into any, in whole or in part, actually or potentially, credit-linked notes, synthetic securities or similar claims resulting from the transfer of credit risk by means of credit derivatives, swaps or tranches of other asset backed securities or any other excluded instrument specified in the European Central Bank monetary policy regulations applicable from time to time.

7. RESIDUAL UNITS

The Issuer issued on the Issue Date, two (2) Residual Units in an aggregate amount of EUR 300 with a par value of EUR 150 each.

The Residual Unitholder will be the Seller.

8. INDEBTEDNESS

The Issuer has no material indebtedness, contingent liabilities and/or guarantees as at the date of the Prospectus, other than that which it has incurred or shall incur in relation to the transaction contemplated in this Prospectus.

9. LIMITATIONS

Without prejudice to the obligations and rights of the Issuer, the Noteholders have no direct recourse, whatsoever, toward the Obligors.

10. PURCHASED RECEIVABLES AND RELATED ASSETS

The securitised assets backing the issue of the Notes have characteristics that demonstrate capacity to produce funds to service any payment due and payable on the Class A Notes. See the Section entitled "Description of the Portfolio".

11. STATUTORY AUDITOR

PricewaterhouseCoopers Audit (**PwC**), a *société par actions simplifiées*, has its registered office at 2-6, rue Vatimesnil - 92532 Levallois Perret (France), has been appointed for a term of six (6) financial periods as Statutory Auditor (*commissaire aux comptes*) of the Issuer in accordance with Article L. 214-185 of the French Monetary and Financial Code and shall be responsible for carrying out certain duties as set out in the Issuer Regulations. PwC is registered as a chartered accountant with the *Compagnie Nationale des Commissaires aux Comptes* (CNCC).

In accordance with applicable laws and regulations, the Statutory Auditor is required in particular:

(a) to certify, when necessary, that the Issuer's accounts are true and fair and to verify the accuracy of the information contained in the management reports prepared by the Management Company;

(b) to bring to the attention of the Management Company, the Custodian and the French *Autorité des Marchés Financiers* any irregularities or misstatements that may be revealed during the performance of their duties; and

(c) to examine the information transmitted periodically to the Noteholders, the Residual Unitholder(s) and the Rating Agencies by the Management Company and to prepare an annual report on the Issuer Account for the benefit of the Noteholders, the Residual Unitholder(s) and the Rating Agencies.

12. LITIGATION

The Issuer has not been and is not involved since the Issue Date in any legal or governmental proceedings or arbitration proceedings that may have any material adverse effect on its financial situation. The Management Company is not aware of any such proceedings or arbitration proceedings that are imminent, pending or threatened, and which could adversely affect the Issuer's business, results, operations and/or financial situation.

13. MATERIAL CONTRACTS

Apart from the Transaction Documents to which it is a party, the Issuer has not entered into any material contracts.

14. FINANCIAL STATEMENTS

Audited financial statements will be published by the Management Company on an annual basis.

The Issuer has not commenced operations before the Issue Date and no financial statements have been made up as at the date of this Prospectus.

Pursuant to Article L. 214–175 of the French Monetary and Financial Code, the Management Company shall establish the accounts of the Issuer. Each financial year of the Issuer shall be of twelve (12) months' duration from 1 January to 31 December of each calendar year. By exception, the first financial year shall be from the Issue Date to 31 December 2021.

15. INSPECTION OF DOCUMENTS

For the life this Prospectus, the following documents (or copies thereof):

(a) the Prospectus and all the Transaction Documents referred in this Prospectus; and

(b) the historical financial information (if any) of the Issuer,

may be inspected at the Management Company's office at 12, rue James Watt, 93200 Saint-Denis, France.

The Management Company shall also provide the Custodian Agreement to any Class A Noteholders and any potential investors in the Class A Notes upon request.

The Notes will be obligations of the Issuer only and will not be guaranteed by, or be the responsibility of Mercedes-Benz Financial Services France, Daimler AG or any other person or entity. It should be noted, in particular, that the Notes will not be obligations of, and will not be guaranteed by the Seller, the Servicer (if different), the Management Company, the Custodian, the Arranger, the Joint Lead Managers, the Managers or any of their respective affiliates, the Subordinated Lender, the Account Bank, the Paying Agent, the Registrar Agent, the Data Protection Agent, the Swap Counterparty or the Residual Unitholders.

THE SELLER, THE SERVICER AND THE SUBORDINATED LENDER

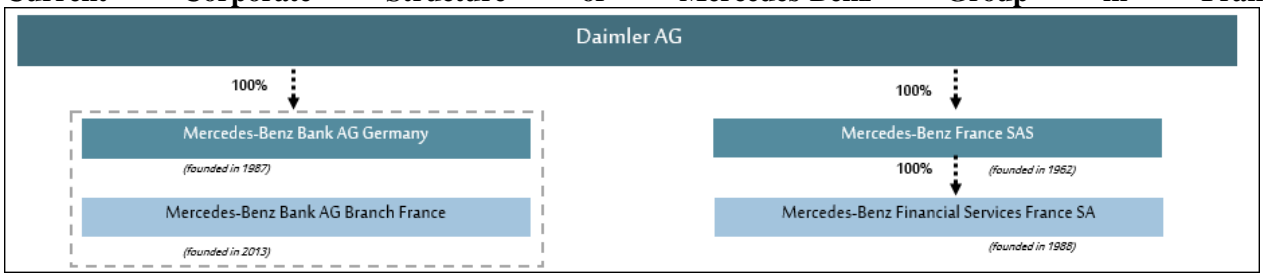
BUSINESS AND ORGANISATION OF MBFSF

DESCRIPTION OF THE SELLER

Mercedes-Benz Financial Services France S.A. (**MBFSF**) is a wholly owned subsidiary of the Daimler Group and is a direct subsidiary of Mercedes-Benz France (**MBF**). MBFSF is a part of the Daimler Mobility (**DMO**) division of the group and working closely with other group companies in France to support the sales of Daimler vehicles. Daimler brands in France encompass Mercedes-Benz, smart, Fuso and Setra. The network of the group-internal and external Mercedes-Benz, smart and Fuso dealerships are sales partners for automotive financial services.

Further, MBFSF is a Financial Company (*Société Financière*) according to the French Banking regulation and is thus subject to (i) regulation of the *Autorité de Contrôle Prudentiel et de Résolution* (**ACPR**) which is overseeing the French Banking and Financial Services industry and (ii) prudential and capital regulation. Its processes and risk policies are thus subject to the regulatory requirements and supervision, and its internal control and audit framework are well established to ensure regulatory compliance and limit operational and financial risks. MBFSF has originated and serviced auto-loans and auto-leases for more than five years, being exposures similar to the Purchased Receivables. The Servicer has expertise in servicing – and has well-documented and adequate policies, procedures and risk-management controls relating to the servicing of – the portfolio and the wider MBFSF portfolio.

Current Corporate Structure of Mercedes-Benz Group in France



FINANCING PRODUCTS

MBFSF offers various types of financial products to retail customers:

- **Credit (Standard Financing)**: is a financing solution where monthly instalments (including interest) are paid until the full loan amount has been repaid.

- **Location avec Option d'Achat / Credit-Bail (Financing with Purchase Option)**: is a flexible method of financing a vehicle over a fixed term. The customer has options to return the vehicle or purchase it by paying the optional purchase payment.

- **Location Longue Durée (Operating Lease)**: is a lease agreement where the customer hires the vehicle over an agreed period of time and for an agreed regular payment. There is no option to take ownership of the vehicle.

In addition to the financial products mentioned, MBFSF is offering different insurance products related to the vehicles like motor insurance or additional insurance linked to the leasing covering the potential difference between insurance payments and lease return value (Guaranteed Asset Protection, Return to invoice, Payment

Protection Insurance). MBFSF is acting as a mandate of different insurance companies only and is not carrying any insurance risk.

POINTS OF SALES

Dealer Network (Passenger Cars)

Mercedes-Benz and smart are represented in Metropolitan France by 33 separate groups (32 private and one Daimler owned in Paris and Bordeaux) who operate 181 MB/smart exclusive outlets throughout France (101 MB only; 69 MB and smart; 11 smart only including 4 smart centers). Yearly checks are made to ensure that the relevant licences and permissions are held by the legal entities with whom MBFSF accepts business. Close working relationships over a long period enable Mercedes-Benz to understand and support partners to align with the brand values to ensure the best customer experience possible.

Dealer Network (CV)

Most of the CV dealers are both trucks and vans dedicated. Each CV dealer has the mandate to sell also Fuso brands in the French market. Concerning the trucks network, 31 dealer groups are operating through the French territory (30 private and 1 Daimler owned). The vans network is composed of 30 dealers (29 private and 1 Daimler owned).

The Point of Sale Systems

An electronic point of sale system (**ePOS**) is provided to all retail partners and enables the input of customer and vehicle data in order for MBFSF to provide quotations and subsequent approval and activation of finance agreements as appropriate.

All MBFSF finance offers and campaigns are uploaded into the ePOS system.

THE CREDIT AND COLLECTION POLICY

The following is a description of the Credit and Collection Policy. The text will be attached to the Receivables Purchase Agreement.

The following provides an overview of the credit origination and collections processes.

CREDIT UNDERWRITING PROCESS

Contract applications submitted electronically via electronic point of sale system provide personal details to allow MBFSF to assess the creditworthiness and sustainability of the financing being requested. The personal details requested include address, date of birth, telephone numbers, email address, employment history, income, and bank account information. Private customers have to fill in a specific customer questionnaire that provides additional details enabling MBFSF to better assess the customer's creditworthiness. For example, details regarding the family size, monthly household charges including other financing charges and housing status (ownership or rental) are requested. The applicant has to validate those details with his signature.

For commercial customers the requested details include financial statements, company registration information, bank account information, and identity of the legal representative(s).

A unique customer number is assigned for each customer. This enables MBFSF to track total exposure and manage customers' applications and/or contracts in a consistent manner.

A loan to value ratio is calculated for the application and a Banque de France validation for all customers plus a credit agency search for commercial customers is completed.

Before a final approval is transmitted, a validation of the information provided by the applicant via the ePOS is performed. This is also being done for applications that are automatically approved through the scoring system.

Scoring Process

The scoring process is used for gross exposures below EUR 500k for commercial customers and all gross exposures for private customers. Each of these applications is scored using a proprietary scorecard. The score represents the risk of default. Customers determined by the scoring system to represent an acceptable level of risk will be automatically approved.

The scoring system operates within various predetermined business rules. These business rules are used to refer applications to an underwriter regardless of score. All applications scored below the acceptable level or failing a business rule will be referred to an underwriter for review and manual decision.

Each underwriter, depending on experience, has an individual credit authority limit (**CAL**). These range from EUR 0 to EUR 500k. All lending decisions above an individual CAL must be countersigned by an underwriter or manager with the appropriate credit authority limit. The underwriter will review the application and may demand additional information and/or documents in order to establish customers' creditworthiness. The underwriter will evaluate the customers' current and previous credit commitments in order to do this. .

Private customer income verification is mandatory in order to support the creditworthiness and finalise a lending decision.

A 'loan to value' (**LTV**) calculation also forms part of this evaluation process. These LTV ratios ensure that customer's equity position is realistic and doesn't expose either the customer or MBFSF to an elevated level

of risk. Part of the LTV check is to ensure that the proposed residual value / balloon (**RV**) is in line with our internal RV tables.

Affordability

To ensure that the advances being granted are both, affordable and sustainable, MBFSF ensures adherence to the French consumer protection laws and French banking recommendations that recommend level of monthly charges for financing and leasing in relation to the monthly income. Regardless of a customer's credit score, customers with high levels of indebtedness will be referred to an underwriter for review.

For commercial customers, several ratios are defined to analyse the Financial Statement, combined with external database information.

Rating Process

A rating is applied for all commercial customers with a gross exposure higher than EUR 500k for a customer or customer group respectively. The evaluation and documentation of the creditworthiness of corporate customers is done within a global Daimler tool for corporate lending.

To assign a rating to a customer, qualitative and quantitative data will be analysed. The corporate rating model consists of different sections. A weight is assigned to each section, reflecting the effect on the borrower's risk to default on his financial commitments.

SERVICING AND COLLECTION PROCEDURES

Customers have a number of options of how to interact with MBFSF once a contract has been activated. A customer portal that enables customers to change payment date, bank details, personal contact details, make a direct request via form and early settlement amount calculation supplements the usual options of phone, letter or email. The business operations team within MBFSF manages the in-life changes of a customer's finance agreement.

CREDIT RISK MANAGEMENT

All contracts with retail customers are setup with automated regular payments via direct debit. The collections team – consisting of highly specialised and experienced collection experts - manages contracts where the regular payment schedule has broken down. This may be for a variety of reasons from simple administrative problems to cases of genuine financial difficulty.

The first stage of the collection process is based on the instalment re-debit. If the overdue payments can be collected and the customer is apparently able to re-start regular repayments, the issue is resolved.

Where the customer has financial difficulty the collections team has a variety of options with which to exercise forbearance. For customers with short term cash flow issues a short term payment plan may be agreed upon. For customers with medium to long-term repayment issues re-financing or restructuring of the agreement may be necessary in accordance with the MBFSF credit department.

Provided that a private customer is identified as vulnerable and falls under French over-indebtedness prevention regulations forbearance measures will be discussed with the customer. In compliance with French banking regulations, the French National Register of Household Credit Repayment Incidents is informed according to the valid rules in place. The customer gets a written warning 30 days prior to the actual declaration being sent.

Where no progress is being made towards resolving the situation, MBFSF will escalate the situation to external debt recovery agencies. This includes letters, telephone calls and home visits. If external debt recovery agencies return the file without success a formal termination warning letter including acknowledgement certificate will be sent to the customer. In parallel the Collections team will continue to seek solutions with the customer.

In case MBFSF is having difficulties contacting customers, a third party "skip trace" company may be used to attempt to find the customer. No additional fees will be charged to the customer for any third party services.

After the expiration of the notice of default and in the absence of any customer reaction or in case of non-acceptable solution, the contract will be terminated by sending a formal hostile termination letter to the customer asking for the immediate return of the vehicle and payment of the open balance.

PREPAYMENT MANAGEMENT

Customers have legal rights and options under the agreement to end the arrangement before the scheduled end date. These rights and options include the right of withdrawal at the outset of the arrangement; voluntary termination by returning the vehicle or early settlement in accordance with the terms of the agreement.

If the customer wishes to pay the total outstanding amounts due under the contract, subject to some discount for early payment and the contract type allowing this, they may take ownership of the vehicle ahead of the planned maturity of the agreement. Penalty fees are integrated in the outstanding amount calculated to early settle the contract.

