

IMPORTANT NOTICE

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

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

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES OF THE ISSUER FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS. THE FOLLOWING PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

EXCEPT WITH THE PRIOR WRITTEN CONSENT OF LEASEPLAN UK LIMITED (A "**U.S. RISK RETENTION WAIVER**") AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY SECTION 20 OF THE FINAL RULES PROMULGATED UNDER SECTION 15G OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "**U.S. RISK RETENTION RULES**"), THE NOTES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "U.S. PERSON" AS DEFINED IN THE U.S. RISK RETENTION RULES ("**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 UNDER THE SECURITIES ACT. EACH PURCHASER OF THE NOTES OR A BENEFICIAL INTEREST THEREIN ACQUIRED IN THE INITIAL SYNDICATION THEREOF, WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT IT (1) EITHER (A) IS NOT A RISK RETENTION U.S. PERSON OR (B) IT HAS OBTAINED A U.S. RISK RETENTION WAIVER, (2) IS ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE OR, 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 (INCLUDING ACQUIRING SUCH NOTE THROUGH A NON-RISK RETENTION U.S. PERSON, RATHER THAN A RISK RETENTION U.S. PERSON, AS PART OF A SCHEME TO EVADE THE 10 PER CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES).

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

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

is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the managers or such affiliate on behalf of the Issuer in such jurisdiction.

By accessing the Prospectus, you shall be deemed to have confirmed and represented to us that (a) you have understood and agree to the terms set out herein, (b) you consent to delivery of the Prospectus by electronic transmission, (c) you are not a U.S. person (within the meaning of Regulation S under the Securities Act) or acting for the account or benefit of a U.S. person and the electronic mail address that you have given to us and to which this e-mail has been delivered is not located in the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands) or the District of Columbia and (d) if you are a person in the United Kingdom, then you are a person who (i) has professional experience in matters relating to investments or (ii) is a high net worth entity falling within Article 49(2)(a) to (d) of the Financial Services and Markets Act (Financial Promotion) Order 2005.

The Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer nor the Transaction Parties or any person who controls any such person or any director, officer, employee or agent of any such person (or affiliate of any such person) accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format and the hard copy version available to you on request from the Issuer, Banco Santander, S.A. or BNP Paribas.

BUMPER UK 2021-1 FINANCE PLC

(incorporated in England and Wales with limited liability under registered number 12724583)

Legal entity identifier ("LEI"): 213800HWLX78IL7UG990



Notes	Initial Principal Amount	Issue Price	Interest Rate	Scheduled Revolving Period End Date	Final Maturity Date *	Ratings (DBRS/Moody's)
Class A	£400,000,000	100%	Compounded Daily SONIA + 0.50%	April 2022	The IPD falling in December 2030	AAA(sf)/Aaa(sf)
Class B	£150,000,000	100%	1.74%	April 2022	The IPD falling in December 2030	Unrated

* The revolving period commences on (and includes) the Closing Date and ends on (but excludes) the earlier of (i) the Interest Payment Date falling in April 2022 and (ii) the date on which a Revolving Period Termination Event occurs. See the section entitled "Transaction Outline – Credit Structure and Cashflow" below.

Issue Date	The Issuer expects to issue the Notes in the classes set out above on 11 March 2021 the "Closing Date").
Underlying Assets	The Issuer will make payments on the Notes from, inter alia, an initial portfolio comprising Lease Receivables, RV Claims and Final Balloon Payment Receivables originated by LeasePlan UK Limited which will be purchased by the Issuer on the Closing Date (the "Initial Portfolio"). Additional portfolios may be purchased by the Issuer during the Revolving Period in accordance with the terms described herein (each an "Additional Portfolio" and together with the Initial Portfolio, the "Portfolio"). See the section entitled "Description of Certain Transaction Documents – Purchase Agreement" for more information. The Issuer confirms that the assets backing the issue of the Notes, taken together with the other arrangements to be entered into on or around the Closing Date, generally have characteristics that demonstrate capacity to produce funds to service any payments due and payable under the Notes and are not part of a re-securitisation and are collectible.
Credit Enhancement	<ul style="list-style-type: none"> • subordination of junior ranking Notes; • the Liquidity Reserve; and • excess Available Distribution Amounts. Please refer to the section entitled "Transaction Outline – Credit Structure and Cashflow".
Liquidity Support	<ul style="list-style-type: none"> • Liquidity Reserve (from the Closing Date). Please refer to the section entitled "Transaction Outline – Credit Structure and Cashflow".
Redemption Provisions	Information on any optional and mandatory redemption of the Notes is summarised on page 3 (Transaction Outline – Overview of the Terms and Conditions of the Notes) and set out in full in Condition 6 (Redemption).

<p>Rating Agencies</p>	<p>DBRS Ratings Limited ("DBRS") and Moody's Investor Services ("Moody's") (each a "Rating Agency" and together, the "Rating Agencies").</p> <p>As of the date of this prospectus (the "Prospectus"), each of the Rating Agencies is a credit rating agency established in the United Kingdom and is registered under Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended) (the "UK CRA Regulation").</p> <p>Each of DBRS and Moody's is included on the list of registered and certified credit rating agencies that is maintained by the Financial Conduct Authority (the "FCA").</p> <p>DBRS and Moody's are not established in the European Union (the "EU") and have not applied for registration under Regulation (EU) No 1060/2009 (as amended) (the "CRA Regulation").</p> <p>The rating DBRS has given to the Rated Notes is endorsed by DBRS Ratings GmbH, which is a credit rating agency established in the EU. The rating Moody's has given to the Rated Notes is endorsed by Moody's Deutschland GmbH, which is a credit rating agency established in the EU.</p> <p>Each of DBRS Ratings GmbH and Moody's Deutschland GmbH is included in the list of credit rating agencies published by the European Securities and Markets Authority ("ESMA") on its website (at https://www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the CRA Regulation</p>
<p>Credit Ratings</p>	<p>Ratings are expected to be assigned to the Notes as set out above on or before the Closing Date.</p> <p>The ratings assigned by DBRS and Moody's address the likelihood of (a) timely payment of interest due to the Noteholders on each Interest Payment Date and (b) full payment of principal by a date that is not later than the Final Maturity Date.</p> <p>The assignment of ratings to the Notes is not a recommendation to invest in the Notes. Any credit rating assigned to the Notes may be revised or withdrawn at any time.</p>
<p>Listing</p>	<p>This prospectus (the "Prospectus") comprises a prospectus for the purpose of Regulation (EU) 2017/1129 (the "Prospectus Regulation"). The Prospectus has been approved by the Central Bank of Ireland (the "Central Bank"), as competent authority under the Prospectus Regulation. Such approval relates only to the Class A Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU and/or which are to be offered to the public in any Member State of the European Economic Area. The Central Bank only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or of the quality of the Notes that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.</p> <p>Application has been made to Irish Stock Exchange plc trading as Euronext Dublin ("Euronext Dublin") for the Class A Notes to be admitted to the Official List (the "Official List") and trading on its regulated market. Such approval relates only to the Class A Notes which are admitted to trading on a regulated market of Euronext Dublin or other regulated markets for the purpose of Directive 2014/65/EU or which are to be offered to the public in any Member State of the EEA.</p> <p>This Prospectus (as supplemented as at the relevant time, if applicable) is valid for the admission to trading of the Notes on the regulated market of Euronext Dublin until the time when trading on such 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, once the Class A Notes are admitted to trading on the regulated market of Euronext Dublin.</p>
<p>Eurosystem Eligibility</p>	<p>The Notes are not currently eligible collateral for Eurosystem monetary policy and intra-day credit operation by the Eurosystem. However, 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 the International Central Securities Depositories (the "ICSDs"), as common safekeeper, but does not necessarily mean that the Class A Notes in the future will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem. Such recognition will depend upon the satisfaction of the other Eurosystem eligibility criteria. The Class B Note is not intended to be recognised as eligible collateral for Eurosystem monetary policy and</p>

	intra-day credit operations by the Eurosystem.
Obligations	The Notes will be obligations of the Issuer alone and will not be the obligations of, or guaranteed by, or be the responsibility of, any other entity. In particular, the Notes will not be obligations, or guaranteed by, or be the responsibility of any Transaction Party, other than the Issuer.
Simple, Transparent and Standardised Securitisation	<p>On or about the Closing Date, it is intended that a notification will be submitted to the FCA in accordance with Article 27 of the UK Securitisation Regulation, confirming that the requirements of Articles 18 to 22 of the UK Securitisation Regulation have been satisfied with respect to the Notes (such notification, the "UK STS Notification") and the UK Financial Conduct Authority (the "FCA").</p> <p>With respect to a UK STS Notification, the Seller has used the services of Prime Collateralised Securities (PCS) UK Limited ("PCS UK") as a verification agent authorised under Article 28 of the UK Securitisation Regulation in connection with an assessment of the compliance of the Notes with the requirements of Articles 18 to 22 of the UK Securitisation Regulation (the "STS Verification"). It is expected that the STS Verification prepared by PCS UK will be available on the PCS UK website (https://pcsmarket.org/sts-verification-transactions/) together with detailed explanations of its scope at https://pcsmarket.org/disclaimer/. For the avoidance of doubt, this PCS UK website and the contents thereof do not form part of this Prospectus. Note that designation as a UK STS Securitisation does not meet, as at the date of this Prospectus, the STS requirements of the EU Securitisation Regulation. For further information please refer to the Risk Factor entitled "Simple, Transparent and Standardised Securitisations and UK STS Designation"</p>
The Volcker Rule	<p>The Issuer was structured so as not to constitute a "covered fund" for purposes of the regulations adopted to implement Section 619 of the Dodd-Frank Act (such statutory provision together with such implementing regulations, the "Volcker Rule"). Any prospective investor in the Notes, including a bank or subsidiary or other affiliate thereof, should consult its own legal advisers regarding such matters and other effects of the Volcker Rule.</p> <p>Please refer to the risk factor entitled "Effects of the Volcker Rule on the Issuer" for more details.</p>
Retention Undertaking	<p>On the Closing Date and while any of the Notes remain outstanding, LPUK will, as an originator for the purposes of the UK Securitisation Regulation, retain a material net economic interest of not less than 5% in the securitisation as required by Article 6(1) of the UK Securitisation Regulation and Article 5(1)(d) of the EU Securitisation Regulation (which does not take into account any corresponding national measures) (the "Retention"). As at the Closing Date, the Retention will comprise LPUK holding the first loss tranche, namely the Class B Note, in accordance with Article 6(3)(a) of the UK Securitisation Regulation. Any change in the manner in which the interest is held may only be made in accordance with the applicable laws and regulations and will be notified to the Noteholders. See the section entitled "Regulatory Requirements" and the Risk Factor entitled "Regulatory treatment of ABS (including Basel III and risk retention)" for further information.</p> <p>LPUK, as the sponsor under the final rules promulgated under Section 15G of the Securities Exchange Act of 1934, as amended (the "U.S. Risk Retention Rules"), does not intend to retain at least 5 per cent. of the credit risk of the securitized assets for the purposes of compliance with the U.S. Risk Retention Rules, but rather intends to rely on an exemption provided for in Section __.20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Except with the prior written consent of LPUK and where such sale falls within the exemption provided by Section __.20 of the U.S. Risk Retention Rules, the Notes offered and sold by the Issuer may not be purchased by, or for the account or benefit of, any Risk Retention U.S. Person Each prospective investor will be required to notify any seller of Notes if it is a Risk Retention U.S. Person prior to placing any offer to purchase the Notes. The Issuer, the Seller, the Joint Lead Managers and the Arranger will rely on these representations without further investigation or liability. See the Risk Factor entitled "Regulatory treatment of ABS (including Basel III and risk retention)" for further information.</p>
Significant Investor:	LPUK will, on the Closing Date, purchase 100% of the Class B Note. Please refer to the section entitled "Subscription and Sale" for further information.
Benchmarks Regulation	Interest payable under the Class A Notes is calculated by reference to SONIA. As at the date of this Prospectus, the administrator of SONIA is not included in ESMA's register of administrators under Article 36 of the Regulation (EU) No. 2016/1011 (the " Benchmarks Regulation "). The Bank of England, as administrator of SONIA, is exempt under Article 2 of the Benchmarks Regulation but has issued a statement of compliance with the principles

	for financial benchmarks issued in 2013 by the International Organisation of Securities Commissions.
--	--

THE "RISK FACTORS" SECTION CONTAINS DETAILS OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE GIVEN PARTICULAR CONSIDERATION BEFORE INVESTING IN THE NOTES. PROSPECTIVE INVESTORS SHOULD BE AWARE OF THE ISSUES SUMMARISED WITHIN THAT SECTION.