CONTRACT MATURITY

As approaching the end of the contract, customers - depending on the type of contract - can choose to keep the vehicle, typically with the payments of the outstanding residual value, return it, return it and take a new lease vehicle, extend the finance or refinance the final residual value with a new contract (credit only). MBFSF has established a dedicated team – the End of Contract team - to assist customers through this phase of the process.

A maturity mail is sent to customers 4 months prior to maturity in order to encourage customers to consider their options and to be informed regarding the end of the contract. 2 months prior to maturity, a second mail is sent in order for MBFSF to retrieve the customer intention. To conclude, 1 month prior to maturity, and if the End of Contract team does not have any feedback, a last mail is sent to the customer to indicate that MBFSF considers that the customer wants to keep his vehicle. Afterwards, in case of leasing product (except for long-term rental), the RV is direct debited at the end of the contract. During all this contract pre-maturity process, the dealership is also informed by dedicated mails or emails about the customer choice. End of contract is a great opportunity for Sale force to finance a new vehicle while supporting the customer to make the best choice regarding his situation.

The End of Contract team together with dealership will guide customers through the end of their finance agreement, assisting them with their intentions and any queries regarding the end of their agreement. The aim is to support customers through the last stage of their agreement in order to ensure they have all relevant information to make an informed choice. This not only enhances the customer experience at agreement maturity but also helps to build customer relationships and customer loyalty.

THE MANAGEMENT COMPANY

The Management Company is Eurotitrisation, a *société anonyme* incorporated under, and governed by, the laws of France, duly licensed by the AMF under number GP 14000029 as a *société de gestion de portefeuille* authorized to manage alternative investment funds (AIFs), whose registered office is at 12, rue James Watt, 93200 Saint-Denis (France), registered with the Trade and Companies Register of Bobigny (France) under number 352 458 368.

On the date of this Prospectus, the composition of the share capital of the Management Company is as follows:

- Crédit Agricole Corporate and Investment Bank: 31.99%;
- Natixis: 31.97%;
- BNP Paribas: 22.07%;
- Beaujon SAS: 4.97%;
- CFP Management: 4.95%; and
- Miscellaneous: 4.05%.

As at the date of this Prospectus, Eurotitrisation had a share capital of €712,728. The Management Company's telephone number is +33 1 74 73 04 74.

Managers of the Management Company as at the date of this Prospectus

Names	Functions	Business address
Julien Leleu	Managing Director	12, rue James Watt, Saint-Denis 93200, France
Christiane Rochard	Head of Accounting and Management Department	12, rue James Watt, Saint-Denis 93200, France
Madjid Hini	Head of Analysis, Studies & IT Department	12, rue James Watt, Saint-Denis 93200, France
Cécile Fossati	Head of Legal Department	12, rue James Watt, Saint-Denis 93200, France
Nicolas Noblanc	Chief Regulatory & Compliance Officer	12, rue James Watt, Saint-Denis 93200, France

Significant business activities of the Management Company

The main purpose of Eurotitrisation is to manage organismes de titrisation (securitisation vehicles).

Duties and responsibilities of the Management Company

The Management Company participated in the establishment of the Issuer. The Management Company represents the Issuer towards third parties and in any legal proceedings, whether as plaintiff or defendant, and is responsible for the management and operation of the Issuer. Subject to supervision by BNP Paribas Securities Services, acting in its capacity as Custodian, the Management Company shall take any steps which

it deems necessary or desirable to protect the Issuer's rights in, to and under the Purchased Receivables. The Management Company shall be bound to act at all times in the best interest of the Noteholders and Residual Unitholders. The responsibilities of the Management Company are set out in the Issuer Regulations. These responsibilities include:

(a) ensuring, on the basis of the information provided to it, that (i) the Seller complies with its obligations towards the Issuer and/or the Management Company under the provisions of the Receivables Purchase Agreement, (ii) the Servicer complies with its obligations towards the Issuer and/or the Management Company under the provisions of the Servicing Agreement and (iii) if applicable, the substitute servicer(s) of the Purchased Receivables, in the event of substitution of the Servicer(s) of the Purchased Receivables, comply(ies) with its/their obligations towards the Issuer and/or the Management Company under the provisions of the Servicing Agreement;

(b) managing, under the supervision of the Custodian, the Issuer Account, including providing all the necessary information and instructions to the Account Bank;

(c) determining, and giving effect to, the occurrence of an Enforcement Event and informing the Noteholders of the occurrence of any such event in the immediately following Monthly Investor Report (provided that such information shall be reported outside of the Monthly Investor Reports, if necessary, to make sure that such information is reported to investors without undue delay);

(d) verifying that the payments received by the Issuer with respect to the Purchased Receivables are consistent with the sums due to it and, if necessary, enforcing the rights of the Issuer under the Transaction Documents to which it is a party;

(e) allocating any amount received by the Issuer to the relevant Issuer Ledger in accordance with the Issuer Regulations (in particular, the applicable Priority of Payments) and any other applicable Transaction Document and crediting or debiting the Issuer Ledgers accordingly;

(f) communicating to the relevant Transaction Parties any information required or relevant for the purposes of the compliance with their respective duties under the AMF General Regulation and requesting any information required or relevant for the purposes of the compliance with the duties of the Management Company under the AMF General Regulation;

(g) after the occurrence of the Servicer Termination Event, using all reasonable endeavours to identify and appoint a suitable successor servicer satisfying the requirements set out in the Servicing Agreement and willing to assume the duties of the Servicer and replacing accordingly the Servicer subject to a Servicer Termination Event;

(h) registering, or ensuring the registration by the Seller as pledgor of, the initial pledge statement and any supplemental pledge statement, as the case may be, in relation to the pledges, and releasing, as the case may be, the Vehicles from the pledges, in each case in accordance with the Leased Vehicles Pledge Agreement;

(i) calculating the amounts due to the Noteholders and/or Residual Unitholders, as well as any amount due to any third party, in accordance with the provisions of the Issuer Regulation;

(j) determining the relevant EURIBOR rate on each Interest Determination Date in respect of the Class A Notes, in accordance with the Issuer Regulations; and

(k) purchasing Eligible Receivables and issuing the Notes on the Issue Date, in accordance with the provisions of the Receivables Purchase Agreement and the Issuer Regulations.

In performing its duties, in particular as described under paragraph (a) above, the Management Company shall be entitled to assume, in the absence of actual notice to the contrary, that the representations and warranties

given by the Seller to the Issuer and to the Management Company, as set out in the Receivables Purchase Agreement, were and are true and accurate when given or deemed to be given, and that the Seller is at all times in compliance with its obligations under the Transaction Documents to which it is a party. The Management Company has not made any enquiries or taken any steps, and will not make any enquiries or take any steps, to verify the accuracy of any representations and warranties or the compliance by the Seller with its obligations under the Transaction Documents to which it is a party.

The Management Company did not engage any of the Rating Agencies in respect of any application for assigning the initial rating to the Class A Notes.

The Management Company may sub-contract or delegate all or part of its duties or may appoint a third party to exercise all or part of those duties but cannot thereby exempt itself from liabilities in respect thereof under the Issuer Regulations.

The management of the Issuer may be transferred, at the request of the Management Company or, in certain circumstances, at the request of the Custodian, to another portfolio management company (*société de gestion de portefeuille*) governed by Article L. 532-9 of the French Monetary and Financial Code, subject to (a) the prior agreement of the AMF in accordance with Article 318-58 of the AMF General Regulation (b) the compliance with all applicable laws, (c) the substitution will not affect the level of security enjoyed by the Noteholders, Residual Unitholders and the Management Company shall have notified the Noteholders and Residual Unitholders prior to such substitution and (d) the Custodian has been notified by the Management Company of such transfer.

THE CUSTODIAN

The Custodian is BNP Paribas Securities Services, a *société en commandite par actions* incorporated under, and governed by, the laws of France, whose registered office is at 3, rue d'Antin, 75002 Paris, France, registered with the Trade and Companies Register of Paris (France) under number 552 108 011, licensed in France as an *établissement de crédit* (credit institution) by the *Autorité de Contrôle Prudentiel et de Résolution* under the French Monetary and Financial Code.

The Custodian shall, subject to the powers of the Noteholders and of the Residual Unitholders, act in the best interests of the Noteholders and of the Residual Unitholders and shall, in accordance with Articles L. 214-175-2 *et seq*. and D. 214-233 of the French Monetary and Financial Code, the AMF General Regulation and the Custodian Agreement, *inter alia*:

(a) act as custodian of the assets of the Issuer in accordance with Articles L. 214-175-2 and L. 214-175-4,II. of the French Monetary and Financial Code;

(b) hold on behalf of the Issuer the Transfer Documents required by Articles L. 214-175-2, II., 2° and D. 214-233 of the French Monetary and Financial Code and relating to any purchase of Receivables by the Issuer;

(c) pursuant to Article L. 214-175-I of the French Monetary and Financial Code, be responsible for supervising the compliance (*régularité*) of any decision of the Management Company; and

(d) carry out such other tasks required to be performed pursuant to Articles L. 214-175-2 *et seq.* of the French Monetary and Financial Code and the AMF General Regulation.

The Custodian may delegate all or part of its duties to a third party, provided, however, that the Custodian shall remain liable to the Issuer, the Noteholders and the Residual Unitholders for the performance of its duties regardless of any such delegation.

See the Section entitled "Overview of the Transaction Documents – Custodian Agreement".

THE DATA PROTECTION AGENT

The Data Protection Agent is BNP Paribas Securities Services, a *société en commandite par actions* incorporated under, and governed by, the laws of France, whose registered office is at 3, rue d'Antin, 75002 Paris, France, registered with the Trade and Companies Register of Paris (France) under number 552 108 011, licensed in France as an *établissement de crédit* (credit institution) by the *Autorité de Contrôle Prudentiel et de Résolution* under the French Monetary and Financial Code.

Pursuant to the Data Protection Agency Agreement, the Data Protection Agent will receive from the Seller the Decryption Key relating to the encrypted Portfolio Information received by the Issuer from the Seller under the Receivables Purchase Agreement.

The information in the preceding two paragraphs has been provided by BNP Paribas Securities Services for use in this Prospectus and BNP Paribas Securities Services is solely responsible for the accuracy of the preceding four paragraphs, provided that, with respect to any information included herein and specified to be sourced from BNP Paribas Securities Services, (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the above information available to it from BNP Paribas Securities Services, no facts have been omitted, the omission would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy hereof. Except for the preceding four paragraphs, neither BNP Paribas Securities Services in its capacity as Data Protection Agent nor any of its affiliates have been involved in the preparation of, and they do not accept responsibility for, this Prospectus.

See the Section entitled "Overview of the Transaction Documents – Data Protection Agency Agreement".

THE SWAP COUNTERPARTY

This description of the Swap Counterparty does not purport to be an abstract of, and is therefore subject to, and qualified in its entirety by reference to, the detailed provisions of the Swap Agreement and the other Transaction Documents.

For the purposes of the Transaction, the Issuer has appointed Skandinaviska Enskilda Banken AB (publ), registered with the Swedish Companies Registration Office (*bolagsverket*) under registration number 502032-9081 as Swap Counterparty.

Legal name	Skandinaviska Enskilda Banken AB (publ).
Commercial name	Skandinaviska Enskilda Banken AB (publ).
Domicile	Stockholm
Legal Form, Legislation	Public limited company.
Country of Incorporation	Sweden.
Principal Activities	Skandinaviska Enskilda Banken AB (publ) and its subsidiaries (**SEB**) are a leading Nordic financial services group. As a relationship bank strongly committed to delivering customer value, SEB offers financial advice and a wide range of financial services to corporate customers, financial institutions and private individuals in Sweden and the Baltic countries. In Denmark, Finland, Norway and Germany, SEB's operations focus on delivering a full-service offering to corporate and institutional clients and building long-term customer relationships. As of the date of this Prospectus, SEB serves more than four million private customers. As of 31st December, 2019, SEB had total assets of SEK 2.857 billion and total equity of SEK 156 billion. For the twelve months ended 31st December, 2019, SEB's net profit was SEK 20.2 billion and for the year ended 31st December, 2018, SEB's net profit was SEK 23.1 billion.

The delivery of this Prospectus does not imply that there has been no change in the affairs of Skandinaviska Enskilda Banken AB (publ) since the date hereof or that the information contained or referred to herein is correct as at any time subsequent to its date.

The information in the foregoing paragraphs regarding the Swap Counterparty has been provided by Skandinaviska Enskilda Banken AB (publ), and Skandinaviska Enskilda Banken AB (publ) is solely responsible for the accuracy of the foregoing paragraphs, provided that, with respect to any information included herein and specified to be sourced from the Swap Counterparty (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the above information available to it from the Swap Counterparty, no facts have been omitted, the omission would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy hereof. Except for the preceding paragraph, Skandinaviska Enskilda Banken AB (publ) in its capacity as Swap Counterparty, and its affiliates have not been involved in the preparation of, and does not accept responsibility for, this Prospectus.

See the Section entitled "Overview of the Transaction Documents – Swap Agreement".

THE ACCOUNT BANK

The Account Bank is BNP Paribas Securities Services, a *société en commandite par actions* incorporated under, and governed by, the laws of France, whose registered office is at 3, rue d'Antin, 75002 Paris, France, registered with the Trade and Companies Register of Paris (France) under number 552 108 011, licensed in France as an *établissement de crédit* (credit institution) by the *Autorité de Contrôle Prudentiel et de Résolution* under the French Monetary and Financial Code.

The Issuer Account is held with the Account Bank which, provides the Management Company with banking and custody services relating to the bank account of the Issuer. In particular, the Account Bank shall act upon the instructions of the Management Company in relation to the operations of the Issuer Account, in accordance with the provisions of the Bank Account Agreement.

If, at any time:

(a) the ratings of the Account Bank fall below the Required Ratings;

(b) the Servicer delivers a notice to the Management Company requesting the termination of the appointment of the Account Bank unless the Management Company determines that such termination would adversely affect the level of security afforded to the Noteholders; or

(c) the Account Bank fails to comply with:

  (i) any of its obligations (other than an obligation to make a payment) under the Bank Account Agreement; or

  (ii) any of its obligations to pay on its due date any amount payable under the Bank Account Agreement and, when such failure to pay is caused by administrative or technical error, it is not remedied within four (4) Business Days,

the Management Company, by written notice to the Account Bank terminate the appointment of the Account Bank and will appoint, within 30 calendar days, a substitute account bank that shall, among other requirements set out in the Issuer Regulations, have at least the Required Ratings, provided that no termination of the Account Bank's appointment shall occur for so long as an eligible substitute account bank has not been appointed by the Management Company.

The information in the preceding three paragraphs has been provided BNP Paribas Securities Services for use in this Prospectus and BNP Paribas Securities Services is solely responsible for the accuracy of the foregoing paragraphs, provided that, with respect to any information included herein and specified to be sourced from BNP Paribas Securities Services, (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the above information available to it from BNP Paribas Securities Services , no facts have been omitted, the omission would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy hereof. Except for the preceding three paragraphs, BNP Paribas Securities Services in its capacity as Account Bank has not been involved in the preparation of, and does not accept any responsibility for, this Prospectus.

See the Section entitled "Overview of the Transaction Documents – Bank Account Agreement"

THE PAYING AGENT AND THE REGISTRAR AGENT

The Paying Agent and Registrar Agent is BNP Paribas Securities Services, a *société en commandite par actions* incorporated under, and governed by, the laws of France, whose registered office is at 3, rue d'Antin, 75002 Paris, France, registered with the Trade and Companies Register of Paris (France) under number 552 108 011, licensed in France as an *établissement de crédit* (credit institution) by the *Autorité de Contrôle Prudentiel et de Résolution* under the French Monetary and Financial Code.

The information in the preceding paragraph has been provided by BNP Paribas Securities Services for use in this Prospectus and BNP Paribas Securities Services is solely responsible for the accuracy of the preceding paragraph, provided that, with respect to any information included herein and specified to be sourced from BNP Paribas Securities Services, (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the above information available to it from BNP Paribas Securities Services, no facts have been omitted, the omission would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy hereof. Except for the preceding paragraph, BNP Paribas Securities Services in its capacity as Paying Agent and Registrar Agent has not been involved in the preparation of, or accepts any responsibility for, this Prospectus.

See the Section entitled "Overview of the Transaction Documents – Agency and Registrar Agreement".

TAXATION

The following information 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 of the Notes. It should be read in conjunction with the Section entitled "Risk Factors". Potential investors of the Notes are urged to satisfy themselves as to the overall tax consequences of purchasing, holding and/or selling the Notes and, therefore, to consult their professional tax advisors.

Luxembourg

The following information is of a general nature only and 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. The information contained within this Section is limited to Luxembourg withholding tax issues and prospective investors in the Class A 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.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present Section to a withholding tax or a tax of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only.

Non-resident holders of Class A Notes

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Class A Notes, nor on accrued but unpaid interest in respect of the Class A Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Class A Notes held by non-resident holders of Class A Notes.

Resident holders of Class A Notes

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005 as amended (the **Relibi Law**) mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Class A Notes, nor on accrued but unpaid interest in respect of Class A Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Class A Notes held by Luxembourg resident holders of Class A Notes.

Under the Relibi Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 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 Class A Notes coming within the scope of the Law will be subject to a withholding tax at a rate of 20 per cent.

France

The following is a summary limited to certain French withholding tax considerations relating to the holding of the Notes. This summary is based on the laws in force in France at the date of this Prospectus and is subject to any changes in laws and/or interpretation hereof (potentially with a retroactive effect). It does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, hold or dispose of the Notes. Each prospective holder or beneficial owner of the Notes should consult its tax adviser as to the tax consequences of any investment in, or ownership of, the Notes.

Withholding tax on payments made outside France

Payments of interest and other similar income made by the Issuer with respect to the Notes will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* (the **French Tax**

Code) unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French Tax Code (a **Non-Cooperative State**) other than those States or territories mentioned in 2° of 2 bis of the same Article 238-0 A. If such payments under the Notes are made outside France in a Non-Cooperative State other than those States or territories mentioned in 2° of 2 bis of Article 238-0 A of the French Tax Code, a 75 per cent withholding tax will be applicable pursuant to Article 125 A III of the French Tax Code (subject to certain exceptions and to the more favourable provisions of an applicable double tax treaty).

Notwithstanding the foregoing, Article 125 A III of the French Tax Code provides that the 75 per cent withholding tax will not apply in respect of an issue of Notes if the Issuer can prove that the main purpose and effect of such issue of Notes was not that of allowing the payments of interest and other similar income to be made in a Non-Cooperative State (the **Exception**). Pursuant to the *Bulletin Officiel des Finances Publiques-Impôts* BOI-INT-DG-20-50 n°990, an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of Notes if such Notes are:

(a) offered by means of a public offer within the meaning of Article L.411-1 of the French Monetary and Financial Code which is not exempt from the obligation to publish a prospectus or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an equivalent offer means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; and/or

(b) admitted to trading on a French or foreign regulated market or multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider or any other similar foreign entity, and provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; and/or

(c) admitted, at the time of their issue, to the operations of a central depositary or of a securities delivery and payments systems operator within the meaning of Article L.561-2 of the French Monetary and Financial Code, or of one or more similar foreign depositaries or operators, provided that such depositary or operator is not located in a Non-Cooperative State.

Withholding tax on payments to individuals fiscally domiciled in France

Pursuant to Article 125 A I of the French Tax Code (i.e. where the paying agent (*établissement payeur*) is established in France), subject to certain exceptions, interest and similar income received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 12.8 per cent. withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and solidarity levy) are also levied by way of withholding at an aggregate rate of 17.2 per cent. on such interest and similar income paid to individuals who are fiscally domiciled (*domiciliés fiscalement*) in France, subject to certain exceptions.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes (foreign passthru payments) to persons that fail to meet certain certification, reporting, or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including France) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an

IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign pass-through payments are published in the U.S. Federal Register. Holders should consult their own tax advisers regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

THE FOREGOING INFORMATION IS NOT EXHAUSTIVE; IT DOES NOT, IN PARTICULAR, DEAL WITH ALL TYPES OF TAXES OR THE POSITION OF INDIVIDUAL INVESTORS. PROSPECTIVE INVESTORS SHOULD THEREFORE CONSULT THEIR OWN ADVISERS AS TO THE APPLICABLE TAX AND OTHER CONSEQUENCES REGARDING CRS.

SUBSCRIPTION AND SALE

Subscription of the Class A Notes

The Joint Lead Managers, the Managers, the Issuer and the Seller will be parties to the Class A Notes Subscription Agreement. Pursuant to the Class A Notes Subscription Agreement, the Joint Lead Managers and the Managers will undertake, subject to certain conditions, to subscribe severally but not jointly (*sans solidarité*), or to procure subscriptions of, EUR 500,000,000 Class A Notes at an issue price of 100.227 per cent. of the principal amount of each Class A Note and will distribute such Class A Notes to potential investors.

The Seller has agreed to pay each Joint Lead Manager and each Manager a placement commission on the Class A Notes, as agreed between the parties to the Class A Notes Subscription Agreement. The Seller has further agreed to reimburse each of the Joint Lead Managers and each of the Managers for certain of its expenses in connection with the issue of the Class A Notes.

Pursuant to the Class A Notes Subscription Agreement, the Seller and the Issuer have agreed to indemnify the Joint Lead Managers and the Managers, as more specifically described in the Class A Notes Subscription Agreement, for and against certain Losses and liabilities in connection with certain representations in respect of, *inter alia*, the accurateness of certain information contained in this Prospectus.

In the Class A Notes Subscription Agreement, the Issuer has made certain representations and warranties in respect of its legal and financial matters.

Subscription of the Class B Notes

Pursuant to the Class B Notes and Residual Units Subscription Agreement, the Seller as Class B Notes and Residual Units Subscriber will undertake to subscribe the Class B Notes at an issue price of 100 per cent. of the principal amount of each Class B Note and will undertake to retain a material net economic interest of not less than 5 per cent. in the securitisation in accordance with the provisions of the Securitisation Regulation. As at the Issue Date, such interest will comprise an interest in the Class B Notes as required by the Securitisation Regulation. Any change to the manner in which such interest is held will be notified to investors.

Selling Restrictions

General

All applicable laws and regulations must be observed in any jurisdiction in which the Class A Notes may be offered, sold or delivered. Each of the Joint Lead Managers, the Arranger and the Managers has agreed that it will not offer, sell or deliver any of the Class A Notes, directly or indirectly, or distribute this Prospectus or any other offering material relating to the Class A Notes, in or from any jurisdiction except under circumstances that will result in compliance with the applicable laws and regulations thereof and that will not impose any obligations on each of the Joint Lead Managers, the Arranger and the Managers except as set out in the Class A Notes Subscription Agreement.

The Class A Notes sold on the Issue Date may not be purchased by any person except for persons that are not 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. Each purchaser of Class A Notes, including beneficial interests therein, will, by its acquisition of a Class A Note or beneficial interest therein, be deemed, and in certain circumstances (including as a condition to placing an order relating to the Class A Notes), will be required, to have made certain representations and agreements, including that it (1) is not a Risk Retention U.S. Person (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note; and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules.

Notwithstanding the foregoing, the Issuer can, with the prior consent of the Seller, sell a limited portion of the Class A Notes to, or for the account or benefit of, Risk Retention U.S. Persons in accordance with an exemption from the U.S. Risk Retention Rules.

None of the Joint Lead Managers will have any liability for compliance with the U.S. Risk Retention Rules by the Issuer or the Seller or any other person.

United States of America and its Territories

(1) The Notes have not been and will not be registered under the Securities Act or the securities laws or "blue sky" laws of any state or other jurisdiction of the United States and therefore may not be offered or sold within the United States or to, or for the account or benefit of, a U.S. person except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable state securities laws. Accordingly, the Notes are being offered and sold outside the United States to persons other than U.S. persons in accordance with Regulation S under the Securities Act. Each of the Joint Lead Managers, the Arranger and the Managers has represented and agreed that it has not offered or sold the Class A Notes, and will not offer or sell the Class A Notes (i) as part of its distribution at any time or (ii) otherwise until forty (40) calendar days after the later of (a) the date the Class A Notes are first offered to Persons other than distributors in reliance on Regulation S and (b) the Issue Date, except, in either case, only in accordance with Rule 903 of Regulation S under the Securities Act.

Terms used in this section (1) have the meaning given to them in Regulation S under the Securities Act.

(2) Additionally, the Notes offered and sold by the Issuer in the initial distribution may not be purchased by, or for the account or benefit of, any "U.S. person" as defined in the final rules promulgated under Section 15G of the Securities Exchange Act of 1934, as amended (the "**U.S. Risk Retention Rules**" and such persons, "**Risk Retention U.S. Persons**"). Prospective investors should note that the definition of "U.S. person" in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of "U.S. Person" in Regulation S. Each purchaser of the Notes or a beneficial interest therein acquired in the initial syndication of the Notes by its acquisition of the Notes or a beneficial interest therein, will be deemed to have made certain representations and agreements, including that it (1) is not a Risk Retention U.S. Person, (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note or a beneficial interest therein, and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules.

(3) Further, each of the Joint Lead Managers, the Arranger and the Managers has represented and agreed that:

(a) except to the extent permitted under U.S. Treas. Reg. section 1.163-5 (c)(2)(i)(D) (the **TEFRA D Rules**), (i) it has not offered or sold, and during the restricted period will not offer or sell, directly or indirectly, Class A 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 Class A Notes in bearer form that are 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 Class A Notes in bearer form are aware that such Class A 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 was considered a United States person, that it is acquiring the Class A Notes for purposes of resale in connection with their original issuance and agrees that if it retains Class A Notes in bearer form for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. section 1.163-5 (c)(2)(i)(D)(6); and

(d) with respect to each affiliate that acquires from it Notes in bearer form for the purpose of offering or selling such Class A Notes during the restricted period that it will either (i) repeat and confirm the representations and agreements contained in paragraphs (a), (b), and (c) above; or (ii) obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in sub-clauses (a), (b) and (c).

Terms used in this section (2) have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the TEFRA D Rules.

United Kingdom

Each of the Joint Lead Managers, the Arranger and the Managers has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the **FSMA**)) received by it in connection with the issue or sale of any Class A Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Class A Notes in, from or otherwise involving the United Kingdom.

Republic of France

Each of the Joint Lead Managers, the Arranger and the Managers has represented 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 and Articles 211-1 *et seq*. of the General Regulation of the French *Autorité des marchés financiers* (**AMF**);

(b) the Class A 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) pursuant to Article 211-3 of the General Regulation of the AMF, investors in France are informed that the subsequent direct or indirect retransfer of the Class A 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) this Prospectus and any other offering material relating to the Class A 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.

Prohibition on marketing and sales to retail investors

Each of the Joint Lead Managers, the Arranger and the Managers has represented and agreed with the Issuer in respect of the Class A Notes that it has not offered or sold and will not offer or sell the Class A 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 Class A Notes.

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 (EU) 2016/97 (as amended or recast, the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II or (c) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended or superseded, the **Prospectus Regulation**) 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 Class A Notes to be offered so as to enable an investor to decide to purchase or subscribe the Class A Notes.

USE OF PROCEEDS

The EUR 501,135,000 proceeds from the issue of the Class A Notes (together with the EUR 189,700,000 proceeds from the issue of the Class B Notes and the EUR 300 proceeds from the issue of the Residual Units) i.e. the estimated net amount of EUR 690,835,300 will be used to purchase, on the Issue Date, the Portfolio at a Purchase Price of EUR 689,700,074.82 and pay to the Seller the Interest Compensation Fee.

GENERAL ACCOUNTING PRINCIPLES

The account of the Issuer shall be prepared in accordance with the recommendations of the French *Conseil National de la Comptabilité* (National Accounting Board) as set out in its *règlement* n° 2016-02 dated 11 March 2016.

Purchased Receivables and Income

The Purchased Receivables shall be recorded on the Issuer's balance sheet at their nominal value. The potential difference between the purchase price and the nominal value of the Purchased Receivables, whether positive or negative, shall be carried in an adjustment account on the asset side of the balance sheet. This difference shall be carried forward on a *pro rata* basis of the amortisation of the Purchased Receivables.

The interest on the Purchased Receivables shall be recorded in the income statement, *pro rata temporis*. The accrued and overdue interest shall appear on the asset side of the balance sheet in an apportioned receivables account.

Delinquencies or defaults on the Purchased Receivables existing as at their purchase date are recorded in an adjustment account on the asset side of the balance sheet. This amount shall be carried forward on a *pro rata temporis* basis over a period of 12 months.

The Purchased Receivables that are accelerated by the Servicer pursuant to the terms and conditions of the Servicing Agreement and in accordance with the Collection and Credit Policy shall be accounted for as a loss in the account for defaulted assets.

Notes and Income

The Notes shall be recorded at their nominal value and disclosed separately in the liability side of the balance sheet. Any potential differences, whether positive or negative, between the issuance price and the nominal value of the Notes shall be recorded in an adjustment account on the liability side of the balance sheet. These differences shall be carried forward on a *pro rata* basis of the amortisation of the Purchased Receivables.

The interest due with respect to the Notes shall be recorded in the income statement *pro rata temporis*. The accrued and overdue interest shall appear on the liability side of the balance sheet in an apportioned liabilities account.