Arranger

LeasePlan Corporation N.V.

Joint Lead Managers

BNP PARIBAS

Santander Corporate and Investment Banking

The date of this Prospectus is 10 March 2021

IMPORTANT NOTICES

This Prospectus constitutes a prospectus for the purpose of the Prospectus Regulation. This Prospectus has been approved by the Central Bank, as competent authority under the Prospectus Regulation. The Central Bank only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or of the quality of the Notes that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes. Application has been made to Euronext Dublin for the Class A Notes to be admitted to the Official List and trading on its regulated market. Such approval relates only to the Class A Notes which are admitted to trading on a regulated market of Euronext Dublin or other regulated markets for the purpose of Directive 2014/65/EU or which are to be offered to the public in any Member State of the European Economic Area ("EEA"). The Issuer designates Ireland as Home Member State for the purpose of the Notes to be issued and the approval of this Prospectus. This Prospectus is valid for 12 months from its date. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply, once the Class A Notes are admitted to the Official List and trading on its regulated market.

The information on the websites to which this Prospectus refers does not form part of this Prospectus and has not been scrutinised or approved by the Central Bank.

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer, the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. Any information sourced from third parties contained in this Prospectus has been accurately reproduced (and is clearly sourced where it appears in this Prospectus) and, as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The distribution of this Prospectus and the offering of the Notes in certain jurisdictions may be restricted by law. No representation is made by any Transaction Party that this Prospectus may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, and none of them assumes any responsibility for facilitating any such distribution or offering. In particular, save for obtaining the approval by the Central Bank of this prospectus as a Prospectus for the purposes of the Prospectus Regulation, no action has been or will be taken by any Transaction Party which would permit a public offering of the Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required.

Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published, in any jurisdiction, except under circumstances that will result in compliance with all applicable laws and regulations. Persons into whose possession this Prospectus comes are required by the Issuer, the Joint Lead Managers and the Arranger to inform themselves about and to observe any such restriction. For a further description of certain restrictions on offers and sales of the Notes and distribution of this document (or any part hereof), see the section entitled "Subscription and Sale" below.

Neither the delivery of this Prospectus nor any sale or allotment made in connection with any offering of any of the Notes shall, under any circumstances, constitute a representation or create any implication that there has been no change in the information contained in this Prospectus since the date of this Prospectus.

Other than as expressly set out below, none of the Joint Lead Managers, the Arranger, the Issuer Security Trustee, the LPUK Security Trustee, the Note Trustee or the Interest Rate Swap Counterparty makes any representation, warranty or undertaking, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Prospectus or part thereof or any other information provided by the Issuer in connection with the Notes. None of the Joint Lead Managers, the Arranger, the Issuer Security Trustee, the LPUK Security Trustee, the Note Trustee or the Interest Rate Swap Counterparty accepts any liability in relation to the information contained in this Prospectus or any other information provided by the Issuer in connection with the Notes. None of the Arranger or the Joint

Lead Managers shall be responsible for, any matter which is the subject of, any statement, representation, warranty or covenant of the Issuer contained in the Notes or any Transaction Documents or any other agreement or document relating to the Notes or any Transaction Document, or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof. None of the Arranger nor the Joint Lead Managers shall be responsible for compliance of the Issuer, the Originator, the Seller or any other Transaction Party with the requirements of the UK Securitisation Regulation. Each potential purchaser of Notes should determine the relevance of the information contained in this Prospectus or part hereof and the purchase of Notes should be based upon such investigation as each purchaser deems necessary. None of the Joint Lead Managers, the Arranger, the Issuer Security Trustee, the LPUK Security Trustee, the Note Trustee or the Interest Rate Swap Counterparty undertakes or shall undertake to review the financial condition or affairs of the Issuer nor to advise any investor or potential investor in the Notes of any information coming to the attention of the Joint Lead Managers or the Arranger.

In this Prospectus, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

None of the Arranger or the Joint Lead Managers or the other Transaction Parties (other than the Issuer) shall be responsible for, any matter which is the subject of, any statement, representation, warranty or covenant of the Issuer contained in the Notes or any Transaction Documents or any other agreement or document relating to the Notes or any Transaction Document, or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof.

The Note Trustee, the Issuer Security Trustee and the LPUK Security Trustee accept responsibility for the information in the section entitled "The Note Trustee, The Issuer Security Trustee and the LPUK Security Trustee". To the best of the Note Trustee, the Issuer Security Trustee and the LPUK Security Trustee's knowledge, the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Note Trustee, the Issuer Security Trustee and the LPUK Security Trustee as to the accuracy or completeness of any other information contained in this Prospectus or any other information supplied in connection with the Notes or their distribution.

The Corporate Services Provider accepts responsibility for the information contained in the section entitled "Corporate Administration". To the best of the Corporate Services Provider's knowledge, the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Corporate Services Provider as to the accuracy or completeness of any other information contained in this Prospectus or any other information supplied in connection with the Notes or their distribution.

LPUK accepts responsibility for the information contained in the sections entitled "LeasePlan UK Limited", "Characteristics of the Portfolio", "Regulatory Requirements" and "Overview of UK Vehicle Lease Market". To the best of LPUK's knowledge, the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by LPUK as to the accuracy or completeness of any other information contained in this Prospectus or any other information supplied in connection with the Notes or their distribution.

LPC accepts responsibility for the information contained in the section entitled "LeasePlan Corporation N.V.". To the best of LPC's knowledge, the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by LPC as to the accuracy or completeness of any other information contained in this Prospectus or any other information supplied in connection with the Notes or their distribution.

The Interest Rate Swap Counterparty accepts responsibility for the information contained in the section entitled "The Interest Rate Swap Counterparty". To the best of the Interest Rate Swap Counterparty's knowledge, the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Interest Rate Swap Counterparty as

to the accuracy or completeness of any other information contained in this Prospectus or any other information supplied in connection with the Notes or their distribution.

The Account Bank, the Principal Paying Agent and the Registrar accept responsibility for the information in the section entitled "The Account Bank, Principal Paying Agent and Registrar". To the best of the Account Bank, the Principal Paying Agent and the Registrar's knowledge, the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Account Bank, the Principal Paying Agent and the Registrar as to the accuracy or completeness of any other information contained in this Prospectus or any other information supplied in connection with the Notes or their distribution.

The Cash Manager accepts responsibility for the information contained in the section entitled "The Cash Manager". To the best of the Cash Manager's knowledge, the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Cash Manager as to the accuracy or completeness of any other information contained in this Prospectus or any other information supplied in connection with the Notes or their distribution.

The Reporting Agent accepts responsibility for the information contained in the section entitled "The Reporting Agent". To the best of the Reporting Agent's knowledge, the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Reporting Agent as to the accuracy or completeness of any other information contained in this Prospectus or any other information supplied in connection with the Notes or their distribution.

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, U.S. PERSONS EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE STATE OR FEDERAL SECURITIES LAWS. ACCORDINGLY, THE NOTES ARE BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES TO PERSONS OTHER THAN U.S. PERSONS IN ACCORDANCE WITH REGULATIONS UNDER THE SECURITIES ACT. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON REALES OR TRANSFERS, SEE "SUBSCRIPTION AND SALE".

THE NOTES OFFERED HEREBY HAVE NOT BEEN APPROVED OR DISAPPROVED BY ANY UNITED STATES FEDERAL OR STATE SECURITIES COMMISSION OR ANY OTHER U.S. REGULATORY AUTHORITY AND THE ISSUER HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

THE NOTES ARE NOT INTENDED TO BE SOLD AND SHOULD NOT BE SOLD TO RETAIL INVESTORS. PROSPECTIVE INVESTORS ARE REFERRED TO THE SECTION HEADED "SUBSCRIPTION AND SALE" ON PAGE 212 BELOW FOR FURTHER INFORMATION.

EXCEPT WITH THE PRIOR WRITTEN CONSENT OF LEASEPLAN UK LIMITED (A "**U.S. RISK RETENTION WAIVER**") AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY SECTION 20 OF THE FINAL RULES PROMULGATED UNDER SECTION 15G OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "**U.S. RISK RETENTION RULES**"), THE NOTES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "U.S. PERSON" AS DEFINED IN THE U.S. RISK RETENTION RULES ("**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 UNDER THE SECURITIES ACT. EACH PURCHASER OF THE NOTES OR A BENEFICIAL INTEREST THEREIN ACQUIRED IN THE INITIAL SYNDICATION THEREOF, WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT IT (1) EITHER (A) IS NOT A RISK RETENTION U.S. PERSON OR (B) IT HAS OBTAINED A U.S. RISK RETENTION WAIVER, (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 (INCLUDING ACQUIRING SUCH NOTE THROUGH A NON-RISK RETENTION U.S. PERSON, RATHER THAN A RISK RETENTION U.S. PERSON, AS PART OF A SCHEME TO EVADE THE 10 PER CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES).

None of the Issuer, the Joint Lead Managers or the Arranger makes any representation to any prospective investor or purchaser of the Notes regarding the legality of investment therein by such prospective investor or purchaser under applicable legal investment or similar laws or regulations.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); (ii) 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 (iii) a person who is not a qualified investor as defined in Regulation (EU) 2017/1129. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, 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.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

MIFID II product governance/Professional investors and ECPs only target market – Solely for the purposes of each 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 manufacturers' 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 manufacturers' target market assessment) and determining appropriate distribution channels.

UK MIFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of each 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 only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as

defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); 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 the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") 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.

No person has been authorised to give any information or to make any representation other than as contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer, the Issuer Security Trustee, the LPUK Security Trustee, the Note Trustee, the directors of the Issuer, the Joint Lead Managers, the Interest Rate Swap Counterparty or the Arranger.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy the Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus or any part hereof and any offering of the Notes in certain jurisdictions may be restricted by law. No action has been taken by the Issuer, the Joint Lead Managers or the Arranger other than as set out in the paragraph headed "Listing" on page (ii) of this Prospectus that would permit a public offer of the Notes in any country or jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any part hereof nor any other prospectus, form of application, advertisement or other offering material may be issued, distributed or published in any country or jurisdiction (including Ireland), except in circumstances that will result in compliance with applicable laws, orders, rules and regulations.

The Class A Notes will be represented by global notes which are expected to be deposited with a common safekeeper (the "**Common Safekeeper**") for Euroclear and Clearstream, Luxembourg.

The Class B Note will be in dematerialised registered form. The Issuer will maintain a register, to be kept on the Issuer's behalf by the Registrar, in which the Class B Note will be registered in the name of the Class B Noteholder. Transfer of all or any portion of the interest in the Class B Note may be effected only through the register maintained by the Issuer.

References in this Prospectus to "**£**" or "**Sterling**" are to the lawful currency for the time being of the United Kingdom of Great Britain and Northern Ireland.

Forward-Looking Statements

Certain matters contained herein are forward-looking statements. Such statements appear in a number of places in this Prospectus, including with respect to assumptions on prepayment and certain other characteristics of the Lease Agreements, the Lease Receivables, the RV Claims and Final Balloon Payment Receivables, and reflect significant assumptions and subjective judgments by the Issuer that may not prove to be correct. Such statements may be identified by reference to a future period or periods and the use of forward-looking terminology such as "may", "will", "could", "believes", "expects", "anticipates", "continues", "intends", "plans" or similar terms. Consequently, future results may differ from the Issuer's expectations due to a variety of factors, including (but not limited to) the economic environment and regulatory changes in the vehicle leasing industry in the United Kingdom. Moreover, past financial performance should not be considered a reliable indicator of future performance and prospective purchasers of the Notes are cautioned that any such statements are not guarantees of performance and involve risks and uncertainties, many of which are beyond the control of the Issuer. Neither the Arranger nor the Joint Lead Managers have attempted to verify any such statements, nor do they make any representations, express or implied, with respect thereto. Prospective purchasers should therefore not place undue reliance on any of these forward-looking statements. None of the Issuer, the Seller, the Joint Lead Managers nor the Arranger assume any obligation to update these forward-looking statements or to update the reasons for which actual results could differ materially from those anticipated in the forward-looking statements.