Expenses, Fees and Income Related to the Operation of the Issuer

The various expenses, fees and income paid to the Custodian, the Management Company, the Servicer, the Paying Agent, the Registrar Agent, the Account Bank, the Data Protection Agent, the Swap Counterparty, the Subordinated Lender, the Arranger, the Joint Lead Managers, the Managers shall be recorded, as expenses, in the accounts *pro rata temporis* over the accounting period.

All costs related to the establishment of the Issuer shall be borne by the Seller.

Swap Agreement

The interest received and paid pursuant to the Swap Agreement shall be recorded at their net value in the income statement. The accrued interest to be paid or to be received shall be recorded in the income statement *pro rata temporis*. The accrued interest to be paid or to be received shall be recorded, with respect to the Swap Agreement, on the liability side of the balance sheet, where applicable, on an apportioned liabilities account (*compte de créances ou de dettes rattachées*).

Placement Fees

The placement fees with respect to the Class A Notes shall be paid by the Seller in accordance with the terms and conditions of the Class A Notes Subscription Agreement.

Cash Deposit

Any cash deposit shall be recorded on the credit of the relevant reserve accounts on the liability side of the balance sheet.

Income

The net income shall be posted to a retained earnings account.

Liquidation Surplus

The liquidation surplus (*boni de liquidation*) shall consist of the income arising from the liquidation of the Issuer and the retained earnings.

Duration of the Accounting Periods

Each accounting period of the Issuer shall be 12 months and shall begin on 1 January and end on 31 December of each calendar year, save for the first accounting period which shall begin on the Issue Date and end on 31 December 2021.

Accounting Information in Relation to the Issuer

The accounting information with respect to the Issuer shall be provided by the Management Company, under the supervision of the Custodian, in its annual report of activity and half-yearly report of activity, pursuant to the applicable accounting standards as set out in the Issuer Regulations.

The accounts of the Issuer are subject to certification by the Statutory Auditor.

GENERAL INFORMATION

1. Subject of this Prospectus

This Prospectus relates to EUR 500,000,000 aggregate principal amount of the Class A Notes issued by Silver Arrow France 2020-1.

2. Litigation

Neither the Issuer is, or has been since its incorporation and during the period covering at least the previous 12 months, nor the Seller is, or – during the period covering at least the previous 12 months – has been, engaged in any governmental, litigation or arbitration proceedings which may have or have had during such period a significant effect on their respective financial position or profitability, and, as far as the Issuer and the Seller are aware, no such litigation or arbitration proceedings are pending or threatened, respectively.

3. Payment information and post-issuance information

The Issuer does not intend to provide any post-issuance transaction information regarding the Class A Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and the performance of the underlying Purchased Receivables, except if required by any applicable laws and regulations.

For as long as the Class A Notes are listed on the official list and are admitted to trading on the regulated market of the Luxembourg Stock Exchange, the Issuer will inform the Luxembourg Stock Exchange of the Class A Interest Amounts, the Interest Periods and the Class A Interest Rates and, if relevant, the payments of principal on the Class A Notes, in each case in the manner described in the Conditions.

Payments and transfers of the Class A Notes will be settled through Clearstream Luxembourg and Euroclear, as described herein. The Notes have been accepted for clearing by Clearstream Luxembourg and Euroclear.

All notices regarding the Class A Notes will either be published in a leading daily newspaper with general circulation in Luxembourg designated by the Luxembourg Stock Exchange (which is expected to be the Luxemburger Wort) or on the website of the Luxembourg Stock Exchange at www.bourse.lu or, when the rules of the Luxembourg Stock Exchange so permit, by delivery to Clearstream Luxembourg and Euroclear.

4. Consent

Under French law, it is not necessary for the Issuer to obtain any consent, approval or authorisation in connection with the issue and performance of the Class A Notes or the Transaction Documents.

5. Miscellaneous

The Issuer will not publish interim accounts. The fiscal year in respect of the Issuer is the calendar year.

6. Listing and admission to trading

Application has been made for the Class A Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and listed on the official list of the Luxembourg Stock Exchange on the Issue Date. The estimated total expenses in relation to the listing and admission to trading are €1,200.

7. Inspection of Documents

During the life of this Prospectus, copies of the following documents may also be inspected during customary business hours at the specified offices of the Management Company:

(a) the audited annual accounts of the Issuer;

(b) the future annual financial statements of the Issuer (interim financial statements will not be prepared);

(c) the Monthly Investor Reports;

(d) all notices given to the Noteholders pursuant to the Conditions; and

(e) this Prospectus and all Transaction Documents referred to in this Prospectus.

The Management Company shall also provide the Custodian Agreement to any Class A Noteholders and any potential investors in the Class A Notes upon request.

The Monthly Investor Report shall include detailed summary statistics and information regarding the performance of the portfolio of the Purchased Receivables and contain a glossary of the terms which can be found in the "Definitions and Interpretation" section of the Prospectus. The first Monthly Investor Report issued by the Issuer shall additionally disclose the amount of Notes (i) privately-placed with investors other than the Seller and its affiliated companies (together, the **Originator Group**), (ii) retained by a member of the Originator Group and (iii) publicly-placed with investors which are not part of the Originator Group. In relation to any amount of Notes initially retained by a member of the Originator Group but subsequently placed with investors outside the Originator Group such circumstance will be disclosed (to the extent legally permitted) in the next Monthly Investor Report following such outplacing.

Furthermore, the Reporting Entity undertakes to make available to the Noteholders on a regular basis and to potential investors upon request, from the Issue Date until the Legal Maturity Date, Loan and Lease Level Data and a cash flow model, as required pursuant to Article 22(3) of the Securitisation Regulation, either directly or indirectly through one or more entities who provide such cash flow models to investors generally.

Furthermore, the Reporting Entity will make available the information required under Article 7(1) of the Securitisation Regulation as set out in "Compliance with the Securitisation Regulation – Compliance with Article 7 of the Securitisation Regulation".

8. ICSDs

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

Clearstream Banking, *société anonyme*, Luxembourg
42, Avenue JF Kennedy
L-1885 Luxembourg
Luxembourg

9. Clearing codes

Class A Notes

ISIN: FR00140003G2

Common code: 224218591

10. Restrictions on transferability

Subject to applicable rules and regulations of Clearstream Luxembourg and Euroclear, the interests in the Class A Notes are freely transferable.

DEFINITIONS AND INTERPRETATION

1. DEFINITIONS

Account Bank means BNP Paribas Securities Services and any successor thereof or any other Person appointed as substitute account bank from time to time in accordance with the Bank Account Agreement.

Account Holders means, with respect to the Class A Notes, any authorised financial intermediary institution entitled to hold accounts on behalf of its customers affiliated with Euroclear and/or, as the case may be, Clearstream Luxembourg.

Adjusted Available Collections means, with respect to any Collection Period and in relation to any Payment Date, all amounts (without double counting) corresponding to any adjustment (positive or negative) of the Collections with respect to any preceding Collection Periods which may be due to, without limitation:

(a) the reallocations of funds received in relation to several Lease Agreements; or

(b) the regularisations following an error or a rounding in the allocation of funds received,

made in accordance with the Credit and Collection Policy.

Administration Expenses means any fees, costs, and expenses to be paid in accordance with schedule 5 of the Issuer Regulations (but excluding the Servicing Fee) and in particular, the fees, costs, and expenses (excluding indemnity payments) payable on each Payment Date with respect to:

(a) the Management Company;

(b) the Account Bank under the Bank Account Agreement (including any negative interest accrued on the outstanding balance of the Issuer Account, as the case may be);

(c) the Custodian;

(d) the Data Protection Agent under the Data Protection Agency Agreement;

(e) the Paying Agent and the Registrar Agent under the Agency and Registrar Agreement;

(f) the Statutory Auditor;

(g) the Rating Agencies; and

(h) such other persons appointed by the Management Company as servicer providers of the Issuer.

Agency and Registrar Agreement means the agency and registrar agreement entered into between the Issuer, the Servicer, the Paying Agent and the Registrar Agent on or about the Signing Date, under which the Issuer has appointed the Paying Agent and the Registrar Agent to act respectively as paying agent and registrar agent with respect to the Transaction.

Aggregate Outstanding Lease Principal Amount means, with respect to the Cut-Off Date and any Determination Date, the aggregate of the Outstanding Lease Principal Amount of all Purchased Lease Receivables which are not Defaulted Receivables on such date (excluding any Re-transfer Amount arising from Purchased Lease Receivables repurchased by the Seller on such date).

Aggregate Outstanding Loan Principal Amount means, with respect to the Cut-Off Date and any Determination Date, the aggregate of the Outstanding Loan Principal Amount of all Purchased Loan Receivables which are not Defaulted Receivables on such date (excluding any Re-transfer Amount arising from Purchased Lease Receivables repurchased by the Seller on such date).

Aggregate Outstanding Note Principal Amount means, with respect to the Issue Date and any subsequent Payment Date, in respect of any Class of Notes, the aggregate of the Outstanding Note Principal Amount of such Class of Notes on such date (taking into account any redemption of principal of such Class of Notes on such date, as applicable).

Aggregate Outstanding Principal Amount means, with respect to the Cut-Off Date and any Determination Date, the sum of:

(a) the Aggregate Outstanding Loan Principal Amount with respect to such date; and

(b) the Aggregate Outstanding Lease Principal Amount with respect to such date.

AMF means the Autorité des Marchés Financiers.

AMF General Regulation means the Règlement Général (general regulations) of the AMF.

Ancillary Rights means, in respect of any Receivable:

(a) the right to serve notice to pay or repay, to recover and/or to grant a discharge in respect of the whole or part of the amounts due or to become due in connection with such Receivable from the relevant Obligor (or from any other person having granted any Related Security);

(b) the benefit of any and all undertakings assumed by the relevant Obligor (or by any other person having granted any Related Security) in connection with such Receivable;

(c) the benefit of any and all actions against the relevant Obligor (or against any other person having granted any Related Security) in connection with such Receivable;

(d) the benefit of any Related Security attached or related to, whether by operation of law or on the basis of the relevant Contractual Documents or otherwise, such Receivable; and

(e) any right present or future indemnification payable to the Seller under any insurance policy relating to the relevant Financed Vehicle or Leased Vehicle, as the case may be (but excluding for the avoidance of doubt any amount paid to any third party following a personal direct damage affecting such party).

Arranger means Société Générale.

Available Distribution Amount means, with respect to any Payment Date, the sum of:

(a) the Collections paid by the Obligors during the immediately preceding Collection Period;

(b) any Re-transfer Amount payable by the Seller on such Payment Date;

(c) the amount standing to the credit of the General Reserve Ledger;

(d) the Net Swap Receipts payable by the Swap Counterparty to the Issuer on such Payment Date;

(e) the amount standing to the credit of the Commingling Reserve Ledger upon the occurrence and the continuance of a Commingling Reserve Trigger Event and until a substitute servicer is appointed, to the extent necessary to cover any Servicer Shortfall;

(f) any Compensation Payment Obligation paid to the Issuer, including any amount debited by the Management Company from the Performance Reserve Ledger on that Payment Date in accordance with the Receivables Purchase Agreement, in the event of a breach by the Seller of its obligation to pay any Compensation Payment Obligation;

(g) any indemnity payments paid by the Seller or the Servicer during the immediately preceding Collection Period; and

(h) any other amount standing to the credit of the Operating Ledger (including any amount of interest accrued during the relevant Interest Period, as the case may be).

Bank Account Agreement means the bank account agreement entered into between the Management Company and the Account Bank on or about the Signing Date, pursuant to which the Issuer has appointed the Account Bank to establish and operate the Issuer Account under the Transaction Documents.

Borrower means, in respect of a Loan Receivable, the Person that is either a retail customer (being an individual acting for private purposes) or a commercial customer (being a private individual or a small business company or an individual acting for professional purposes) to whom the Seller has granted an auto loan on the terms of the relevant Loan Agreement in relation to a Financed Vehicle purchased by such Person.

Business Day means any day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are generally open for business in Paris, Frankfurt, London, Luxembourg, Stuttgart and Stockholm and on which the TARGET2 is open for settlement of payments in euros.

Business Day Convention means that if any due date specified in a Transaction Document for performing a certain task (in particular, payments of any amounts) is not a Business Day, such task shall be performed (a payment shall be made) on the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such task shall be performed on the immediately preceding Business Day (*Modified Following Business Day Convention*).

Calculation Date means in relation to each Collection Period the 2nd Business Day preceding the relevant Payment Date.

Capital Requirements Regulations means Regulation (EU) n° 575/2013 of the European Parliament and the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms amending the Regulation (EU) n° 648/2012, as amended.

Class A Interest Amount means, with respect to each Payment Date and any Class A Noteholder, the product of (i) the Outstanding Note Principal Amount of the Class A Notes on the immediately preceding Payment Date and (ii) the Class A Interest Rate and (iii) the Day Count Fraction, rounded to the nearest cent and multiplied by the number of Class A Notes held by such Class A Noteholder.

Class A Interest Rate means EURIBOR plus 0.70 per cent. *per annum*.

Class A Noteholder means each holder of Class A Notes.

Class A Notes means the floating rate class A notes which are issued on the Issue Date in an initial Aggregate Outstanding Note Principal Amount of EUR 500,000,000 and divided into 5,000 Class A Notes, each having an initial Outstanding Note Principal Amount of EUR 100,000.

Class A Notes Subscription Agreement means the agreement entered into on or about the Signing Date between the Issuer, the Joint Lead Managers, the Managers and the Seller, pursuant to which the Joint Lead Managers have undertaken, subject to certain customary closing conditions, to subscribe the Class A Notes for placement and distribution to certain investors.

Class A Principal Redemption Amount means, with respect to each Payment Date prior to the issuance of an Enforcement Notice the lower of:

(a) an amount equal to the Aggregate Outstanding Note Principal Amount of the Class A Notes on the immediately preceding Payment Date (or in case of the first Payment Date, the Issue Date); and

(b) the Required Principal Redemption Amount on such Payment Date.

Class B Interest Amount means, with respect to each Payment Date and the Class B Noteholder, the product of (a) the Outstanding Note Principal Amount of the Class B Notes on the immediately preceding Payment Date and (b) the Class B Interest Rate and (c) the Day Count Fraction, rounded to the nearest cent and multiplied by the number of Class B Notes held by the Class B Noteholder.

Class B Interest Rate means 2.00 per cent. *per annum*.

Class B Noteholder means each holder of Class B Notes.

Class B Notes means the fixed rate class B notes which are issued on the Issue Date in an initial Aggregate Outstanding Note Principal Amount of EUR 189,700,000 and divided into 1,897 Class B Notes, each having an initial Outstanding Note Principal Amount of EUR 100,000.

Class B Notes and Residual Units Subscriber means the Seller.

Class B Notes and Residual Units Subscription Agreement means the agreement entered into on or about the Signing Date between the Issuer and the Class B Notes and Residual Units Subscriber, pursuant to which the Seller has undertaken to subscribe the Class B Notes and the Residual Units.

Class B Principal Redemption Amount means, with respect to each Payment Date prior to the issuance of an Enforcement Notice the lower of:

(a) an amount equal to the Aggregate Outstanding Note Principal Amount of the Class B Notes on the preceding Payment Date (or in case of the first Payment Date, the Issue Date); and

(b) the difference of:

  (i) the Required Principal Redemption Amount on such Payment Date; and

  (ii) the Class A Principal Redemption Amount on such Payment Date.

Class of Notes means each of the Class A Notes and the Class B Notes.

Clean-Up Call means the Seller's right to exercise a clean-up call when the Clean-Up Call Conditions are satisfied.

Clean-Up Call Conditions means, on any Payment Date on any Payment Date on which (a) the Aggregate Outstanding Principal Amount is reduced to less than ten (10) per cent. of the Aggregate Outstanding Principal Amount at the Cut-Off Date or (b) the Class A Notes are fully redeemed, the right of the Seller to acquire all outstanding Purchased Receivables (together with any related Ancillary Rights) against payment of the Re-transfer Amount subject to the following requirements:

(a) the Re-transfer Amount should, together with funds credited to the General Reserve Ledger and to the Operating Ledger be at least equal to the sum of (x) the aggregate Outstanding Note Principal Amount of all Class A Notes plus (y) accrued interest thereon plus (z) all claims of any creditors of the Issuer ranking prior to the claims of the Class A Noteholders according to the applicable Priority of Payments; and

(b) the Seller shall have notified the Issuer of its intention to exercise the Clean-Up Call at least ten (10) days prior to the contemplated settlement date of the Clean-Up Call, in accordance with, and subject to, the provisions of the Receivables Purchase Agreement.

Clearing Systems means Clearstream, Luxembourg and Euroclear.

Clearstream, Luxembourg means the Clearstream clearance system for internationally traded securities operated by Clearstream Banking, *société anonyme*, and any successor thereto.

Collection Period means each period:

(a) from but excluding the Cut-Off Date to and including the first Determination Date; and

(b) thereafter, from but excluding a Determination Date to and including the immediately following Determination Date.

Collections means, for each Collection Period, with respect to any Purchased Receivables, any amounts, proceeds or financial benefits received under or in connection with such Purchased Receivables and the related Ancillary Rights, excluding, for the avoidance of doubt, any Excluded Amounts paid by any Obligor, but including, without limitation:

(a) all collections in respect of the Purchased Loan Receivables, including, but without limitation, the Loan Interest Collections, the Loan Principal Collections, that have been paid by the Borrowers or any other Obligors;

(b) in respect of the Purchased Lease Receivables, including, but without limitation:

  (i) all the collections in respect of the Lease Instalments that have been paid by the Lessees;

  (ii) all the collections in respect of the Late Return Indemnity Receivables that have been paid by the Lessees;

  (iii) all the collections in respect of the Returned Vehicle Expense Receivables that have been paid by the Lessees;

  (iv) all the collections in respect of the Vehicle Sale Receivables that have been paid by any Obligors or third parties together, if the Servicer is not Mercedes-Benz Financial Services France, with any early termination payments that have been paid by the Lessees;

  (v) all the collections in respect of the Dealer Vehicle Buy Back Receivables that have been paid by the Dealers;

(vi) all the collections in respect of the Manufacturer Vehicle Buy Back Receivables that have been paid by the Manufacturer;

(vii) all the collections in respect of the Lessee Vehicle Purchase Option Receivables that have been paid by the Lessees; and

(viii) all the collections in respect of the Redelivery Receivables that have been paid by the Lessees,

(c) all the Recovery Collections;

(d) all the Deemed Collections, if any, payable by the Servicer or the Seller, as applicable;

(e) any other proceeds received further to the enforcement of the Leased Vehicles Pledge Agreement; and

(f) plus or minus, as the case may be any Adjusted Available Collections.

Commingling Reserve means any amount paid by the Servicer to the Issuer from time to time as security for the full and timely payment of all the financial obligations of the Servicer towards the Issuer under clause 6 of the Servicing Agreement and credited into the Commingling Reserve Ledger.

Commingling Reserve Ledger means the ledger to be opened, maintained and operated by the Management Company in accordance with the Issuer Regulations, the Servicing Agreement and the Bank Account Agreement to register the amounts paid in respect of the Commingling Reserve.

Commingling Reserve Required Amount means:

(a) with respect to any Payment Date following the occurrence of a Commingling Reserve Trigger Event and as long as such Commingling Reserve Trigger Event is continuing, an amount equal to the product of:

(i) 1.25; and

(ii) the sum of:

(A) the amount of instalments scheduled to be received during the next Collection Period; and

(B) the product of (x) the Aggregate Outstanding Principal Amount on the preceding Determination Date and (y) 12 per cent./12,

(b) otherwise, zero.

Commingling Reserve Trigger Event means, as long as the Seller is acting as Servicer, the occurrence of any of the following events:

(a) the long-term unsecured, unsubordinated and unguaranteed debt obligations of Daimler AG are assigned a rating lower than BBB(low) by DBRS; or

(b) the long-term unsecured, unsubordinated and unguaranteed debt obligations of Daimler AG are assigned a rating lower than Baa2 by Moody's; or

(c) Daimler AG ceases to own, directly or indirectly, at least 100% of the share capital of Mercedes-Benz Financial Services France,

provided that, notwithstanding the above, a Commingling Reserve Trigger Event shall cease:

(i) upon all Obligors having redirected their payments directly to the Operating Ledger or any other of the account of the Issuer, as designated by the Management Company; and

(ii) subject to the express confirmation from the Rating Agencies that the then current ratings of the Class A Notes will not be downgraded.

Common Safekeeper means the entity appointed by the ICSDs to provide safekeeping for the Class A Notes.

Compensation Payment Obligation means, in respect of each Lease Agreement, any financial obligation of the Seller to indemnify the Issuer as set out in clause 14 of the Receivables Purchase Agreement in case of breach by the Seller of the Seller Performance Undertakings, by:

(a) in respect of any performing Lease Agreement, paying to the Issuer an amount equal to the Outstanding Lease Principal Amount of the relevant Lease Series of Receivable (plus any arrears amount and accrued interests and minus overpayments); and

(b) in respect of any defaulted Lease Agreement, paying to the Issuer an amount equal to the fair market value of the relevant Lease Series of Receivable as determined in good faith by the Servicer and accepted by the Management Company.

Conditions means the terms and conditions of the Notes as set out in the Section entitled “Terms and Conditions of the Notes”.

Contractual Documents means with respect to any Purchased Receivable and, in respect of any Receivable arising from a Lease Agreement, the related Lease Series of Receivables, any document or contract between the Seller and the relevant Obligor, from which that Purchased Receivable arises, including the relevant Lease Agreement, Loan Agreement, Dealer Vehicle Buy Back Agreement and documents relating to any Related Security, negotiable instruments issued in respect of any such Purchased Receivable as the case may be, and general or particular terms and conditions.

Contractual Residual Value means, in respect of a Lease Agreement, the contractual residual value of each Leased Vehicle as set out, from time to time, in the relevant Lease Agreement.

Credit and Collection Policy means the policies, practices and procedures of the Servicer relating to the origination and collection of the Purchased Receivables, the current version of which is attached to the Servicing Agreement, as modified from time to time in accordance with the Servicing Agreement.

Credit Support Annex means the credit support annex to the ISDA Master Agreement executed in accordance with the provisions of the Swap Agreement.

Custodian means BNP Paribas Securities Services, any successor thereof or any other Person appointed as substitute custodian from time to time in accordance with the Issuer Regulations.

Custodian Agreement means the framework agreement named "*Convention Dépositaire*" entered into between Eurotitrisation and BNP Paribas Securities Services on 25 March 2020 setting out the contractual terms and conditions of the mission of BNP Paribas Securities Services when appointed as custodian of the *organismes de titrisation* (securitisation vehicles) governed by Articles L. 214-166-1 *et seq.* of the French Monetary and Financial Code managed by Eurotitrisation as management company, together with the acceptance letter signed by the Custodian pursuant to which the Custodian has accepted to act as Custodian.

Cut-Off Date means 30 September 2020.

Data Protection Agency Agreement means the data protection agency agreement entered into between the Seller, the Servicer, the Data Protection Agent and the Management Company on or about the Signing Date, according to which the Seller will deliver to the Data Protection Agent the Decryption Key relating to certain encrypted Portfolio Information received by the Issuer from the Seller under the Receivables Purchase Agreement.

Data Protection Agent means BNP Paribas Securities Services, any successor thereof or any other Person appointed as substitute data protection agent from time to time in accordance with the Data Protection Agency Agreement.

Day Count Fraction means in respect of an Interest Period, the actual number of days in such Interest Period divided by 360.

DBRS means DBRS Ratings Limited and any successor to its rating business.

DBRS Critical Obligations Rating means, in relation to a relevant entity, the rating assigned by DBRS 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 a COR assigned by DBRS to the relevant entity is public, it will be indicated on the website of DBRS (www.dbrs.com).

DBRS Equivalent Chart means:

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

DBRS Equivalent Rating means with respect to any issuer rating or senior unsecured debt rating (or other rating equivalent), (i) if a Fitch public rating, a Moody's public rating and an S&P public rating are all available, (a) the remaining rating (upon conversion on the basis of the DBRS Equivalent Chart) once the highest and the lowest rating have been excluded or (b) in the case of two or more same

ratings, any of such ratings (upon conversion on the basis of the DBRS Equivalent Chart); (ii) if the DBRS Equivalent Rating cannot be determined under paragraph (i) above, but public ratings by any two of Fitch, Moody's and S&P are available, the lower rating available (upon conversion on the basis of the DBRS Equivalent Chart); and (iii) if the DBRS Equivalent Rating cannot be determined under paragraph (i) or paragraph (ii) above, and therefore only a public rating by one of Fitch, Moody's and S&P is available, such rating will be the DBRS Equivalent Rating (upon conversion on the basis of the DBRS Equivalent Chart).

Dealer means a dealer or a vendor of Vehicles.

Dealer Vehicle Buy Back Agreement means any agreement entered into (whether or not in writing) between the Seller and a Dealer, which may form part of a Lease Agreement, pursuant to which such Dealer undertakes to buy the relevant Leased Vehicle, whether following (a) the return of the relevant Leased Vehicle by the Seller at the end of such Lease Agreement or (b) any other circumstances (in all cases, without prejudice to the undertakings of the Seller or the Servicer under the Transaction Documents).

Dealer Vehicle Buy Back Receivable means, with respect to any Leased Vehicle and the corresponding Lease Agreement, any amount payable by a Dealer to the Seller following the sale or transfer of such Leased Vehicle by the Seller to that Dealer in accordance with the relevant Dealer Vehicle Buy Back Agreement (but excluding any Excluded Amounts).

Decryption Key means a password allowing in the circumstances specified in the Data Protection Agency Agreement, to decrypt certain encrypted Portfolio Information relating to the Purchased Receivables.

Deemed Collections means, in respect of any Purchased Receivable which is affected by any of the following events during any Collection Period:

(a) such Purchased Receivable remains unpaid after its due date solely as a result of a breach of the Servicer's obligations under the Servicing Agreement and the Credit and Collection Policy (for as long as the Seller is acting as Servicer);

(b) the amount of such Purchased Receivable is reduced or the corresponding Loan Agreement or Lease Agreement has been modified or terminated, in breach of the provisions of the Servicing Agreement and/or other than in accordance with the Credit and Collection Policy;

(c) the amount of such Purchased Receivable is reduced or the corresponding Loan Agreement or Lease Agreement has been declared void (*caduc*) as a result of the termination, cancellation, rescission or invalidity of (i) the original purchase agreement pursuant to which the Seller has purchased the relevant Leased Vehicle or the relevant Borrower has purchased the relevant Financed Vehicle, as applicable, or (ii) of the insurance policy and/or of the related maintenance or service contracts;

(d) the amount of such Purchased Receivable is reduced or another amount payable in connection with such Purchased Receivable is reduced as a result of (x) the exercise of any set-off right against the Seller due to a counterclaim of such Obligor or any set-off or equivalent action against the relevant Obligor by the Seller or (y) any discount or other credit in favour of such Obligor, in each case as of the date of such reduction for such Purchased Receivable; or

(e) such Purchased Receivable has been identified by the Servicer as a Redelivery Receivable,

to the extent that such event does not result from the relevant Lessee(s) or Borrower(s) being Insolvent or subject to any Insolvency Proceedings, an amount to be paid by the Servicer (or, if the Seller is no longer acting as Servicer, the Seller) to the Issuer equal to:

(i) in respect of a Loan Receivable, the then Outstanding Loan Principal Amount of such Loan Receivable as of the Determination Date immediately preceding such Collection Period (plus any arrears amount and accrued interests and minus overpayments);

(ii) in respect of a Lease Receivable, the Outstanding Lease Principal Amount as of the Determination Date immediately preceding such Collection Period (or in the case of paragraph (d) above, the amount of the relevant reduction) of such Lease Receivables (plus any arrears amount and accrued interests and minus overpayments);

(iii) in respect of any other Receivable, the outstanding amount of such Receivable as of the Determination Date immediately preceding such Collection Period (plus any arrears amount and accrued interests and minus overpayments); or

(iv) in respect of a Redelivery Receivable, the RV Deficit Amount.

Defaulted Receivable means any Purchased Receivable in respect of which:

(a) the relevant Obligor has six (6) or more (not necessarily consecutive) instalments in arrears; or

(b) the Purchased Receivable has been declared defaulted in accordance with the Credit and Collection Policy.

Determination Date means the last calendar day of each calendar month. The first Determination Date will be 30 November 2020.

EC Treaty means the Treaty on the Functioning of the European Union, originally named Treaty establishing the European Economic Community (signed in Rome on 25 March, 1957), as amended by the Treaty on the European Union (signed in Maastricht on 7 February, 1992), as amended by the Treaty of Amsterdam (signed in Amsterdam on 2 November, 1997), as amended by the Treaty of Nice (signed in Nice on 26 February, 2001), as amended by the Treaty of Lisbon (signed in Lisbon on 13 December 2007).

Eligibility Criteria means:

(a) with respect to the Loan Receivables, the Loan Receivables Eligibility Criteria; and

(b) with respect to the Lease Series of Receivables, the Lease Series of Receivables Eligibility Criteria.