Suitability of Investment

- (a) The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should: have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this Prospectus;
- (b) each potential investor in the Notes must have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (c) each potential investor in the Notes must have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (d) each potential investor in the Notes must understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (e) each potential investor in the Notes must be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

CONTENTS

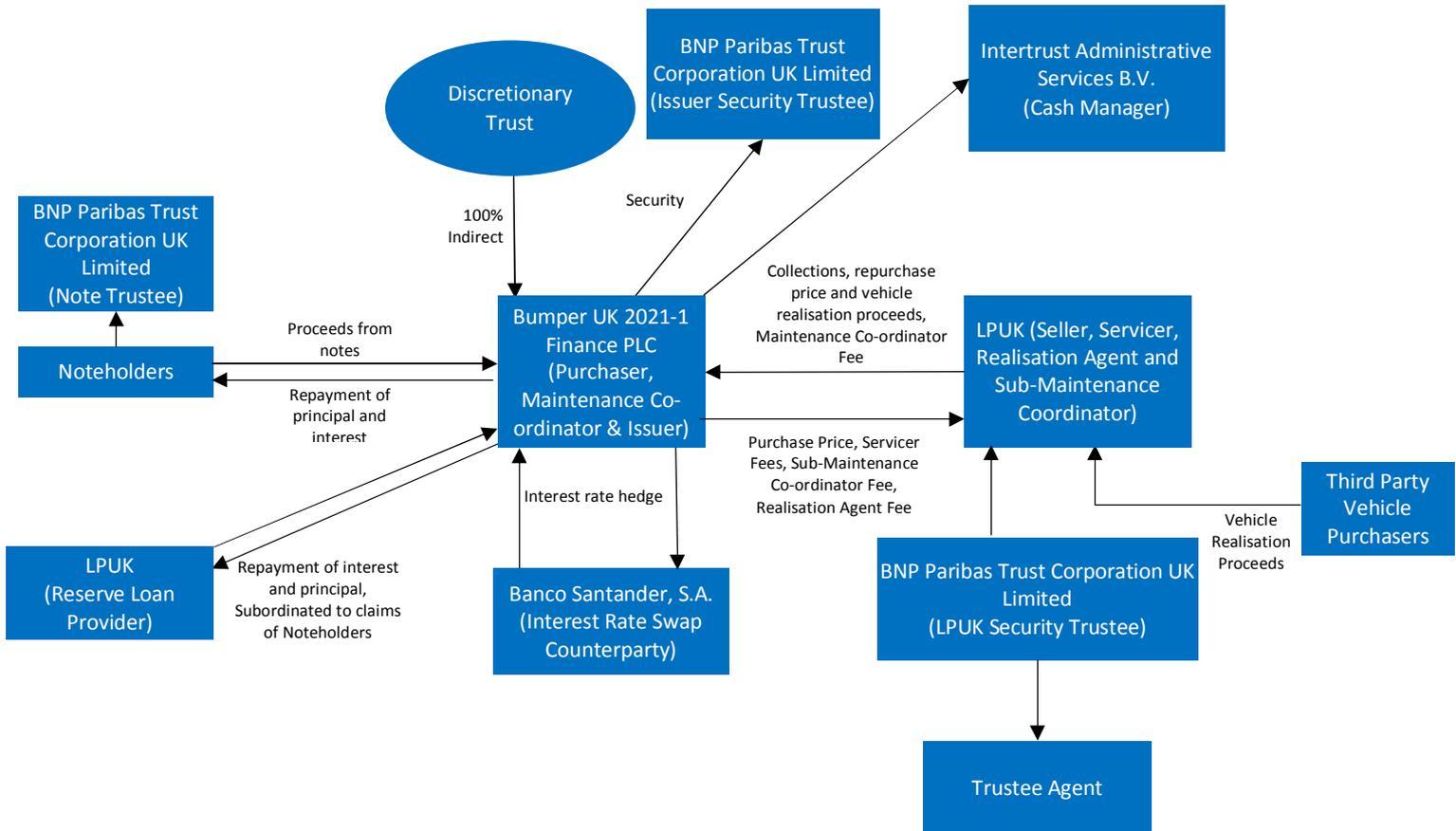
	Page
TRANSACTION OVERVIEW.....	1
DIAGRAMMATIC OVERVIEW OF THE TRANSACTION.....	1
DIAGRAMMATIC OVERVIEW OF THE OWNERSHIP STRUCTURE OF THE ISSUER.....	2
RISK FACTORS.....	3
TRANSACTION OUTLINE.....	49
TRANSACTION OUTLINE – TRANSACTION PARTIES ON THE CLOSING DATE.....	49
TRANSACTION OUTLINE – THE PORTFOLIO.....	52
TRANSACTION OUTLINE – OVERVIEW OF THE TERMS AND CONDITIONS OF THE NOTES.....	59
TRANSACTION OUTLINE – RIGHTS OF NOTEHOLDERS AND RELATIONSHIP WITH OTHER ISSUER SECURED CREDITORS.....	65
TRANSACTION OUTLINE – CREDIT STRUCTURE AND CASHFLOW.....	69
TRANSACTION OUTLINE – TRIGGERS TABLE.....	80
REGULATORY REQUIREMENTS.....	93
CONSUMER CREDIT REGULATION IN THE UK.....	96
OVERVIEW OF UK VEHICLE LEASE MARKET.....	108
CHARACTERISTICS OF THE PORTFOLIO.....	109
KEY PORTFOLIO CHARACTERISTICS.....	123
DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS.....	135
TERMS AND CONDITIONS OF THE NOTES.....	173
WEIGHTED AVERAGE LIFE OF THE NOTES.....	196
THE ISSUER.....	199
CORPORATE ADMINISTRATION.....	201
THE NOTE TRUSTEE, THE ISSUER SECURITY TRUSTEE AND THE LPUK SECURITY TRUSTEE.....	202
LEASEPLAN UK LIMITED.....	203
LEASEPLAN CORPORATION N.V.....	204
THE INTEREST RATE SWAP COUNTERPARTY.....	205
THE ACCOUNT BANK, PRINCIPAL PAYING AGENT AND REGISTRAR.....	206
THE CASH MANAGER.....	207
THE REPORTING AGENT.....	208
RATINGS OF THE NOTES.....	209
TAXATION.....	210
SUBSCRIPTION AND SALE.....	212
DESCRIPTION OF THE NOTES IN GLOBAL FORM AND THE CLASS B NOTE.....	216
USE OF PROCEEDS.....	222
GENERAL INFORMATION.....	223
GLOSSARY OF DEFINED TERMS.....	226
INDEX OF DEFINED TERMS.....	260

TRANSACTION OVERVIEW

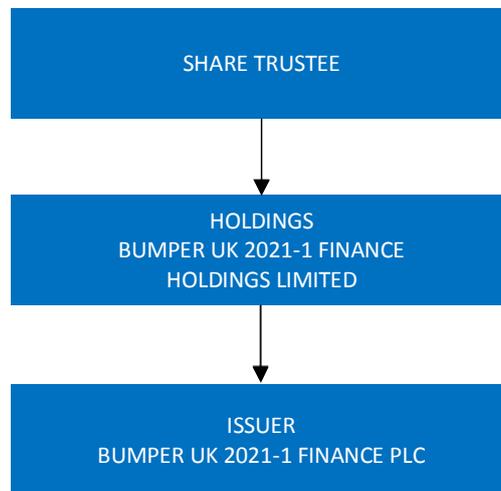
DIAGRAMMATIC OVERVIEW OF THE TRANSACTION

Below is a transaction structure diagram. This transaction structure diagram is qualified in its entirety by the detailed information appearing elsewhere in this Prospectus. If there is any inconsistency between this transaction structure diagram and the information provided elsewhere in this Prospectus, such information shall prevail.

In addition, investors must consider the risks relating to the Notes. See the section headed "Risk Factors" below for a description of certain aspects of the issue of the Notes about which prospective investors should be aware.



DIAGRAMMATIC OVERVIEW OF THE OWNERSHIP STRUCTURE OF THE ISSUER



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 CAREFULLY CONSIDER IN LIGHT OF THEIR OWN FINANCIAL CIRCUMSTANCES AND INVESTMENT OBJECTIVES ALL THE INFORMATION SET FORTH IN THIS PROSPECTUS AND, IN PARTICULAR, THE CONSIDERATIONS SET FORTH BELOW. PROSPECTIVE INVESTORS SHOULD MAKE SUCH INQUIRIES AS THEY DEEM NECESSARY WITHOUT RELYING ON THE ISSUER, THE JOINT LEAD MANAGERS OR THE ARRANGER.

The following is an overview of certain aspects of the Notes of which prospective investors should be aware. This overview is not intended to be exhaustive and prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.

1. Risk Factors relating to The Notes

- (a) Limited obligations, non-petition provisions and a lack of a sufficient Available Distribution Amount may affect payments on the Notes

The Notes represent obligations of the Issuer only, and do not represent obligations of the Arranger, the Joint Lead Managers, the Issuer Security Trustee, LPUK or any of its affiliates, the LPUK Security Trustee, the Note Trustee, the Account Bank, the Cash Manager, the Agent Bank, the Reporting Agent or the Paying Agents or any affiliate of the Issuer or any other Transaction Party (except the Issuer) or any other third person or entity. None of the Arranger, the Joint Lead Managers, the Issuer Security Trustee, LPUK or any of its affiliates, the LPUK Security Trustee, the Note Trustee, the Account Bank, the Cash Manager, the Agent Bank, the Reporting Agent, the Paying Agents or any affiliate of the Issuer, any other Transaction Party (except the Issuer) or any other third person or entity, assume any liability to the Noteholders if the Issuer fails to make a payment due under the Notes.

If at any time following:

- (a) the occurrence of either:
- (i) the Final Maturity Date or any earlier date upon which all of the Notes of each Class are due and payable; or
 - (ii) the service of an Note Acceleration Notice; and
- (b) Realisation of the Issuer Charged Assets and application in full of any amounts available to pay amounts due and payable under the Notes in accordance with the applicable Priority of Payments; and

the proceeds of such Realisation are insufficient, after payment of all other claims ranking in priority in accordance with the applicable Priority of Payments, to pay in full all amounts then due and payable under any Class of Notes then the amount remaining to be paid (after such application in full of the amounts first referred to in paragraph (b) above) under such Class of Notes (and any Class of Notes junior to that Class of Notes) shall, on the day following such application in full of the amounts referred to in paragraph (b) above, cease to be due and payable by the Issuer. "**Realisation**" is defined in Condition 18 (Limited Recourse).