Eligible Bank means a credit institution duly licensed therefore under the laws and regulations of France or of any other Member State of the European Economic Area (*Espace Economique Européen*) which has the Required Ratings applicable to the Account Bank.

Eligible Receivable means a Receivable that complies with the relevant Eligibility Criteria on the Cut-Off Date.

Eligible Swap Counterparty means with respect to the Swap Counterparty or any guarantor of the Swap Counterparty, respectively, any entity

(a) the long-term unsecured, unguaranteed and unsubordinated debt obligations of which are rated by DBRS, or the DBRS Critical Obligations Rating of which is, at least (i) "A" or (ii) "BBB" and which posts collateral in the amount and manner set forth in the Swap Agreement; or which obtains a guarantee from a person the long-term unsecured, unguaranteed and unsubordinated debt obligations of which have the ratings set forth in paragraph (i) or (ii)

above and, in the case of a rating required pursuant to (ii), posts collateral in the amount and manner set forth in the Swap Agreement; or in each case, if the relevant entity's long-term unsecured, unguaranteed and unsubordinated debt obligations are not rated by DBRS, such debt obligations have at least a DBRS Equivalent Rating corresponding to the ratings required pursuant to paragraph (i) or (ii) above, respectively; and

(b) having counterparty risk assessment of (i) "A3" or above by Moody's or (ii) "Baa3" or above by Moody's and which either posts collateral in the amount and manner set forth in the Swap Agreement or obtains a guarantee from a person having the ratings set forth in set forth in paragraph (i) above.

Enforcement Event means any of the following events:

(a) the occurrence of an Issuer Event of Default; or

(b) the decision of the Management Company to liquidate the Issuer following the occurrence of an Issuer Liquidation Event.

Enforcement Notice means the written notice served or to be served by the Management Company on the Noteholders and on the Transaction Parties upon the occurrence of an Issuer Event of Default and of an Issuer Liquidation Event, with a copy to the Rating Agencies.

EUR or **Euro** means the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the EC Treaty.

EURIBOR (Euro Interbank Offered Rate) means:

(a) for any Interest Period commencing on the first Payment Date and thereafter, the rate for deposits in Euro for a period of one month, such reference rate shown on the second Business Day prior to the first day of the relevant Interest Period (the Interest Determination Date) at approximately 11.00 a.m. (Brussels time) on Reuters 3000 page EURIBOR01; and

(b) for the Interest Period commencing on (and including) the Issue Date and ending on (but excluding) the first Payment Date, a linear interpolation between the rate for deposits in Euro for a period of one month and the rate for deposits in Euro for a period of two months which appear as aforesaid.

Euroclear means Euroclear Bank S.A./N.V. as operator of the Euroclear System and any successor thereto.

Excluded Amounts means, in relation to any amount payable by an Obligor in respect of a Financed Vehicle or a Leased Vehicle, any applicable portion of VAT, Taxes, insurance premiums and any amounts payable under any maintenance and service contracts relating to such Vehicle.

Final Success Fee means, with respect to any Payment Date:

(a) with respect to the Pre-enforcement Priority of Payments, the remaining amount of the Available Distribution Amount after payment of the amounts under items (a) *first* to (l) *twelfth* on such Payment *Date;* and

(b) with respect to the Post-enforcement Priority of Payments, the remaining amount of the Available Distribution Amount after payment of the amounts under items (a) *first* to (l) *twelfth* on such Payment Date.

Financed Vehicle means any Vehicle the purchase of which by the relevant Borrower has been financed pursuant to a Loan Agreement.

Fitch means Fitch Deutschland GmbH and any successor to its rating business.

French Civil Code means the *Code civil*.

French Commercial Code means the *Code de commerce*.

French Consumer Code means the *Code de la consommation*.

French Monetary and Financial Code means the *Code monétaire et financier*.

General Reserve means the amount standing from time to time to the credit of the General Reserve Ledger.

General Reserve Ledger means the ledger to be opened, maintained and operated by the Management Company in accordance with the Issuer Regulations, the Subordinated Loan Agreement and the Bank Account Agreement to register the amounts paid in respect of the Subordinated Loan.

General Reserve Required Amount means, with respect to any Payment Date:

(a) on the Issue Date and on any Calculation Date before the occurrence of an Enforcement Event and as long as the Aggregate Outstanding Principal Amount is higher than zero on the Determination Date immediately preceding such Payment Date, EUR 3,450,000; and

(b) otherwise, zero.

ICSD or **International Central Securities Depositary** means Clearstream Luxembourg or Euroclear, and ICSDs means both Clearstream Luxembourg and Euroclear collectively.

Insolvency Event means, with respect to any Person, any of the following events:

(a) such person is in a state of *cessation des paiements* within the meaning of Article L. 613-26 of the French Monetary and Financial Code or, as applicable, Article L. 631-1 of the French Commercial Code or any other equivalent provision under any applicable law;

(b) such Person is facing financial difficulties which it cannot overcome ("*justifie de difficultés qu'il n'est pas en mesure de surmonter*") within the meaning of Article L. 620-1 of the French Commercial Code;

(c) such person admits in writing to its inability to pay its debts as they fall due;

(d) such person commences negotiations by reason of financial difficulties with one or more creditors of such person with a view, to deferring payment of, or reducing the amount of, any material indebtedness of such person; or

(e) such person is subject to Insolvency Proceedings.

Insolvency Proceedings means, with respect to any Person, any of the following events:

(a) (1) conciliation proceedings or appointment of a receiver (*procédure de conciliation or mandat ad hoc*) further to financial difficulties; (2) safeguard proceeding (*procédure de sauvegarde, procedure de sauvegarde accélérée* or *procédure de sauvegarde financière accélérée*); (3) recovery or liquidation proceedings (*procédure de redressement ou de*

liquidation judiciaire); (4) *procédure de résolution* (within the meaning of Article L. 613-31-16 of the French Monetary and Financial Code);

(b) any person presents a petition for the opening of any of the proceedings referred to in paragraph (a) above unless, in the opinion of the Management Company (which may obtain an advice from a lawyer

(c) selected by it) such proceedings are being disputed in good faith with a reasonable prospect of success;

(d) the appointment of an insolvency administrator, examiner or a liquidator, receiver, administrator, administrative receiver, judicial manager, compulsory manager or other equivalent officer in respect of such person or its assets (in whole or in part);

(e) the forced dissolution or the winding-up of such person; or

(f) in any jurisdiction other than France, any proceeding under the laws of that jurisdiction analogous to any of the proceedings referred in paragraphs (a) to (d) above.

Insolvent means with respect to any Person, that such Person is subject to an Insolvency Event.

Interest Compensation Fee means the amount in Euros equal to the difference between the aggregate issue price of the Class A Notes exceeding 100% of the Aggregate Outstanding Note Principal Amount of the Class A Notes on the Issue Date.

Interest Determination Date means the second (2nd) Business Day prior to the first day of the relevant Interest Period.

Interest Period means in respect of the first Payment Date, the period commencing on (and including) the Issue Date and ending on (but excluding) such the Payment Date, and, in respect of any subsequent Payment Date, the period commencing on (and including) the immediately preceding Payment Date and ending on (but excluding) such Payment Date.

ISDA Master Agreement means the ISDA 2002 Master Agreement (including the schedule and the Credit Support Annex thereto) dated on or about the Signing Date and made between the Issuer and the Swap Counterparty.

Issue Date means 12 November 2020.

Issuer means Silver Arrow France 2020-1, a French *fonds commun de titrisation* established on the Issue Date by the Management Company in accordance with the Issuer Regulations.

Issuer Account means a bank account opened on or before the Signing Date with the Account Bank in the name of the Issuer (with account details as set out in schedule 10 to the Master Definitions and Framework Agreement) or any other account as designed in writing by the Management Company to the Seller and the Servicer, into which all amounts payable to the Issuer pursuant to the Transaction Documents shall be credited.

Issuer Event of Default means any of the following events:

(a) subject to the Available Distribution Amount and in accordance with the Pre-enforcement Priority of Payments, a default occurs in the payment of interest of the Class A Notes on any Payment Date (and such default is not remedied within two (2) Business Days of its occurrence); or

(b) the Issuer fails to perform or observe any of its other material obligations under the Conditions or the Transaction Documents (other than the Class B Notes and the Subordinated Loan) and such failure continues for a period of thirty (30) days following written notice from the Seller.

Issuer Ledger means any of the following ledgers of the Issuer Account:

(a) the Operating Ledger;

(b) the General Reserve Ledger;

(c) the Commingling Reserve Ledger;

(d) the Performance Reserve Ledger; or

(e) the Swap Collateral Ledger.

Issuer Liquidation Date means the earlier of the following dates to occur:

(a) the date on which the Management Company liquidates the Issuer following the occurrence of an Issuer Liquidation Event in accordance with the provisions of Article L. 214-186 of the French Monetary and Financial Code; and

(b) the date on which the Management Company liquidates the Issuer within six (6) months following the full extinction of the last Purchased Receivables held by the Issuer,

in accordance with the relevant provisions of the Issuer Regulations.

Issuer Liquidation Event means any of the following events:

(a) the liquidation is in the interest of the Noteholders and the Residual Unitholders;

(b) the Notes and the Residual Units issued by the Issuer are held by a single holder and such holder requests the liquidation of the Issuer;

(c) the Notes and the Residual Units issued by the Issuer are held solely by the Seller and the Seller requests the liquidation of the Issuer;

(d) at any time, the Aggregate Outstanding Principal Amount of the Purchased Receivables which are still Performing Receivables held by the Issuer which are unmatured (*non échues*) is lower than ten (10) per cent. of the Aggregate Outstanding Principal Amount of the Purchased Receivables which are unmatured (*non échues*) as of the Cut-Off Date and the Management Company receives a request in writing by the Class A Noteholders, acting unanimously, to liquidate the Issuer; or

(e) by reason of a change in or amendment to tax law (or regulation or the application or official interpretation thereof), which change becomes effective on or after the Issue Date, on the next Payment Date, the Issuer or the Paying Agent has or will become obliged to deduct or withhold from any payment of principal interest on any Class of Notes any amount for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the French Republic, and the Management Company receives a request in writing by the Class A Noteholders, acting unanimously to liquidate the Issuer.

Issuer Regulations means the regulations (*règlement*) of the Issuer dated on or about the Signing Date, which relate to the creation and operations of the Issuer.

Joint Lead Managers means Société Générale and Citigroup Global Markets Europe AG.

Late Return Indemnity Receivables means, with respect to any Leased Vehicle and the corresponding Lease Agreement, any amount payable by the Lessee to the Seller in the event of delay in returning such Leased Vehicle following the termination of such Lease Agreement (but excluding any Excluded Amounts).

Lease Agreement means any lease agreement (including, without limitation, the general terms and conditions of the Seller) entered into between the Seller and a Lessee in respect of the long-term lease with purchase option (*location avec option d'achat*) of a Vehicle.

Lease Instalment means, with respect to any Leased Vehicle and the corresponding Lease Agreement, any lease instalment payable by the relevant Lessee(s) to the Seller (but excluding any Excluded Amounts).

Lease Receivable means, with respect to any Leased Vehicle and the corresponding Lease Agreement, any Lease Instalment arising therefrom payable by the relevant Lessee to the Seller (including any indemnities and fees (including any late fees) but excluding any Excluded Amounts).

Lease Series of Receivable means, with respect to any Leased Vehicle and the corresponding Lease Agreement:

(a) the Lease Receivables;

(b) the Late Return Indemnity Receivables;

(c) the Returned Vehicle Expense Receivables;

(d) the Vehicle Sale Receivables;

(e) the Dealer Vehicle Buy Back Receivables;

(f) the Manufacturer Vehicle Buy Back Receivables;

(g) the Lessee Vehicle Purchase Option Receivables; and

(h) the Redelivery Receivables,

either present or future, which are due or may become due and payable to the Seller in relation to that Leased Vehicle.

Lease Series of Receivables Eligibility Criteria has the meaning given to that term in the Section entitled "Description of the Portfolio – Lease Series of Receivables – Lease Series of Receivables Eligibility Criteria".

Leased Vehicles Pledge Agreement means the pledge agreement entered into between the Seller as pledgor and the Issuer on or about the Signing Date, pursuant to which the Seller has undertaken to pledge all the Leased Vehicles relating to the Purchased Lease Receivables in favour of the Issuer.

Leased Vehicle means any Vehicle leased by a Lessee pursuant to a Lease Agreement.

Legal Maturity Date means the Payment Date falling in 20 November 2030.

Lessee means, in respect of a Lease Receivable, a Person that is either a retail customer (being an individual acting for private purposes) or a commercial customer (being a private individual or a small

business company or an individual acting for professional purposes), leasing a Vehicle under a Lease Agreement.

Lessee Vehicle Purchase Option Receivable means, in respect of a Leased Vehicle, any amount payable by a Lessee to the Seller following the exercise of the purchase option by the relevant Lessee and the sale or transfer of such Leased Vehicle by the Seller to that Lessee in accordance with the related Lease Agreement (but excluding any Excluded Amounts).

Loan Agreement means a loan agreement (including, without limitation, the general terms and conditions of the Seller) entered into between the Seller and a Borrower to finance the acquisition of a Vehicle.

Loan and Lease Level Data has the meaning given to that term in the Section entitled "Compliance with the Securitisation Regulation – Compliance with Article 7 of the Securitisation Regulation".

Loan Interest Collections means, in respect of any Collection Period, the sum of all Collections under the Purchased Loan Receivables which are Performing Receivables which have been paid during such Collection Period, excluding (a) the Loan Principal Collections and (b) the Recovery Collections relating to such Collection Period.

Loan Principal Collections means, in respect of any Collection Period, the sum of (a) all collections of principal under the Performing Loan Receivables that have been paid during such Collection Period, and (b) all collections of principal under the Performing Loan Receivables that have been prepaid during such Collection Period, excluding the Recovery Collections relating to such Collection Period.

Loan Receivable means any auto loan claims by the Seller for the payment of principal and interest under a Loan Agreement (including any prepayment and early settlement amounts, indemnities and fees (including any late fees) but excluding any Excluded Amounts).

Loan Receivables Eligibility Criteria has the meaning given to that term in the Section entitled "Description of the Portfolio – Loan Receivables – Loan Receivables Eligibility Criteria".

Loss means, in respect of any Person, any loss, liability, cost, expense, claim, action, suit, judgment, and out-of-pocket costs and expenses (including, without limitation, fees and expenses of any professional adviser to such Person) which such Person may have incurred or which may be made against such Person and any reasonable costs of investigation and defence.

Luxembourg means the Grand Duchy of Luxembourg.

Luxembourg Stock Exchange means Société de la Bourse de Luxembourg.

Management Company means Eurotitrisation, acting in its capacity as management company of the Issuer pursuant to the Issuer Regulations and any successor thereof or any other Person appointed as substitute management company from time to time in accordance with the Issuer Regulations.

Managers means Skandinaviska Enskilda Banken AB (publ) and UniCredit Bank AG.

Manufacturer means Mercedes-Benz France, a *société par actions simplifiée* incorporated under, and governed by, the laws of France, whose registered office is at 7, avenue Niépce, 78180 Montigny-le-Bretonneux, France, registered with the Trade and Companies Register of Versailles (France) under number 622 044 287.

Manufacturer Vehicle Buy Back Agreement means any global partnership agreement entered into from time to time between the Seller and the Manufacturer (as amended, restated and/or supplemented from time to time) pursuant to which, *inter alia*, the Manufacturer undertakes to buy the relevant

Leased Vehicle, following the return of the relevant Leased Vehicle by the Seller in case no Dealer Vehicle Buy Back Agreement has been entered into between the Seller and the relevant Dealer in respect of such Leased Vehicle).

Manufacturer Vehicle Buy Back Receivable means, with respect to any Leased Vehicle and the corresponding Lease Agreement, any amount payable by the Manufacturer to the Seller following the sale or transfer of such Leased Vehicle by the Seller to the Manufacturer in accordance with the related Manufacturer Vehicle Buy Back Agreement (but excluding any Excluded Amounts).

Master Definitions and Framework Agreement means the master definitions and framework agreement entered into on or about the Signing Date between, *inter alios*, the Seller, the Servicer, the Management Company, the Custodian and the Account Bank, setting out, in particular, the common terms, definitions and principles of interpretation applicable to all Transaction Documents.

Material Adverse Effect means in relation to any Person, any effect which results in, or could reasonably be expected to result in, such Person being Insolvent or otherwise hinders or could reasonably be expected to hinder not only temporarily, the performance of such Person's obligations under any of the Transaction Documents as and when due.

MBFSF means Mercedes-Benz Financial Services France S.A.

Member State means, as the context may require, a member state of the European Union or of the European Economic Area.

Metropolitan France means the area of the Republic of France which is geographically in Europe and comprising mainland France and Corsica.

Monthly Investor Report means the monthly investor report based on the information contained in the Monthly Report after such information has been controlled by the Management Company and published by the Management Company not later than on each Calculation Date on the Management Company's website and by the Servicer on the website https://editor.eurodw.eu/, being a website which conforms with the requirements set out in Article 7(2) of the Securitisation Regulation and which will be electronically mailed to a predefined distribution list, which includes (i) the information on the performance of the Portfolio as well as the related information with regards to the payments to be made on the Payment Date immediately following such Calculation Date under the Notes and (ii) information required under 7(1)(e) of the Securitisation Regulation.

Monthly Report means the monthly report prepared or to be prepared by the Servicer in accordance with the Servicing Agreement and sent to the Management Company not later than on each Reporting Date, which includes the information on the performance of the Portfolio in relation to the Collection Period immediately preceding such Reporting Date, as well as the related information with regards to the payments to be made on the Payment Date immediately following such Reporting Date under the Notes, and shall substantially be in the form as set out in the schedule to the Servicing Agreement.

Moody's means Moody's Investors Service Inc. and any successor to the debt rating business thereof.

Net Swap Payments means the higher of (a) zero; and (b) the difference of (i) the amounts due by the Issuer to the Swap Counterparty, other than costs in connection with a termination of the Swap Agreement, and (ii) the amounts due by the Swap Counterparty to the Issuer, other than costs in connection with a termination of the Swap Agreement.

Net Swap Receipts means the higher of (a) zero; and (b) the difference of (i) the amounts due by the Swap Counterparty to the Issuer, other than costs in connection with a termination of the Swap Agreement, and (ii) the amounts due by the Issuer to the Swap Counterparty, other than costs in connection with a termination of the Swap Agreement.

Noteholders means collectively the Class A Noteholders and the Class B Noteholders.

Notes means collectively the Class A Notes and the Class B Notes.

Obligor(**s**) means:

(a) in respect of a Loan Receivable, the relevant Borrower;

(b) in respect of a Lease Receivable, a Late Return Indemnity Receivable, a Returned Vehicle Expense Receivable, a Lessee Vehicle Purchase Option Receivable and a Redelivery Receivable, the relevant Lessee;

(c) in respect of a Vehicle Sale Receivable, the third party to which the relevant Leased Vehicle is sold;

(d) in respect of a Dealer Vehicle Buy Back Receivable, the relevant Dealer;

(e) in respect of a Manufacturer Vehicle Buy Back Receivable, the Manufacturer; and

(f) in respect of any other Purchased Receivable, the debtor of such Purchased Receivable.

Obligor Notification Event means the occurrence of any of the following events:

(a) a Servicer Termination Event; or

(b) the termination of the appointment of the Servicer in accordance with, and subject to, the Servicing Agreement.

Obligor Notification Event Notice means, with respect to any Purchased Receivable, a notice sent or to be sent to the Obligors of such Purchased Receivable stating that such Purchased Receivable and all Ancillary Rights attached thereto have been assigned by the Seller to the Issuer pursuant to the Receivables Purchase Agreement and instructing such Obligor(s) to make payments to the Issuer Account (for credit to the Operating Ledger) or any other account compliant with the Transaction Documents, substantially in the form attached to the Servicing Agreement.

Operating Ledger means the ledger to be opened, maintained and operated by the Management Company in accordance with the Issuer Regulations and the Bank Account Agreement to register the Collections paid to the Issuer.

Outstanding Lease Principal Amount means, with respect to any Purchased Lease Receivable and any Determination Date, the sum of (a) the Contractual Residual Value and (b) the Lease Instalment.

Outstanding Loan Principal Amount means with respect to any Purchased Loan Receivable and any Determination Date, the amount of principal owed by the relevant Borrower under such Purchased Loan Receivable.

Outstanding Note Principal Amount means, with respect to any Payment Date, the principal amount of any Note (rounded, if necessary, to the nearest EUR 0.01, with EUR 0.005 being rounded upwards) equal to the initial principal amount of such Note (as at Issue Date) as, on or before such Payment Date, reduced by all amounts paid in respect of principal on such Note prior to or on such Payment Date, as the case may be.

Paying Agent means BNP Paribas Securities Services, any successor thereof or any other Person appointed as substitute paying agent from time to time in accordance with the Agency and Registrar Agreement.

Payment Date means, in respect of the first Payment Date, 21 December 2020 and thereafter the 20th day of each calendar month, subject to the Business Day Convention, and, for the last time, on the Issuer Liquidation Date. The last Payment Date with respect to the Notes will be the earlier of (a) the Legal Maturity Date, (b) the date on which the Notes are fully redeemed or (c) the Issuer Liquidation Date.

Performance Reserve means any amount paid by the Seller to the Issuer from time to time as security for the full and timely payment of all the financial obligations of the Seller towards the Issuer under clause 16 of the Receivables Purchase Agreement and credited into the Performance Reserve Ledger.

Performance Reserve Cash Deposit Amount means, with respect to any Payment Date following the occurrence of a Performance Reserve Trigger Event and as long as such Performance Reserve Trigger Event is continuing, an amount equal to one per cent. (1%) of the portion of the Aggregate Outstanding Principal Amount of the Lease Series of Receivables as of the immediately preceding Determination Date.

Performance Reserve Ledger means the ledger to be opened, maintained and operated by the Management Company in accordance with the Issuer Regulations, the Receivables Purchase and the Bank Account Agreement in respect of the Performance Reserve.

Performance Reserve Trigger Event means, as long as the Seller is acting as Servicer, the occurrence of any of the following events:

(a) the long-term unsecured, unsubordinated and unguaranteed debt obligations of Daimler AG are assigned a rating lower than BBB(low) by DBRS;

(b) the long-term unsecured, unsubordinated and unguaranteed debt obligations of Daimler AG are assigned a rating lower than Baa2 by Moody's; or

(c) Daimler AG ceases to own, directly or indirectly, at least 100% of the share capital of Mercedes-Benz Financial Services France,

provided that the ceasing of a Performance Reserve Trigger Event shall remain subject to confirmation from the Rating Agencies that the rating of the Class A Notes will not be downgraded.

Performing Loan Receivable means a Loan Receivable that is neither a Defaulted Receivable, nor a Loan Receivable which has been fully repaid, fully written off or of which the corresponding Loan Agreement, as applicable, has been terminated.

Performing Receivable means a Receivable that is neither a Defaulted Receivable, nor a Receivable which has been fully repaid, fully written off or of which the corresponding Lease Agreement or Loan Agreement, as applicable, has been terminated.

Person means an individual, partnership, corporation (including a business trust), unincorporated association, trust, joint stock company, limited liability company, joint venture or other entity, or a government or political subdivision, agency or instrumentality thereof.

Portfolio means at any time, all Purchased Receivables (including the Ancillary Rights attached thereto).

Portfolio Information means any file of information sent by the Seller and/or the Servicer to the Management Company, including the names and addresses of all the Borrowers and Lessees and of the contact details of the Dealers (in an encrypted form) as well as the non-encrypted and non-personal information in respect of the Loan Agreements and the Lease Agreements relating to Purchased Receivables, in accordance with the Receivables Purchase Agreement and the Servicing Agreement.

Post-enforcement Priority of Payments means, after the service of an Enforcement Notice by the Seller to the Management Company, the priority of payments set out in Condition 7 (Post-enforcement Priority of Payments).

Pre-enforcement Priority of Payments means, prior to the service of an Enforcement Notice, the priority of payments set out in Condition 5.4 (Pre-enforcement Priority of Payments).

Priority of Payments means either the Pre-enforcement Priority of Payments or the Post-enforcement Priority of Payments, as applicable.

Prospectus means this prospectus.

Prospectus Regulation means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended or superseded.

Purchase Date means 12 November 2020.

Purchased Lease Receivables means, with respect to any date, the Receivables forming part of any Lease Series of Receivables purchased by the Issuer from the Seller on the Purchase Date, which are outstanding and have not been re-transferred to the Seller or the sale of which has not been rescinded as at such date, in accordance with, and subject to, the provisions of the Receivables Purchase Agreement.

Purchased Loan Receivables means, with respect to any date, the Loan Receivables purchased by the Issuer from the Seller on the Purchase Date, which are outstanding and have not been re-transferred to the Seller or the sale of which has not been rescinded as at such date, in accordance with, and subject to, the provisions of the Receivables Purchase Agreement.

Purchased Receivables means, with respect to any date, the Purchased Lease Receivables and the Purchased Loan Receivables, as at such date.

Purchase Price means the purchase price, payable by the Issuer to the Seller on the Issue Date, which equals the Aggregate Outstanding Principal Amount of the Receivables on the Cut-Off Date.

Rate Determination Agent means the agent appointed by the Management Company under Condition 5.3.

Rating Agencies means DBRS and Moody's.

Receivables means any receivable comprised in any Lease Series of Receivables or any Loan Receivable.

Receivables Purchase Agreement means the receivables purchase agreement entered into between, *inter alia*, the Seller and the Issuer on or about the Signing Date, under which the Seller has agreed to sells the Purchased Receivables to the Issuer, against payment of the Purchase Price on the Purchase Date.

Recovery Collections means, with respect to any Collection Period, all amounts received, collected or recovered by the Servicer during such Collection Period in respect of, or in connection with, any Purchased Receivable after the date such Purchased Receivable became a Defaulted Receivable (provided that such Defaulted Receivable has not been written off in total) including, for the avoidance of doubt, amounts of principal, interest, damages, reminder fees, past due interest and any other payment, by or for the account of the relevant Obligor minus all out of pocket expenses paid to third

parties and incurred by the Servicer in connection with the collection of the Defaulted Receivable or the enforcement of the related Ancillary Rights in accordance with the Credit and Collection Policy.

Redelivery Contract means any Lease Agreement giving rise to a Redelivery Receivable.

Redelivery Receivable means, in respect of a Lease Agreement, any amount payable by a Lessee to the Seller if the Lessee opts to make full and final settlement of such Lease Agreement by redelivering to the Seller the Leased Vehicle in lieu of exercising its purchase option in accordance with such Lease Agreement (but, in each case, excluding any Excluded Amounts, the Late Return Indemnity Receivables and the Returned Vehicle Expense Receivables).

Registrar Agent means BNP Paribas Securities Services, any successor thereof or any other Person appointed as substitute registrar agent from time to time in accordance with the Agency and Registrar Agreement.

Regulatory Technical Standards means (a) the regulatory technical standards adopted by EBA or ESMA, as the case may be, pursuant to the Securitisation Regulation and entered into force in the European Union and (b) the transitional regulatory technical standards applicable pursuant to Article 43 of the Securitisation Regulation prior to the entry into force of the regulatory technical standards referred to in paragraph (a) above.

Related Security means, in relation to any Receivable, any guarantee (including any *caution*), Security Interest and any other equivalent arrangement of any nature whatsoever granted by an Obligor or a third party in order to secure or guarantee the payment of any amount owed by, and/or the fulfilment of the obligations of, such Obligor under or in connection with such Receivable.

Reporting Date means the fourth (4th) Business Day preceding the relevant Payment Date.

Reporting Entity means the Seller as originator.

Required Principal Redemption Amount means prior to the issuance of an Enforcement Notice in respect of any Payment Date, the amount that is equal to the difference between:

(a) the sum of the Aggregate Outstanding Note Principal Amount of all Class A Notes and all Class B Notes and the Residual Units amount on the Payment Date immediately preceding such Payment Date; and

(b) the Aggregate Outstanding Principal Amount of the Purchased Receivables on the Determination Date immediately preceding such Payment Date.

Required Ratings means with respect to the Account Bank or the Swap Counterparty or any guarantor of the Account Bank or the Swap Counterparty, respectively:

(a) from Moody's:

  (i) a long-term rating of A2; or

  (ii) a short term rating of P-1 or above; and

(b) from DBRS:

  (i) if it has a DBRS Critical Obligations Rating, the higher of (x) a rating one notch below its long-term DBRS Critical Obligations Rating and (y) its issuer rating or long-term senior unsecured debt rating of at least A from DBRS; or

(ii) if it does not have a DBRS Critical Obligations Rating, an issuer rating or long-term senior unsecured debt rating of at least A from DBRS; or

(iii) if it has no rating from DBRS, a DBRS Equivalent Rating at least equal to A by DBRS, or such other rating from time to time notified or published by DBRS replacing any of the above ratings or implementing a rating requirement, and,

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 Class A Notes.

Residual Unit means each of the two residual subordinated units, with a nominal amount of €150 each, with an indeterminate interest rate, issued by the Issuer on the Issue Date, pursuant to the Issuer Regulations.

Residual Unitholder means any holder of a Residual Unit.