- (b) Risks relating to the insolvency of the Issuer

The Issuer will enter into the Issuer Deed of Charge pursuant to which it will grant the Issuer Security in respect of certain of its obligations, including its obligations under the Notes (as to which, see "Description of Certain Transaction Documents – Issuer Deed of Charge"). In certain

circumstances, including the occurrence of certain insolvency (or certain pre-insolvency) events in respect of the Issuer, the ability to realise the Issuer Security may be delayed and/or the value of the relevant security impaired. In particular, it should be noted that significant changes to the UK insolvency regime have been enacted under the Corporate Insolvency and Governance Act 2020 which received Royal Assent on 25 June 2020 and came into effect on 26 June 2020. The changes include, among other things: (i) the introduction of a new moratorium regime that certain eligible companies can obtain which will prevent creditors taking certain action against the company for a specified period; (ii) a ban on operation of or exercise of *ipso facto* clauses preventing (subject to exemptions) termination, variation or exercise of other rights under a contract due to a counterparty entering into certain insolvency or restructuring procedures; and (iii) a new compromise or arrangement under Part 26A of the Companies Act 2006 (the **Restructuring Plan**) that provides for ways of imposing a restructuring on creditors and/or shareholders without their consent (so-called cross-class cram-down procedure), subject to certain conditions being met and with a court adjudicating on the fairness of the restructuring proposal as a whole in determining whether or not to exercise its discretionary power to sanction the Restructuring Plan. While the Issuer is expected to be exempt from the application of the new moratorium regime and the ban on *ipso facto* clauses, there is no guidance on how the new legislation will be interpreted and the Secretary of State may by regulations modify the exceptions. For the purposes of the Restructuring Plan, it should also be noted that there are currently no exemptions, but the Secretary of State may by regulations provide for exclusion of certain companies providing financial services and the UK government has expressly provided for changes to the Restructuring Plan to be effected through secondary legislation, particularly in relation to the cross-class cram-down procedure. It is therefore possible that aspects of the legislation may change. While the transaction structure is designed to minimise the likelihood of the Issuer becoming insolvent, and/or subject to pre-insolvency restructuring proceedings, no assurance can be given that any modification of the exceptions from the application of the new insolvency reforms referred to above will not be detrimental to the interests of the Noteholders and there can be no assurance that the Issuer will not become insolvent and/or the subject of insolvency or pre-insolvency restructuring proceedings and/or that the Noteholders would not be adversely affected by the application of insolvency laws (including English insolvency laws or the laws affecting the creditors' rights generally).

In addition, it should be noted that, to the extent that the assets of the Issuer are subject only to a floating charge (including any fixed charge recharacterised by the courts as a floating charge), in certain circumstances under the provisions of sections 174A, 176ZA and 176A of the Insolvency Act 1986, certain floating charge realisations which would otherwise be available to satisfy the claims of secured creditors under the Issuer Deed of Charge may be used to satisfy any expenses of the insolvency proceeding, claims of unsecured creditors or creditors who otherwise take priority over floating charge recoveries. While certain of the covenants given by the Issuer in the Transaction Documents are intended to ensure it has no significant creditors other than the secured creditors under the Issuer Deed of Charge, it will be a matter of fact as to whether the Issuer has any other such creditors at any time. There can be no assurance that the Noteholders will not be adversely affected by any such reduction in floating charge realisations upon the enforcement of the Issuer Security.

2. RISKS RELATING TO THE AVAILABILITY OF FUNDS TO PAY THE NOTES

(a) Deferral of interest payments on the Notes

If, on any Interest Payment Date the Issuer has insufficient funds to make payment in full of all amounts of interest (including any accrued interest thereon) payable in respect of any Class of Notes (other than the Most Senior Class Outstanding) after having paid or provided for items of higher priority in the Revolving Period Priority of Payments or, as the case may be, the Normal Amortisation Period Priority of Payments, then that amount shall not be due and payable and the Issuer will be entitled under Condition 15 (Subordination by Deferral) to defer payment of that amount (to the extent of the insufficiency) until the following Interest Payment Date or such earlier date as interest in respect of such Class of Notes becomes immediately due and payable in accordance with the Conditions and it shall not constitute an Issuer Event of Default. To the extent that there are insufficient funds on the following Interest Payment Date or such earlier date as interest in respect of such Class of Notes is scheduled to be paid in accordance with the Conditions, the deferral of interest shall continue until the Final Maturity Date.

- (b) Lack of liquidity in the secondary market may adversely affect the market value of the Notes

There can be no assurance that there is an active and liquid secondary market for the Notes, and no assurance is provided that a secondary market for the Notes will develop or, if it does develop, that it will provide Noteholders with liquidity of investment for the life of the Notes. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of notes generally would have a more limited secondary market and more price volatility than conventional debt securities.

Any investor in the Notes must be prepared to hold their Notes for an indefinite period of time or until their Final Maturity Date or alternatively such investor may only be able to sell the Notes at a discount to the original purchase price of those Notes. The market price of the capital in the Notes could be subject to fluctuation in response to, among other things, variations in the value of the Portfolio, the market for similar securities, prevailing interest rates, changes in regulation and general market and economic conditions.

3. RISKS RELATING TO THE PURCHASED RECEIVABLES

- (a) Risk of late payment of monthly instalments

Whilst each Lease Agreement has due dates for scheduled payments thereunder, there is no assurance that the Lessees under those Lease Agreements will pay in time, or at all. Any such failure by the Lessees to make payments under the Lease Agreements would have an adverse effect on the Issuer's ability to make payments under the Notes. The risk of late payment by Lessees is in part mitigated by the Liquidity Reserve. Whilst the Issuer may draw on amounts standing to the credit of the Liquidity Reserve Ledger to make payments in respect of the Notes, no assurance can be given that the Issuer will have sufficient funds to make payments in full in respect of the Notes. In addition, LPUK is not obliged to repurchase any Lease Receivables or the associated RV Claims and/or the associated Final Balloon Payment Receivables if the relevant Lease Agreement is a Defaulted Lease Agreement.

- (b) The Covid-19 pandemic may have negative effects on the Portfolio

The world is currently experiencing an outbreak of a novel coronavirus (known as "Covid-19") which is having severe health, as well as unpredictable economic, effects across the world. On 11 March 2020, the Chief Medical Officer of the UK Government announced that the current outbreak of Covid-19 has reached epidemic proportion in the United Kingdom and the World Health Organisation also declared the current global outbreak of Covid-19 as a "global pandemic".

In the context of Covid-19, on 24 April 2020, the FCA published a package of measures to support motor finance consumers through the Covid-19 pandemic (the "FCA Covid-19 Guidance"). Amongst other things, the FCA Covid-19 Guidance provides that UK authorised firms which offer (or have acquired) regulated consumer credit or consumer hire agreements relating to motor vehicles should, where a customer is experiencing or reasonably expects to experience payment difficulties as a result of circumstances relating to coronavirus, and wishes to receive a payment deferral, grant a customer a payment deferral for up to three months. The FCA Covid-19 Guidance was subsequently amended by the FCA on 17 July 2020 and 19 November 2020. The current version of the FCA Covid-19 Guidance is in force until 31 July 2021. The effect of that guidance is that a customer is entitled to request an initial payment deferral at any time before 31 March 2021. No single payment deferral should be granted in respect of more than three monthly payments and no payment deferral granted under the FCA Covid-19 Guidance should be capable of extending beyond 31 July 2021. Where a customer has been granted a payment deferral under the FCA Covid-19 Guidance, that customer should not be treated as being in arrears. On 30 September 2020 the FCA published draft additional guidance for firms, including motor finance providers on what should happen at the end of existing payment deferral granted under the FCA Covid-19 Guidance. The FCA subsequently updated

this additional guidance on 19 November 2020 with the updated version coming into force on 25 November 2020 (the "**Additional FCA Covid-19 Guidance**"). The Additional FCA Covid-19 Guidance confirms that the FCA Covid-19 Guidance will continue to apply to provide support to newly affected customers until 31 March 2021, with consumers able to receive an initial or further 3-month payment deferral until that date which could last until 31 July 2021. It also sets out the FCA's expectations on additional tailored forbearance being granted to those who have had payment deferrals but who remain in financial difficulties or those who are not eligible for a payment deferral under the FCA Covid-19 Guidance. On 27 January 2021, the FCA published finalised guidance to update paragraph 1.2 and section 6 of the Additional FCA Covid-19 Guidance to set out the FCA's expectations and proposed approach to the repossession of goods and vehicles. That finalised guidance provides that firms will be able to repossess such goods and vehicles from 31 January 2021, but this should only be done as a last resort and in accordance with all relevant government public health guidelines (including on social distancing and shielding). Where a customer has an agreed forbearance plan in place (including a payment deferral), repossession action should not be commenced or continued. The FCA also expects firms to exercise particular care when dealing with vulnerable customers carefully considering the potential impacts of repossession action on such customers.

Please see "Consumer Credit Regulation in the UK – FCA Covid-19 Guidance" for more detail. The FCA Covid-19 Guidance and the Additional FCA Covid-19 Guidance apply to the Lease Receivables arising out of consumer hire agreements in the Portfolio.

Increased levels of payment deferrals and restrictions on repossessions may result in a reduction of funds available to the Issuer to meet its obligations under the Notes. Further, the FCA, or other UK government or regulatory bodies, may take further steps in response to the Covid-19 Pandemic in the UK which may impact the performance of the Lease Receivables, including further amending and extending the scope of the FCA Covid-19 Guidance and the Additional FCA Covid-19 Guidance. If the timing of the payments, as well as the quantum of such payments, in respect of the Lease Receivables is adversely affected by this guidance or any of the risks described above, then payments on the Notes could be reduced and/or delayed and could ultimately result in losses on the Notes.

Further, the FCA Covid-19 Guidance, Additional FCA Covid-19 Guidance and the FCA Covid-19 Proposals could have an adverse effect on the residual values of the Vehicles as well as the Originator's ability to undertake repossessions in a timely fashion, or indeed at all for a period, where Lessees are in breach. Such matters could have an adverse effect on the Issuer's ability to make payments under the Notes.

In the context of Covid-19, and in respect of Lessees in financial difficulty during the term of their Lease Agreement, the Seller will assess the situation and the potential remedies on a case by case basis. Corporate Lessees are evaluated by a committee made up of finance and risk representatives. SME Lessees are assessed by the Collections team applying regulatory guidance issued by the Financial Conduct Authority. A combination of recent financial insight, payment history, industry and credit ratings (where applicable) will be used to determine if a relief measure should be granted to the Lessee which is in distress due to the Covid-19 Pandemic. These relief measures include the allowance of a Lessee to defer making payments under the Lease Agreement for a period of a certain number of months, or a deferment combined with a contract extension of a number of months. Lessees to which such relief measures have been granted may be included in the Portfolio, provided that the Lessee subject to a Covid-19 Payment Holiday resumes payments of the monthly instalments prior to the relevant Purchase Date. Such measures, including payment holidays, are, amongst other things, intended to minimise Lessee defaults occurring as a result of Covid-19, however, they could result in payment disruptions and losses under the Lease Agreements. Any payment holidays and/or contract extensions in relation to Lease Agreements granted to Lessees (including, without limitation, Covid-19 Payment Holidays) after the relevant Purchase Date of the associated Purchased Vehicles may be granted by the Servicer in accordance with the terms of the Servicing Agreement (see also the section entitled Characteristics of the Portfolio – Originator's Servicing Procedures), and shall not result in a mandatory obligation for the Seller to repurchase the relevant Purchased Vehicle or terminate the relevant Hire Purchase Contract (except if a breach of an Asset Warranty was made by the Seller when required to be made by the Seller in relation to that Purchased Vehicle and/or associated Lease Receivable and/or associated Lease

Agreement). Any such payment interruptions and/or failures by the Lessees to make payments under the Lease Agreements could have an adverse effect on the Issuer's ability to make payments under the Notes. See section entitled "Description of Certain Transaction Documents – Purchase Agreement – Eligibility Criteria".

(c) Geographical and industry concentration of Lessees

Although the Lessees under the Lease Agreements are located throughout England and Wales, these Lessees may be concentrated in certain locations, such as densely populated or industrial areas. Any deterioration in the economic condition of the areas in which the Lessees are located, or any deterioration in the economic conditions of other areas, may have an adverse effect on the ability of the Lessees to make payments under the Lease Agreements, which could in turn increase the risk of losses on the Lease Agreements. A concentration of Lessees in such areas may therefore result in a greater risk that the Noteholders will ultimately not receive the full principal amount of the Notes and interest thereon as a result of such uncovered losses incurred in respect of the Lease Agreements than if such concentration had not been present.

Further, although the Lessees are involved in a range of different industry sectors and the Vehicles derive from a cross-section of such industries, there may be a higher concentration of Lessees in one particular industry sector (subject to the requirement in the Replenishment Criteria) that generate the Lease Receivables, RV Claims and Final Balloon Payment Receivables comprising the Portfolio. Deterioration in the economic conditions in such industry sector may adversely affect the ability of the Lessees to make payments under the Lease Agreements and, therefore, could increase the risk of losses on the Lease Agreements. Any such deterioration may reduce the market for any Leased Vehicles especially where such a Vehicle is a specialist or industry-specific Vehicle. A greater concentration of Lessees in particular industry sectors may, therefore, result in a greater risk that the Noteholders will ultimately not receive the full principal amount of the Notes and interest thereon as a result of such uncovered losses incurred in respect of the Lease Agreements than if such concentration had not been present.

(d) Changing characteristics of the Portfolio during the Revolving Period

During the Revolving Period, the amounts that would otherwise be used to repay the principal under the Notes may be used to purchase Additional Lease Receivables, RV Claims and Final Balloon Payment Receivables from LPUK. Lease Receivables, RV Claims and Final Balloon Payment Receivables contained in the Initial Portfolio and any Additional Portfolios may also be prepaid or default during the Revolving Period. Therefore the characteristics of the Portfolio may change after the Closing Date, and could be different at the end of the Revolving Period from the characteristics of the Initial Portfolio. These differences could result in faster or slower repayments or greater losses on the Notes.

Although the Seller will make representations and warranties including that the Eligibility Criteria and Replenishment Criteria are satisfied which require that the Aggregate Discounted Balance of the Portfolio is not to exceed certain concentration limits with respect to the Lease Receivables generated under certain of the Lease Agreements for used vehicles, the exact characteristics of the relevant Additional Portfolio will not be taken into account in determining the level of credit enhancement required for the Class A Notes.

Because of payments on the Lease Receivables and purchase of Additional Portfolios during the Revolving Period, concentrations of Lessees in the pool may vary from the concentration that exists as of the Closing Date. Such concentration or other changes of the pool could adversely affect the delinquency, or credit loss, of the Portfolio.

(e) The Revolving Period may end if LPUK is unable to originate Additional Lease Receivables and Noteholders may receive payments of principal on the Notes earlier than expected

During the Revolving Period, no principal will be paid to the Noteholders. Instead, on each Interest Payment Date during the Revolving Period, the Available Distribution Amounts may be used to purchase Additional Portfolios in accordance with the Revolving Period Priority of Payments. Any Available Distribution Amounts not used to purchase an Additional Portfolio on

an Interest Payment Date are credited to the Replenishment Ledger during the Revolving Period and such amounts may be used to purchase Additional Portfolios on any other Business Day during the subsequent Interest Period. However, if any amount deposited and remaining in the Replenishment Ledger after the application of the Priority of Payments on two consecutive Interest Payment Dates exceeds 10% of the Aggregate Discounted Balance of the Portfolio on the Initial Cut-Off Date, then a Revolving Period Termination Event will occur. If a Revolving Period Termination Event occurs, the Revolving Period will terminate resulting in principal being repaid on the Notes on and from the following Interest Payment Date and the Noteholders will receive payments of principal on the Notes earlier than expected.

LPUK does not, as of the date of this Prospectus, expect any shortage in availability of Lease Receivables, RV Claims and Final Balloon Payment Receivables that can be sold to the Issuer during the Revolving Period. However, LPUK is not obliged to sell any Additional Portfolios during the Revolving Period. If LPUK is unable to originate Additional Lease Receivables or if it does not sell any Additional Portfolios, then the Revolving Period will terminate earlier than expected and, in such circumstances, the Noteholders will receive payments of principal on the Notes earlier than expected. The Noteholders may receive redemption on their Notes earlier than anticipated. In the event of an early redemption, Noteholders may be unable to find a similar return to invest their monies.

(f) Risk of early repayment on the Lease Agreements effecting the yield on the Notes

Under the terms of certain of the Lease Agreements, the Lessees are entitled to terminate the Lease Agreements early, subject, where applicable, to payments of an early repayment fee or charge. The early repayment fee or charge may not be enforceable in circumstances where such fee or charge is construed as a penalty under English law. In the event that, after the termination of the Revolving Period, the Lease Agreements underlying the Portfolio are prematurely terminated or otherwise settled early or a Revolving Period Termination Event occurs, the principal repayment of the Notes may be earlier than expected and, therefore, the yield on the Notes may be adversely affected by a higher or lower than anticipated rate of prepayment of the Lease Receivables. The rate of prepayment of the Lease Receivables cannot be predicted and is influenced by a wide variety of economic and other factors, including prevailing interest rates, the buoyancy of the auto finance market, the availability of alternative financing and local and regional economic conditions. Therefore, no assurance can be given as to the level of prepayment that the Lease Receivables will experience. See the section entitled "Weighted Average Life of the Notes".

(g) Potential adverse changes to the value and/or composition of the Portfolio

No assurances can be given that the respective values of the Leased Vehicles to which the Portfolio relates have not depreciated or will not depreciate at a rate greater than the rate which they were expected to do so on the date of origination of the Lease Receivables. If this has happened or happens in the future, or if the used car market in the United Kingdom should experience further downturn, or where there is a general deterioration of the economic conditions in the United Kingdom, then any such scenario could have an adverse effect on the ability of Lessees to repay amounts under the relevant Lease Agreements and/or the likely amount to be recovered upon a sale of the Leased Vehicles upon default by Lessees. This could have an adverse effect on the Issuer ability to make payments on the Notes.

Whilst the Eligibility Criteria and the Replenishment Criteria are intended to operate and the Liquidity Reserve Ledger has been sized as at the Initial Cut-Off Date to operate so as to mitigate against such risks, no assurances can be given that circumstances in the future will not change such that the composition of the pool of the Portfolio at any time in the future may deteriorate in view of the circumstances then subsisting.

(h) Residual Value Risk

The residual value risk for the Issuer is the risk that any sale proceeds of Leased Vehicles are insufficient to cover the Estimated Residual Value of Leased Vehicles relating to certain Lease Agreement types.

The Lessees of Finance Lease Agreements and Lease Purchase Lease Agreements have residual value risk as they are required to pay the Final Balloon Payment and are not able to return the Leased Vehicle to settle the Final Balloon Payment. LPUK has the residual value risk for Operating Lease Agreements. In addition, where a Lessee exercises its right to return the Leased Vehicle in settlement of the Final Balloon Payment under Contract Purchase Lease Agreements the residual value risk will be with LPUK.

LPUK will repurchase the Lease Receivables and (in each case if applicable) the RV Claims and the Final Balloon Payment Receivables at the Aggregate Discounted Balance of such Lease Receivable, RV Claim and/or Final Balloon Payment Receivable in the circumstances set out in the Purchase Agreement. In addition, pursuant to the terms of the Realisation Agency Agreement, LPUK will use commercially reasonable efforts to arrange for the sale of Vehicles in a manner which maximises the sale price thereof. However, there can be no assurance that the sale proceeds of any such Leased Vehicles will be sufficient to cover the Estimated Residual Value or, where a Lease Agreement includes a Final Balloon Payment, the amount of the Final Balloon Payment. In addition, no assurance can be given that the Portfolio will be sufficient to protect the Noteholders from residual value risk. Any failure of LPUK to repurchase the Lease Receivables and (in each case if any) the RV Claims and the Final Balloon Payment Receivables, and/or to sell the Leased Vehicles for an amount equal to or in excess of the Estimated Residual Value, could have an adverse effect on the ability of the Issuer to make payments in respect of the Notes.

The Issuer does not have any rights in, over or to the Leased Vehicle itself (other than its rights in relation to the floating security that the LPUK Security Trustee has over the title to the Leased Vehicles), only to the sale proceeds thereof. Accordingly, in the event of any insolvency of LPUK, the Issuer is reliant on any administrator or liquidator of LPUK taking appropriate steps to sell such Leased Vehicle. As the sale proceeds from the Leased Vehicles have been assigned to the Issuer pursuant to the Purchase Agreement, the Leased Vehicles will have no economic value to the insolvency estate and therefore to LPUK's creditors as a whole. It is therefore unlikely that an administrator or liquidator of LPUK will have any incentive to take any steps to deal with the Leased Vehicles contrary to the provisions of the Transaction Documents. However, in the absence of such an economic interest, the administrator or liquidator may not be incentivised to realise the value of the Leased Vehicles in a timely manner. This risk is mitigated by the inclusion of a provision in the Servicing Agreement providing that the Issuer will pay, in accordance with the relevant Priority of Payments, an Administrator Incentive Recovery Fee to the relevant administrator or liquidator. The Administrator Incentive Recovery Fee will be paid even where such Leased Vehicles are sold by a third party (for example the Back-Up Realisation Agent). However, there can be no certainty that any administrator or liquidator would take such actions to sell the Leased Vehicles on the expiry of a Lease or, as applicable, would consent to the sale of a Leased Vehicle on behalf of LPUK by the Back-Up Realisation Agent. Furthermore, any failure or delay on the part of an administrator or liquidator to sell or consent to the sale of a Leased Vehicle could have an adverse effect on the ability of the Issuer to make payments on the Notes. In addition, LPUK has granted a power of attorney in favour of the Issuer to demand, sue for and receive payment of all monies due or payable under or in respect of Lease Receivables, RV Claims and/or Final Balloon Payment Receivables or in respect of any rights related thereto and pursuant to the terms.

(i) Lease Agreements

Each of the Lease Agreements amortise over the life of the relevant contract. However, the Operating Lease Agreements amortise over the life of the Operating Lease Agreements and the Hire Purchase Lease Agreements amortise over the life of the relevant Hire Purchase Lease Agreement with Lessees on maturity of the relevant Hire Purchase Lease Agreement either (i) making the Final Balloon Payment or (ii) opting not to pay the Final Balloon Payment but returning the Leased Vehicle to be sold and the proceeds put towards payment of the Final Balloon Payment.

The Lease Receivables include any and all claims and rights of the Seller against the Lessee under or in connection with the use of the Leased Vehicles under the relevant Lease Agreements (including, for the avoidance of doubt, all payments due from the Lessee under the relevant Lease Agreement (including any VAT, maintenance charge or related fees and expenses due and

payable by the Lessee under the terms of the Lease Agreement)), and any Ancillary Rights. The RV Claims include the right to receive all proceeds derived from the Leased Vehicle other than Lease Receivables (including, for the avoidance of doubt, any sale proceeds or amounts arising as a result of entering into a new lease with respect to such Leased Vehicle which do not constitute a Lease Receivable sold to the Issuer) and Final Balloon Payment Receivables. The Final Balloon Payment Receivables will consist of any and all claims and rights of the Seller to amounts paid by the Lessee in respect of any Final Balloon Payment pursuant to a Lease Agreement included in the Portfolio.

The Final Balloon Payment is substantially greater than the previous monthly instalments payable by a Lessee under a Hire Purchase Lease Agreement. By deferring the repayment of a substantial portion of the outstanding amount of the Hire Purchase Lease Agreements until the final repayment date, the risk of non-payment of the final instalment under such Hire Purchase Lease Agreements is greater than would be the case under the Operating Lease Agreements where instalments are generally of equal size. Any failure by a Lessee to pay in full the Final Balloon Payment could have an adverse effect on the ability of the Issuer to make payments in respect of the Notes, in particular where the residual value of the related Vehicles has fallen and the sale proceeds of such Vehicle is less than the Final Balloon Payment (or that part remaining unpaid by the Lessee).

(j) Market for Leased Vehicles is not guaranteed

LPUK has agreed to repurchase the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables other than in respect of Defaulted Lease Agreements on, amongst other things, the Lease Maturity Date or upon a Lease Agreement Early Termination. If LPUK fails to repurchase the Lease Receivables and (in each case if applicable), the RV Claims and the Final Balloon Payment Receivables in accordance with the Purchase Agreement or to the extent the Leased Vehicles are sold by the Realisation Agent in the open market in respect of Defaulted Lease Agreements, there is no guarantee that there will be a market for the sale of such Leased Vehicles, which will be in a used condition, or that such market will not deteriorate in the future.