Re-transfer Amount means, with respect to any Purchased Receivable, the amount paid or to be paid by the Seller to the Issuer (a) in order to repurchase such Purchased Receivable or (b) in case the sale of such Purchased Receivable is to be rescinded, in each case, in accordance with, and subject to, the provisions of the Receivables Purchase Agreement.

Re-transfer Date means the date which falls on a Payment Date on which a Purchased Receivable is repurchased by the Seller or its sale is rescinded in accordance with the provisions of the Receivables Purchase Agreement.

Retention Requirement means the retention of a material net economic interest of not less than 5% in the securitisation transaction as required by Article 6 of the Securitisation Regulation.

Returned Vehicle Expense Receivable means, with respect to any Leased Vehicle and the corresponding Lease Agreement, any amount payable by a Lessee to the Seller in the event that such Leased Vehicle is returned to the Seller at the end of the term of such Lease Agreement for either (a) excess mileage or (b) restoring such Leased Vehicle to the required condition (but excluding any Excluded Amounts).

RV Deficit Amount means, with respect to any Redelivery Contract, an amount equal to the difference between the Contractual Residual Value of such Redelivery Contract and any amount received from any Obligor under the Vehicle Sale Receivable less any amount received from any Obligor under the Returned Vehicle Expense Receivable, corresponding to such Redelivery Contract.

RV Payment Date means the Payment Date immediately following the date falling six (6) months after the date on which the Servicer has determined in accordance with the Credit and Collection Policy that any Purchased Receivable has become a Redelivery Contract.

S&P means S&P Global Ratings Europe Limited and any successor to the debt rating business thereof.

Securitisation Regulation means Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012.

Security Interest means any mortgage, charge, pledge, hypothecation, lien or other security interest or encumbrance or other right or claim under the laws of any jurisdiction, of or on any Person's assets or properties in favour of any other Person, including, for the avoidance of doubt:

(a) any civil law pledge governed by articles 2333 *et seq.* of the French Civil Code granted over a Financed Vehicle by the relevant Borrower; and

(b) any right of retention of title (*clause de réserve de propriété*) over any Financed Vehicle, which defers the transfer of ownership rights of such Financed Vehicle until the date of the full payment of the corresponding purchase price by the relevant Borrower.

Seller means Mercedes-Benz Financial Services France.

Seller Performance Undertakings means, with respect to the Seller:

(a) the continuation of all relevant Lease Agreements related to the Purchased Receivables in accordance with the underwriting and management procedures of the Seller and the provisions of the Transaction Documents and the full payment of all amounts collected in relation to any receivables arising therefrom and assigned to the Issuer to the relevant collection account of the Servicer;

(b) upon termination of any designated Lease Agreement of the Issuer, the return or repossession (or attempted repossession) and sale of the relevant Leased Vehicles in accordance with the Credit and Collection Policy of the Servicer and the covenants set out in part 3 of schedule 5 of the Master Definitions and Framework Agreement and the full payment of the relevant portion of the amount collected under the Vehicle Sale Receivables to any collection account of the Servicer within the applicable timing provided therefore if that paragraph applies or otherwise within 6 months after the termination of the relevant Lease Agreement unless the Seller has repurchased the relevant Lease Series of Receivables or the transfer of such Lease Series of Receivables has been rescinded in accordance with and subject to the provisions of the Receivables Purchase Agreement;

(c) the compliance with each of the covenants of the Seller in all material respects as set out in the Receivables Purchase Agreement; and

(d) the compliance with the provisions set out in the Receivables Purchase Agreement in all material respects.

Seller Warranties has the meaning given to that term in the Section entitled "Description of the Portfolio – Seller Warranties".

Servicer means the Seller or, as the case may be, the Person substituted pursuant to the provisions of the Servicing Agreement to service, administer and collect the Purchased Receivables (including the Ancillary Rights attached thereto).

Servicer Shortfall means a shortfall in respect of payments of Collections due and payable by the Servicer to the Issuer pursuant to the terms of the Servicing Agreement.

Servicer Termination Event means the occurrence of any of the following events:

(a) the Seller or the Servicer is Insolvent;

(b) the Servicer is prohibited to collect the Purchased Receivables pursuant to any applicable law or regulation;

(c) the Seller or the Servicer fails to make any payment or deposit required by the terms of the relevant Transaction Document within five (5) Business Days of the date such payment or deposit is required to be made;

(d) the Seller or the Servicer fails to perform any of its material obligations under the Receivables Purchase Agreement and/or the Servicing Agreement (other than a payment or deposit required), and such breach, if capable of remedy, is not remedied within twenty (20) Business Days of written notice from the Management Company; or

(e) any representation or warranty in the Receivables Purchase Agreement or in the Servicing Agreement or in any report provided by the Seller or the Servicer (i) is materially false or incorrect, and (ii) such inaccuracy (A), if capable of remedy, is not remedied within twenty (20) Business Days of written notice from the Management Company, (B) is likely to result in an Issuer Event of Default and (C) has a Material Adverse Effect in relation to the Issuer.

Servicing Agreement means the servicing agreement entered into between the Issuer, the Seller, Servicer and the Custodian on or about the Signing Date, pursuant to which the Issuer has appointed the Seller as Servicer to service, administer and collect the Purchased Receivables (including the Ancillary Rights attached thereto).

Servicing Fee means the fees to be paid by the Issuer to the Servicer in accordance with the Servicing Agreement.

Signing Date means 9 November 2020.

Statutory Auditor means PricewaterhouseCoopers Audit, a *société par actions simplifiées* incorporated under, and governed by, the laws of France, whose registered office is at 2-6, rue Vatimesnil – 92532 Levallois Perret (France) and registered as a chartered accountant with the *Compagnie Nationale des Commissaires aux Comptes* (CNCC).

STS Notification means the notification made by the Reporting Entity to the ESMA and the relevant national competent authorities in accordance with Articles 27 and 29 of the Securitisation Regulation.

STS Requirements means the requirements for simple, transparent and standardised non-ABCP securitisations provided for by Articles 19 to 22 of the Securitisation Regulation.

STS securitisation means a securitisation meeting the requirements of Articles 19 to 22 of the Securitisation Regulation.

Subordinated Lender means Mercedes-Benz Financial Services France.

Subordinated Loan means the loan granted no later than the Issue Date by the Subordinated Lender to the Issuer in a maximum amount of EUR 3,450,000 pursuant to the Subordinated Loan Agreement in order to cover certain risks under or in connection with the Transaction.

Subordinated Loan Agreement means the subordinated loan agreement entered into by the Issuer and the Subordinated Lender on or about the Signing Date, under which the Subordinated Lender will make available to the Issuer the Subordinated Loan.

Subordinated Loan Redemption Amount means, on any Payment Date prior to an Enforcement Notice, the difference between:

(a) the General Reserve Required Amount on the previous Payment Date; and

(b) the General Reserve Required Amount on the current Payment Date.

Swap Agreement means the swap agreement, dated and executed on or about the Signing Date between the Issuer and the Swap Counterparty pursuant to the ISDA Master Agreement, a rating compliant schedule, a related Credit Support Annex and a confirmation.

Swap Collateral Ledger means the ledger to be opened, maintained and operated by the Management Company in accordance with the Issuer Regulations, the Swap Agreement and the Bank Account Agreement in respect of the amounts paid to the Issuer pursuant to the Swap Agreement.

Swap Counterparty means Skandinaviska Enskilda Banken AB (publ).

Swap Fixed Rate means -0.582 per cent. *per annum*.

Swap Notional Amount means on any Payment Date, the Aggregate Outstanding Note Principal Amount of the Class A Notes as of the previous Payment Date or, in the case of the first Payment Date, the Aggregate Outstanding Note Principal Amount of the Class A Notes as of the Issue Date.

Swap Termination Payment means any amounts due by the Issuer or the Swap Counterparty under the Swap Agreement following a close out netting under section 6 entitled "Early Termination; Close-Out Netting" of the ISDA Master Agreement.

TARGET2 means the second generation of the Trans-European Automated Real-time Gross-Settlement Express Transfer System which was launched on 19 November 2007 by the European Central Bank.

Taxes or taxes means all present and future taxes, levies, imposts, duties or charges of any nature whatsoever, and wheresoever imposed, including (without limitation) value added tax or any similar tax and any franchise, transfer, sales, use, business, occupation, excise, personal property, real property, stamp, gross income, fuel, leasing, occupational, turnover, excess profits, excise, gross receipts, franchise, registration, licence, corporation, capital gains, export/import, income, levies, imposts, withholdings or other taxes or duties of any nature whatsoever (or any other amount corresponding to any of the foregoing) now or hereafter imposed, levied, collected, withheld or assessed by any national, regional, municipal or federal taxing or fiscal authority or agency, together with any penalties, additions to tax, fines or interest thereon, and tax and taxation shall be construed accordingly.

Transaction means the public securitisation transaction of the Issuer in connection with which the Notes are issued and to which the Transaction Documents refer.

Transaction Documents means:

(a) the Issuer Regulations (attaching, *inter alia,* the Conditions of the Notes and the Conditions of the Residual Units);

(b) the Receivables Purchase Agreement (attaching, *inter alia*, the form of Transfer Documents);

(c) the Master Definitions and Framework Agreement;

(d) the Servicing Agreement;

(e) the Bank Account Agreement;

(f) the Swap Agreement;

(g) the Agency and Registrar Agreement;

(h) the Data Protection Agency Agreement;

(i) the Class A Notes Subscription Agreement;

(j) the Class B Notes and Residual Units Subscription Agreement;

(k) the Subordinated Loan Agreement;

(l) the Leased Vehicles Pledge Agreement; and

(m) all other agreements incidental to any of the agreements mentioned in paragraphs (a) to (l) above.

Transaction Party means any party to a Transaction Document from time to time, including each of the Management Company, the Custodian, the Account Bank, the Registrar Agent, the Paying Agent, the Subordinated Lender, the Seller, the Servicer, the Class B Notes and Residual Units Subscriber, the Swap Counterparty, the Data Protection Agent, the Arranger, the Managers and the Joint Lead Managers.

Transfer Document means a transfer document (*acte de cession de créances*) executed in accordance with the provisions of Articles L. 214-169 *et seq.* and D. 214-227 of the French Monetary and Financial Code, in the form set out in the Receivables Purchase Agreement, pursuant to which the Seller transfers to the Issuer, Eligible Receivables in accordance with, and subject to, the provisions of the Receivables Purchase Agreement.

Transfer Effective Date means, in respect of any Purchased Receivable, the Business Day immediately following the Cut-Off Date.

Uncollectible Receivable means any Defaulted Receivable which remains in arrears after the Servicer has exhausted all available recovery procedures in accordance with the Credit and Collection Policy.

United Kingdom means the United Kingdom of Great Britain and Northern Ireland.

United States means, for the purpose of the Transaction, 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).

U.S. Person means a U.S. person within the meaning of Regulation S and the U.S. Risk Retention Rules (as applicable).

U.S. Risk Retention Rules means Regulation RR (17 C.F.R Part 246) implementing the risk retention requirements of 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.

VAT means any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112) and any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax, or imposed elsewhere.

Vehicle means any used or new passenger car or commercial vehicle financed under a Loan Agreement or leased under a Lease Agreement.

Vehicle Sale Agreement means any vehicle sale agreement (whether or not in writing) (other than a Dealer Vehicle Buy Back Agreement and the Manufacturer Vehicle Buy Back Agreement) entered into between the Seller and a third party whatsoever and providing for the sale or transfer of one or several Leased Vehicles by the Seller to that third party, whether following (a) the return of the relevant Leased Vehicle(s) to the Seller at the end of a Lease Agreement or (b) repossession of the relevant

Leased Vehicle(s) following a default by the relevant Lessee under a Lease Agreement or (c) any other circumstances (without prejudice to the undertakings of the Seller under the Transaction Documents).

Vehicle Sale Receivable means any amount of the relevant Leased Vehicle payable by any third party (including a Dealer or the Manufacturer) to the Seller following the sale or transfer of a Leased Vehicle by the Seller to that third party in accordance with a Vehicle Sale Agreement up to the sum of the Outstanding Lease Principal Amount of the related Lease Receivables as of any Cut-Off Date (but excluding any Excluded Amounts).

2. PRINCIPLES OF INTERPRETATION AND CONSTRUCTION

2.1 Knowledge

(a) References in this Prospectus to the expressions "so far as the Seller is aware" or "to the best of the knowledge, information and belief of the Seller" or any similar expression in respect of any matter shall be deemed to refer to the actual knowledge of senior officers of the Seller.

(b) References in this Prospectus to the expressions "so far as the Servicer is aware" or "to the best of the knowledge, information and belief of the Servicer" or any similar expression in respect of any matter shall be deemed to refer to the actual knowledge of senior officers of the Servicer.

(c) References in this Prospectus to the expressions "so far as the Issuer is aware" or "to the best of the knowledge, information and belief of the Issuer" or any similar expression in respect of any matter shall be deemed to refer to the actual knowledge of directors of the Issuer.

(d) References in this Prospectus to the expressions "so far as the Management Company is aware" or "to the best of the knowledge, information and belief of the Management Company" or any similar expression in respect of any matter shall be deemed to refer to the actual knowledge of senior officers of the Management Company.

2.2 Interpretation

In this Prospectus, the following shall apply:

(a) a document being in an "*agreed form*" means that the form of the document in question has been signed off or agreed by each of the proposed parties thereto;

(b) any reference to an "agreement", "*deed*" or "*document*" shall be construed as a reference to such agreement, deed or document as the same may from time to time be amended, varied, novated, supplemented, replaced or otherwise modified;

(c) in the computation of periods of time from a specified date to a later specified date, the word "*from*" means "from and including" and the words "to" and "until" each mean "*to but excluding*";

(d) "*periods*" of days shall be counted in calendar days unless Business Days are expressly prescribed;

(e) any reference to any "*Person*" appearing in any of the Transaction Documents shall include its successors and permitted assigns;

(f) unless specified otherwise, "promptly", "immediately", "forthwith" or any similar expression used shall mean without undue delay; and

(g) a "*successor*" of any party shall be construed so as to include an assignee or successor in title of such party and any person who under the laws of the jurisdiction of incorporation or domicile of such party

has assumed the rights and obligations of such party under any Transaction Document or to which, under such laws, such rights and obligations have been transferred.

2.3 Law

Any reference to a statute, treaty, law or legislation (including any French codes) shall be construed as a reference to such statute, treaty, law or legislation as the same may have been, or may from time to time be, amended or, in the case of a statute, re-enacted.

2.4 Time

Any reference in any Transaction Document to a time of day shall, unless a contrary indication appears, be a reference to Central European Time.

2.5 Number

Save where the context otherwise requires, words importing the singular number include the plural and vice versa.

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