Noteholders should also be aware that there may be a very limited market for certain of the Leased Vehicles (particularly those manufactured for certain specialised industrial roles or processes or certain public-utility vehicles) and there is no guarantee that there will be a market for the sale of such Leased Vehicles, which are of a specialised nature and will be in a used condition, or that such market will not deteriorate in the future.

(k) Market for Lease Receivables is not guaranteed

The ability of the Issuer to redeem all the Notes in full, including after the occurrence of an Issuer Event of Default, whilst any of the Portfolio remains outstanding, may depend on whether the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables can be sold, otherwise realised or refinanced by the Issuer or the Issuer Security Trustee so as to obtain a sufficient amount available for the distribution to enable the Issuer to redeem the Notes. There is not yet an active and liquid secondary market for lease and residual value claims in the United Kingdom. No assurance can be given that the Issuer or the Issuer Security Trustee is able to sell, otherwise realise or refinance the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables on appropriate terms should it be necessary for it to do so below levels anticipated when setting the Estimated Residual Value. Any failure by the Issuer or the Issuer Security Trustee to sell or refinance the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables following the occurrence of an Event of Default could have an adverse effect on the Issuer's ability to make payments under the Notes.

(l) Rights in relation to the Vehicles

The ownership of the Vehicles which are the subject of Lease Agreements which are included in the Portfolio will be retained by LPUK and the Issuer will have the benefit of an assignment of the RV Claims and the Final Balloon Payment Receivables. As the Issuer will not acquire an ownership interest in the Vehicles themselves, certain third parties may acquire rights in relation to the Vehicles which prejudice the collection of the RV Claims and the Final Balloon Payment Receivables by the Issuer. Most notably, if a creditor secures a money judgment against LPUK,

a High Court enforcement officer is empowered to seize and sell LPUK's goods and chattels, in an amount sufficient to satisfy the judgment debt and cost of execution, through a writ of fieri facias ("**fi fa**"). This means that the Leased Vehicles, which remain the property of LPUK, will be at risk of execution from a judgment creditor. Such creditor enforcement action is not possible (without the leave of court) once administration or liquidation of LPUK intervenes, since such action is effectively stayed by the advent of the insolvency proceedings.

In view of the risk of execution from a judgment creditor, LPUK will grant a floating charge in favour of the LPUK Security Trustee pursuant to the LPUK Deed of Charge over the Charged Vehicles. The Charged Vehicles will not comprise all Leased Vehicles – those Leased Vehicles which are the subject of Lease Agreements to which section 8 of the Supply of Goods (Implied Terms) Act 1973 applies (broadly, those Lease Agreements which are hire-purchase agreements) or section 12(2) of the Sale of Goods Act 1979 applies (broadly, those Lease Agreements which involve sales of goods), will not be subject to the floating charge until termination of the Lease Agreement.

A floating charge does not generally take priority over a judgment creditor executing a writ of fi fa, unless that charge has crystallised prior to the completion of the judgment creditor's enforcement action. Therefore, such floating security will automatically crystallise on the occurrence of certain events including if any person attempts to levy distress, execution or other process against any of the Charged Vehicles subject to an aggregate materiality threshold calculated across the entire Portfolio of £20,000,000. Whilst LPUK is obliged to inform the LPUK Security Trustee of any circumstances that would lead to automatic crystallisation of the floating charge, to the extent the Seller dealt with the Charged Vehicles after the crystallisation (such dealing would not include those Leased Vehicles already subject to a Lease Agreement) of the floating security, this may lead to the deemed waiver by the LPUK Security Trustee of the floating security if the LPUK Security Trustee has acquiesced to such breach or failure by LPUK. This could occur, for example, where the Seller sought to dispose of the relevant Vehicles or otherwise re-lease them without the express consent of the LPUK Security Trustee. Any deemed waiver of the floating charge crystallisation could have an adverse effect on the ranking of the Issuer's claim against the Vehicles with respect to third party creditors (in particular, any execution creditors) of the Seller.

The effect of the automatic crystallisation of the floating charge is to convert such security interest into a fixed charge. Whether such security interest will be upheld as a fixed charge post crystallisation will depend, among other things, on whether (i) LPUK complies with its obligations in the LPUK Deed of Charge to notify the relevant parties as to whether any Charged Vehicle is the subject of any attempts to levy distress, execution or other process, and also to provide the same with the aggregate value of such claims as they arise, and (ii) the LPUK Security Trustee (as chargee) under the LPUK Deed of Charge, has the requisite degree of control over the LPUK's ability to deal in the relevant assets and, if so, whether such control is exercised by the LPUK Security Trustee in practice. Therefore, there remains a risk that the security interest created by the crystallisation under the LPUK Deed of Charge could be recharacterised as a floating charge.

Pursuant to the terms of the LPUK Deed of Charge, the LPUK Security Trustee may appoint a third party to act as its agent to exercise its discretion in respect of the sale of Charged Vehicles. Such third party may be the same entity as that appointed as the Back-Up Realisation Agent in accordance with the Realisation Agency Agreement. LPUK or, as the case may be, the Issuer is responsible for procuring a Suitable Entity pursuant to the Realisation Agency Agreement to act as Trustee Agent of the LPUK Security Trustee on terms satisfactory to the LPUK Security Trustee (including the provision of an indemnity satisfactory to it). Until such time as LPUK or, as the case may be, the Issuer has appointed a Trustee Agent, the LPUK Security Trustee will not perform the Trustee Agent Role and the LPUK Security Trustee will have no liability to any LPUK Secured Creditor or any other person resulting from any failure or delay on the part of LPUK or, as the case may be, the Issuer in procuring a Trustee Agent or as a result of there being no Trustee Agent to perform the Trustee Agent Role. Further, the LPUK Security Trustee is entitled to assume, until it receives actual written notice thereof from the Issuer or LPUK (in any of its capacities under the Transaction Documents): (i) that none of the Charged Vehicles or any part thereof is in danger of being seized or sold under any form of distress, attachment, diligence, or execution levied or threatened or is otherwise in jeopardy or imperilled; and (ii) that no Seller

Event of Default, Reserves Trigger Event, Automatic Crystallisation Event, Pre-Crystallisation Trigger Event, Non-Insolvency Realisation Agent Termination Event, Non-Insolvency Sub-Maintenance Coordinator Termination Event or Non-Insolvency Servicer Termination Event and no Insolvency Event in relation to LPUK or the Issuer has occurred. If LPUK or the Issuer, as the case may be, cannot or do not procure a Suitable Entity to act as Trustee Agent, then the LPUK Security Trustee does not have the capacity and expertise to consent to each disposal of a Leased Vehicle which may result in (i) the LPUK Security Trustee failing to have the requisite control, and the security interest created by the crystallisation under the LPUK Deed of Charge could therefore be recharacterised as a floating charge, and/or (ii) the Charged Vehicles not being sold if the consent of the LPUK Security Trustee cannot be obtained.

The claims of the LPUK Security Trustee will be subject to the matters which are given priority over a floating charge by law, including (inter alia) the expenses of any administration or winding-up (which could include any corporation tax charges), the claims of preferential creditors and (up to an amount equal to £600,000) a portion of the claims of unsecured creditors. Furthermore, where the floating charge does not take effect as a fixed charge following crystallisation, the Issuer will no longer have priority in a claim against the Vehicles with respect to third party creditors (in particular, any execution creditors) of the Seller.

Further, if liquidation or administration proceedings were to be commenced in England and Wales with respect to LPUK within 12 months of the Closing Date and it is determined that LPUK was unable to pay its debts at the time the floating charge was granted or became unable to do so in consequence of the transaction under which the charge is created, under section 245 of the Insolvency Act 1986, the floating charge will be valid only to the extent of the value of so much of the consideration as consists of money paid, or goods and services supplied, to LPUK at the same time as, or after, the creation of the charge. Following the creation of the floating charge in favour of the LPUK Security Trustee, on the Closing Date, LPUK will receive £549,998,448.37 in proceeds from the sale of the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables, being consideration received pursuant to the Purchase Agreement in respect of the sale of the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables comprised in the Initial Portfolio to the Issuer. The consideration for the sale of the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables and the granting of the floating charge under the LPUK Deed of Charge comprises the relevant purchase price and therefore the floating charge granted by LPUK will stand as security to the extent of such monies received.

- (m) No assurance that Credit and Collection Processing Procedures will enable the Issuer to make payments on the Notes

LPUK, in its capacity as Servicer, will carry out the administration, collection and enforcement of the Portfolio in accordance with the Servicing Agreement including its Credit and Collection Processing Procedures (see "Description of Certain Transaction Documents – Servicing Agreement"). The Noteholders are relying on the business judgement and practices of LPUK as they exist from time to time, in its capacity as Servicer, including enforcing claims against Lessees. Such procedures may change over time and no assurance can be given that such changes will not have an adverse effect on the Issuer's ability to make payments on the Notes.

Further, the terms and conditions of the Lease Agreements may be amended provided that:

- (a) such change: (x) does not cause the Lease Agreement to cease to comply with the Eligibility Criteria; (y) would not cause any of the Lease Warranties to be untrue if given on the effective date of the relevant variation; and (z) which are made in compliance with the Servicer standard of care;
- (b) such change is made in accordance with the terms of the relevant Lease Agreement; and
- (c) such change does not cause the last payment thereunder to occur after December 2028.

Where amendments which are made in accordance with the credit and collection processing procedures of LPUK as amended from time to time in accordance with the terms and conditions of the Servicing Agreement (the "**Credit and Collection Processing Procedures**"), result in the

Aggregate Discounted Balance of the Lease Receivables being reduced (following a Lease Agreement Recalculation), Noteholders may suffer a loss if LPUK fails to pay an amount equal to the Aggregate Discounted Balance Reduction Amount to the Issuer pursuant to the terms of the Purchase Agreement.

(n) Portfolio information

The historical, financial and other information set out in this Prospectus (including in the tables set out in "Characteristics of the Portfolio –Pool Size and Characteristics") is based on the procedures of LPUK. None of the Issuer, the Interest Rate Swap Counterparty, the Arranger, the Joint Lead Managers, the Issuer Security Trustee, the Note Trustee, the LPUK Security Trustee, the Account Bank, the Cash Manager, the Paying Agents, the Reporting Agent or the Corporate Services Provider has undertaken or will undertake any investigation or review of, or search to verify, the information. There can be no assurances as to the future performance of the Portfolio. Any failure in the performance of the Portfolio would have an adverse effect on the Issuer's ability to make payments in respect of the Notes.

(o) Rights in relation to the Portfolio

Pursuant to the Issuer Deed of Charge, the Issuer will grant security over its rights in and to the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables. The Issuer Security Trustee and the Issuer will rely on the Servicer to enforce any rights under the Lease Agreements and to carry out its obligations under the Servicing Agreement.

LPUK will undertake for the benefit of the Issuer that it will not take any steps in relation to the Lease Agreements otherwise than in accordance with its Credit and Collection Processing Procedures in order to perform its duties under the Servicing Agreement, and that it will lend its name to, and take such other steps as may be required by the Issuer or following the occurrence of an Issuer Event of Default the Issuer Security Trustee in relation to, any action (whether through the courts or otherwise) in respect of the Lease Agreements.

(p) Value of Leased Vehicles

Whilst the Portfolio contains a variety of Vehicles, certain of the Vehicles (particularly those manufactured for certain industrial roles or processes) may have a high individual value. If a number of such Vehicles suffered damage or were otherwise impaired, any losses could impact on the Vehicles' value and the associated RV Claims. It may also be difficult to find a purchaser for certain of the Vehicle types where they are specialist or industry-specific Vehicles. Any impact on the ability of the Issuer to realise such value could have an adverse effect on the Issuer's ability to make payments in respect of the Notes.

The value of Vehicles may also be adversely affected by faulty design, manufacture or maintenance of the Vehicle, and similar issues may arise in respect of multiple Vehicles or an entire class of Vehicles, such as engine software installed on certain vehicles which may circumvent emission standards for certain pollutants. It is uncertain whether such circumstances will affect the residual values of the relevant Vehicles and a negative impact cannot be ruled out.

(q) Reliance on Realisation Procedures Rules; sale in the open market

To the extent the Realisation Agent has the duty to realise the Leased Vehicles in the open market, the Realisation Agent will carry out such realisation of the Leased Vehicles in accordance with the Realisation Agency Agreement.

Accordingly, the Noteholders are relying on the business judgement, the practices and the capabilities of the Realisation Agent when realising the Leased Vehicles (see "Description of Certain Transaction Documents – Realisation Agency Agreement").

Although the different distribution channels for used vehicles offer flexibility, and therefore increase the customer base of the Realisation Agent for such used vehicles, there is no guarantee that each of such distribution channels in itself results in the best-achievable price for such used vehicles. Partly used vehicles will be sold by using internet portals or via auctions (including

trade auctions that are limited to professional resellers only), which both bear the risk that the best-achievable price cannot be reached. With respect to the internet customers, this is, inter alia, attributable to the fact that the final customer cannot test-drive the vehicles and may therefore be inclined not to make a bid equal to the best-achievable price in such internet auction. In respect of Vehicles sold by trade auction, sales to professional sellers will generally result in a lower resale price than sales to a non-professional individuals.

For more information on commingling, see further "Commingling risk" below.

(r) Risk of non-existence of Portfolio

In the event that any of the Portfolio have not come into existence at the time of their assignment to the Issuer under the Purchase Agreement, such assignment would not result in the Issuer acquiring ownership title in such purchased Lease Receivable. The Issuer would not receive adequate value in return for its purchase price payment. This result is independent of whether the Issuer, at the time of assignment, is not aware of the non-existence and therefore acts in good faith with respect to the existence of such purchased Lease Receivable or not. This risk, however, will be mitigated by contractual representations and warranties and the contractual obligation that the relevant Seller shall pay to the Issuer an amount equal to the deemed amount of the Aggregate Discounted Balance of such non-existent Lease Receivables as of the date of such payment.

4. RISKS RELATING TO THE CHANGES TO THE STRUCTURE AND THE DOCUMENTS

(a) Meetings of Noteholders, Modification and Waiver

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Conditions also provide that the Note Trustee may agree, and/or may direct the Issuer Security Trustee and/or the LPUK Security Trustee to agree without the consent of the Noteholders or any other Issuer Secured Creditors (other than those Issuer Secured Creditors who are party to the relevant Transaction Document), to (a) any modification (except in respect of a Basic Terms Modification), waiver or authorisation of, any breach or proposed breach of, the Conditions of the Notes or any of the Transaction Documents which is, in the opinion of the Note Trustee not materially prejudicial to the interests of the Most Senior Class Outstanding or (b) any modification which, in the Note Trustee's opinion, is of a formal, minor or technical nature or to correct a manifest error. The Note Trustee may also, without the consent of the Noteholders, if it is of the opinion that such determination will not be materially prejudicial to the interests of the Noteholders of any Class, determine that an Issuer Event of Default or an Issuer Potential Event of Default shall not, or shall not subject to specified conditions, be treated as such provided that the Note Trustee is satisfied that interests of the Most Senior Class Outstanding would not be materially prejudiced thereby. See " Condition 11 (Meetings of Noteholders, Modification and Waiver)" below.

Without limitation to the paragraph below regarding amendments to the Interest Rate Swap Agreement, the Note Trustee shall be obliged to concur with the Issuer and/or to direct the Issuer Security Trustee and/or the LPUK Security Trustee to concur with the Issuer (without the consent of the Noteholders or any other Issuer Secured Creditors, other than those Issuer Secured Creditors who are party to the relevant Transaction Document) in relation to any amendment to a Transaction Document which the Issuer has certified in writing to the Note Trustee (upon which certification the Note Trustee shall rely without further enquiry) is necessary to:

- (a) (i) reflect the then current published rating criteria of a Rating Agency and which does not conflict with the then current published rating criteria of any other Rating Agency or (ii) avoid a downgrade, withdrawal or suspension of the then current ratings assigned by a Rating Agency to any Class of Notes;

- (b) enable the Issuer to comply with any obligations which apply to it under Regulation (EU) 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012 (including, without limitation, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators (the "EU EMIR")) and/or Regulation (EU) 648/2012 as it forms part of domestic law by virtue of the EUWA (the "UK EMIR");
- (c) comply with any changes in the requirements of (i) Article 6 of the UK Securitisation Regulation, or Section 15G of the Securities Exchange Act of 1934, as added by section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, after the Closing Date, including as a result of the adoption of additional regulatory technical standards in relation to the UK Securitisation Regulation, (ii) Regulation (EU) 2017/2401 (which amends Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms) and/or the UK CRR or (iii) any other risk retention legislation or regulations or official guidance in relation thereto, provided further that the Issuer (or the Servicer on its behalf) certifies to the Note Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect (on which certification the Note Trustee shall rely without further enquiry);
- (d) for the purpose of enabling the Notes to comply with the requirements of the UK Securitisation Regulation, including relating to the treatment of the Notes as a simple, transparent and standardised securitisation, and any related regulatory technical standards authorised under the UK Securitisation Regulation provided that the Issuer (or the Servicer on its behalf) certifies to the Note Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect (on which certification the Note Trustee shall rely without further enquiry);
- (e) enable the Class A Notes to be (or to remain) listed on Euronext Dublin;
- (f) enable the Issuer or any of the other transaction parties to comply with FATCA;
- (g) enable the appointment of any additional or replacement account bank and/or the opening of any additional or replacement account in the name of the Issuer in accordance with the Transaction Documents; or
- (h) enable the appointment of any custodian and/or the opening of any custody account in accordance with the Transaction Documents,

in each case provided that the Issuer has (x) given at least 30 calendar days' prior written notice of any such proposed modification to the Note Trustee and (y) further certified in writing to the Note Trustee (upon which certification the Note Trustee shall rely without further enquiry) that in the reasonable opinion of the Issuer such amendment would not:

- (i) adversely impact on the Issuer's ability to make payments when due in respect of the Notes; or
 - (ii) affect the legality, validity and enforceability of any of the Transaction Documents and any Issuer Security created therein; and
- (i) change the base rate on the Notes from SONIA to an Alternative Base Rate (and such other amendments as are necessary or advisable in the reasonable judgement of the Issuer to facilitate such change) to the extent required in accordance with Condition 11.9(i) and provided that the Issuer (or the Servicer on its behalf) delivers a Base Rate Modification Certificate (as defined in Condition 11.9(i)) to the Note Trustee (on which certification the Note Trustee shall rely without further enquiry) that there has been or that there is reasonably expected to be a material disruption or cessation to SONIA or in the event that an alternative means of calculating a SONIA-based rate of

interest is introduced and becomes a standard method of calculating interest for similar transactions,

and in each case provided further that:

- (1) in respect of paragraphs (a) and (i) above, the Issuer certifies in writing to the Note Trustee that:
 - (A) the Issuer has provided at least 30 calendar days' notice to the Noteholders of each Class of the proposed modification in accordance with Condition 14 (**NOTICES**) and by publication on Bloomberg on the "Company News" screen relating to the Notes; and
 - (B) Noteholders representing at least 10% of the aggregate Principal Amount Outstanding of the Most Senior Class Outstanding have not contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such notification period notifying the Issuer that such Noteholders do not consent to the modification.

If Noteholders representing at least 10% of the aggregate Principal Amount Outstanding of the Most Senior Class Outstanding have notified the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within the notification period referred to above that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the Most Senior Class Outstanding is passed in favour of such modification in accordance with Condition 11.

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 Notes; and

- (2) the Note Trustee (or where applicable, the Issuer Security Trustee or the LPUK Security Trustee) shall not be obliged to agree to any modification which, in the sole opinion of the Note Trustee (or, where applicable, the Issuer Security Trustee or the LPUK Security Trustee), would have the effect of (i) exposing the Note Trustee, the Issuer Security Trustee and/or the LPUK Security Trustee, as applicable, to any additional Liability or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the rights or protections, of the Note Trustee, the Issuer Security Trustee or the LPUK Security Trustee, as applicable in respect of the Notes, the Transaction Documents and/or the Conditions; and
- (3) the Note Trustee shall not consider the interests of the Noteholders, any other Issuer Secured Creditor or any other person and shall act and rely solely and without further investigation, on any certificate (including any Base Rate Modification Certificate) or any other evidence provided to it by the Issuer or the Servicer on behalf of the Issuer and shall not be liable to the Noteholders, any other Issuer Secured Creditor or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person.

In addition, the Note Trustee shall be obliged to concur with the Issuer and/or to direct the Issuer Security Trustee and/or the LPUK Security Trustee to concur with the Issuer (without the consent of the Noteholders or any other Issuer Secured Creditors, other than the Interest Rate Swap Counterparty) in relation to any amendment to the Interest Rate Swap Agreement in respect of which the Issuer has certified in writing to the Note Trustee (upon which certification the Note Trustee shall rely without further enquiry) that such amendment is consistent with the next published criteria for derivative counterparty and supporting party risk that will be published by Moody's and/or, as the case may be, DBRS, following the Closing Date (the "**Counterparty Criteria**"), provided that the Note Trustee (or where applicable the Issuer Security Trustee or the LPUK Security Trustee) shall not be obliged to agree to any amendment which, in the sole opinion of the Note Trustee (or, where applicable, the Issuer Security Trustee

or the LPUK Security Trustee), would have the effect of (i) exposing the Note Trustee, the Issuer Security Trustee and/or the LPUK Security Trustee, as applicable, to any additional Liability or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the rights or protections, of the Note Trustee, the Issuer Security Trustee or the LPUK Security Trustee, as applicable in respect of the Notes, the Transaction Documents and/or the Conditions, and further provided that:

- (A) the Note Trustee has received written confirmation from LPUK and the Interest Rate Swap Counterparty in respect of the Interest Rate Swap Agreement that it has consented to such amendment;
- (B) subject to Condition 17 (Non-Responsive Rating Agency), a Ratings Confirmation has been provided by DBRS and/or Moody's in respect of such amendment; and
- (C) the Issuer certifies in writing to the Note Trustee that:
 - (1) the Issuer has provided at least 30 calendar days' notice to the Noteholders of each Class of the proposed modification in accordance with Condition 14 (Notices) and by publication on Bloomberg on the "Company News" screen relating to the Notes; and
 - (2) Noteholders representing at least 10% of the aggregate Principal Amount Outstanding of the Most Senior Class Outstanding have not contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such notification period notifying the Issuer that such Noteholders do not consent to the modification.

If Noteholders representing at least 10% of the aggregate Principal Amount Outstanding of the Most Senior Class Outstanding have notified the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within the notification period referred to above that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the Most Senior Class Outstanding is passed in favour of such modification in accordance with Condition 11 (Meetings of Noteholders, Modification and Waiver).

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 Notes.

In addition, the Issuer shall not agree to any amendment to, modification of, or supplement to any of the Transaction Documents, insofar as such amendment, modification or supplement: (a) has or could have a material adverse effect on the interests of the Interest Rate Swap Counterparty, (b) amends any Priority of Payments, or (c) in respect of the Class A Notes, amends the interest rate, the payment dates, the maturity date, the terms of repayment, the currency or the redemption rights, in each case without the prior written consent of the Interest Rate Swap Counterparty, and in the case of paragraphs (a)- (c) above provided that such consent is not commercially unreasonably withheld or delayed.

- (b) The Note Trustee is not obliged to act in certain circumstances

The Note Trustee may, at any time, at its discretion and without notice, take such proceedings, actions or steps against the Issuer or any other party to any of the Transaction Documents as it may think fit to enforce the provisions of the Notes or the Trust Deed (including the Conditions) or of the other Transaction Documents to which it is a party and at any time after the service of a Note Acceleration Notice, the Note Trustee may, at its discretion and without notice, take such proceedings, actions or steps as it may think fit to enforce the Issuer Security (including, but not limited to, the giving of a direction to the Issuer Security Trustee to enforce or realise the Issuer Security). However, the Note Trustee shall not be bound to take any such proceedings, actions or steps (including, but not limited to, the giving of a Note Acceleration Notice in accordance

with Condition 9 (Issuer Events of Default)), unless it shall have been directed to do so by an Extraordinary Resolution of the Most Senior Class Outstanding or in writing by the holders of not less than 25% of the Principal Amount Outstanding of the Most Senior Class Outstanding and it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

(c) Exercise of rights by minority Noteholders

An Extraordinary Resolution passed by the Class A Noteholders may bind the Class B Noteholder in certain circumstances – see Condition 11 (Meetings of Noteholders, Modification and Waiver).

The Class B Noteholder whilst the Class A Notes are outstanding should be aware that other than in respect of a Basic Terms Modification, any amendments or modifications to the Transaction Documents or any waiver that may require the consent of the Noteholders can be made without their consent, irrespective of the effect upon them.

An Extraordinary Resolution of a Class or Classes of Noteholders may be passed by a majority consisting of three-fourths of the Noteholders eligible to vote or (in the case of a Written Resolution or Electronic Resolution) by Noteholders holding not less than 75% in aggregate Principal Amount Outstanding of the Notes.

The quorum for a meeting of Noteholders is: (a) (i) not less than 10% of the Principal Amount Outstanding of the relevant Class or Classes (if such meeting relates to more than one Class of Notes) of Notes (ii) in the case of a meeting to pass an Extraordinary Resolution, eligible Noteholders holding in aggregate not less than a majority of the Principal Amount Outstanding of such Class or Classes (if such meeting relates to more than one Class of Notes) of Notes (iii) in the case of a resolution to pass a Basic Terms Modification, eligible Noteholders holding not less than in aggregate three-quarters of the Principal Amount Outstanding of the relevant Class or Classes (if such meeting relates to more than one Class of Notes) of Notes; or (b) (i) upon adjournment of a meeting other than to pass a resolution which constitutes a Basic Terms Modification, one or more eligible Noteholders shall form a quorum (whatever the Principal Amount Outstanding of the Notes so held by them) or (ii) upon adjournment of a meeting to pass a Basic Terms Modification, one or more eligible Noteholders holding or representing in aggregate not less than one-quarter of the Principal Amount Outstanding of the Notes of the relevant Class or Classes (if such meeting relates to more than one Class of Notes).

If the Seller (or any holding company of the Seller or any other subsidiary of such holding company) is the beneficial owner of the Notes, it will not be entitled to vote in respect of them, unless the Seller (or any holding company of the Seller or any other subsidiary of such holding company) hold all the Notes of a Class (and no other Classes exist that rank junior or *pari passu* to such Class, in respect of which persons other than the Sellers or any holding company of the Sellers or any other subsidiary of such holding company are Noteholders), in which case they will be entitled to vote in respect of the Notes in such Class. The calculation of the Principal Amount Outstanding or the relevant Class of Notes for these purposes will be adjusted accordingly.

(d) Subordination of the Notes may result in an insufficient amount of funds to meet obligations under the Notes following delivery of an Enforcement Notice

There is no assurance that: (a) the Class A Noteholders will receive the amounts they are entitled to receive pursuant to the Terms and Conditions of the Notes; or (b) the distributions which are made will correspond to (i) the monthly payments originally agreed upon in the underlying Lease Agreements, or (ii) realisation proceeds envisaged to be received in respect of the Vehicles. The risk to the Class A Noteholders that they will not receive the full principal amount of any Class A Note held by them or interest payable thereon pursuant to the Terms and Conditions is mitigated by: (a) the subordination of the Class B Note in accordance with the applicable Priority of Payments; and (b) the availability of the amounts standing to the credit of the Liquidity Reserve Ledger and the available excess spread in accordance with the applicable Priority of Payments.

There is no assurance that: (a) the Class B Noteholder will receive the amounts it is entitled to receive pursuant to the Terms and Conditions; or (b) the distributions which are made will correspond to (i) the monthly payments originally agreed upon in the underlying Lease Agreements, or (ii) realisation proceeds envisaged to be received in respect of the Vehicles.

The Issuer will establish the Liquidity Reserve Ledger and credit an amount equal to the Required Liquidity Reserve Amount to the Liquidity Reserve Ledger on the Closing Date from amounts advanced to the Issuer pursuant to the Reserve Loan. Such amount can be used by the Issuer to make payments under the Notes with respect to interest and, following the occurrence of a Revolving Period Termination Event or the expiry of the Revolving Period, to the extent that the amount standing to the credit of the Liquidity Reserve Ledger exceeds the Required Liquidity Reserve Amount and is applied as Available Distribution Amounts, principal in accordance with the applicable Priority of Payments.

(e) Reserves Trigger Event and the solvency of LPUK

Various actions are triggered upon the occurrence of a Reserves Trigger Event or an Insolvency Event in relation to the Seller, including the funding of the Maintenance Reserve Ledger and the transfer of Collections and Vehicle Realisation Proceeds by LPUK on Interest Payment Dates.

LPUK is a member of the LeasePlan Group and a subsidiary of LPC. The definition of Reserves Trigger Event refers to the short-term or (as the case may be) long-term unsecured, unsubordinated and unguaranteed ratings of LPC provided by the Rating Agencies. LPUK does not have ratings from the Rating Agencies. Whilst the actions triggered upon a Reserves Trigger Event are intended to safeguard against certain credit and liquidity risks relating to LPUK (in its various capacities), there can be no assurance that credit and liquidity risks in relation to LPUK crystallise (including without limitation in the event of insolvency of LPUK) only following the occurrence of a Reserves Trigger Event relating to LPC. Therefore, there is no assurance that the Noteholders will not be adversely affected if the credit and liquidity risks in LPUK do not crystallise.

(f) Commingling risk

LPUK, as the Seller, Servicer and Realisation Agent, is entitled to commingle Collections and any Vehicle Realisation Proceeds with its own funds during each Monthly Collection Period and is required to pay the Collections and any Vehicle Realisation Proceeds accumulated to the Issuer on the Interest Payment Date at the end of each such monthly period. Commingled funds may be used or invested by LPUK at its own risk and for its own benefit during each monthly period until each Interest Payment Date. If LPUK were unable to remit those funds or were to become insolvent, losses or delays in distributions to investors may occur. To mitigate any risks associated with this arrangement, following the occurrence of a Reserves Trigger Event (and, for as long as a Reserves Trigger Event is continuing, on each Calculation Date thereafter), the Servicer shall do upfront cash sweeps of certain Collections and Vehicle Realisation Proceeds from the Servicer to the Issuer as described in "Description of Certain Transaction Documents – Servicing Agreement" below. However, there can be no assurance that such upfront cash sweeps will be sufficient to safeguard against such risks. Upon the occurrence of Realisation Agent Termination Event, the Issuer agrees and covenants to direct the Realisation Agent to pay all Vehicle Realisation Proceeds directly into the Issuer Transaction Account. See "Description of Certain Transaction Documents – Servicing Agreement", "- Reserve Loan Agreement" and "- Cash Management Agreement".

5. COUNTERPARTY RISKS

(a) Credit risk of the parties

The ability of the Issuer to make any principal and interest payments in respect of the Notes depends upon the ability of the parties to the Transaction Documents to perform their contractual obligations. In particular, and without limiting the generality of the foregoing, the timely payment of amounts due in respect of the Notes depends on the ability of the Servicer to service the Portfolio, the ability of LPUK to perform its obligations (including any maintenance and

repurchase obligations) under the Purchase Agreement and on the maintenance of the level of interest rate protection offered by the Interest Rate Swap Agreement.

(b) Risk of change of Servicer

Pursuant to the Servicing Agreement, LPUK is required to procure the appointment of a Suitable Entity to act as Back-Up Servicer on the occurrence of an Appointment Trigger within 120 calendar days thereof. Further, the Back-Up Servicer will be under an obligation to, amongst other things, request any assistance it may require so that it is able, on its assumption of the Servicer role, to immediately perform services contained in the Servicing Agreement. On appointment, the Back-Up Servicer will have a standby role, unless and until the occurrence of a Servicer Termination Event in respect of LPUK as Servicer. However, in the event LPUK is replaced as Servicer following a Servicer Termination Event, there may be losses or delays in processing payments or losses on the Portfolio due to a disruption in servicing during a transfer to the Back-Up Servicer, or due to the Back-Up Servicer being less experienced than LPUK. Any such delay or losses during such transaction period could have an adverse effect on the ability of the Issuer to make payments in respect of the Notes.

There is no guarantee that a Back-Up Servicer providing servicing at the same level as LPUK can be appointed on a timely basis or at all. Any delay or failure to make such an appointment may have an adverse effect on the Issuer's ability to make payments on the Notes. No assurance can be given that a Back-Up Servicer will not charge fees in excess of the fees to be paid to the Servicer. The payment of fees to the Back-Up Servicer will rank in priority to amounts paid to Noteholders in accordance with the relevant Priority of Payments and any increase in the level of fees paid to the Back-Up Servicer would reduce the amounts available to the Issuer to make payments in respect of the Notes.

LPUK is entitled under the terms of the Servicing Agreement to transfer its rights and obligations to another member of the LeasePlan Group without the consent of the Issuer or Issuer Security Trustee. There is no assurance that any such replacement Servicer will be as experienced as LPUK or will have the same resources as LPUK.

(c) Risk of late payment by Servicer

The Servicer has undertaken to transfer or procure to have transferred Collections as set forth in the Servicing Agreement (see "Description of Certain Transaction Documents – Servicing Agreement").

If the Servicer does not promptly forward all amounts which it has collected from the relevant Lessees to the Issuer Transaction Account pursuant to the Servicing Agreement, insufficient amounts may be available to the Issuer to make payments to Noteholders on any Interest Payment Date.

Furthermore, no assurance can be given that, upon the insolvency of the Servicer, no commingling risk will arise, as the proceeds arising out of or in connection with the Lease Receivables will first be paid by the Lessees to the Servicer. This risk is, however, mitigated by the fact that the Servicer will be replaced on occurrence of a Servicer Termination Event and, therefore, prior to or, at the latest, upon the insolvency of the Servicer. Therefore, the commingling risk will be limited to the amounts standing to the credit of the Servicer's bank accounts at the time insolvency proceedings are opened relating to Collections on the Leases (unless payments continue to be paid into such bank accounts).

(d) Role of Back-Up Sub-Maintenance Coordinator

Pursuant to the Sub-Maintenance Coordinator Agreement, LPUK is required to procure the appointment of a Suitable Entity to act as Back-Up Sub-Maintenance Coordinator on the occurrence of an Appointment Trigger within 120 calendar days thereof. The Back-Up Sub-Maintenance Coordinator shall receive and store information in respect of the Portfolio including (i) any Investor Report or loan level data that is published in relation to the Notes and (ii) any additional reporting required by law from time to time, so that it is able, on the occurrence of a Sub-Maintenance Coordinator Termination Event and 15 Business Days written

notice from the Issuer or the Issuer Security Trustee to the Back-Up Sub-Maintenance Coordinator that it should commence performance of the Lease Services, to perform the Lease Services upon the standards as set out in the Sub-Maintenance Coordinator Agreement.

Following the occurrence of a Sub-Maintenance Coordinator Termination Event and notification from the Issuer or the Issuer Security Trustee to the Back-Up Sub-Maintenance Coordinator that it should commence performance of the Lease Services, the Back-Up Sub-Maintenance Coordinator (acting as Sub-Maintenance Coordinator) will co-ordinate the provision of Lease Services in respect of Leased Vehicles in accordance with the terms of the Lease Agreements.

Further, a delay in co-ordinating the performance of the Lease Services by the Back-Up Sub-Maintenance Coordinator (acting as Sub-Maintenance Coordinator) could give rise to the right of Lessees to exercise rights of set-off or termination under the Lease Agreement which would reduce the Lease Receivables owed to the Issuer and reduce the amounts available to make payments in respect of the Notes.

(e) Replacement of the Realisation Agent

The ability of the Issuer to meet its obligations under the Notes will depend on the performance of the duties of the Realisation Agent and, if applicable, the Back-Up Realisation Agent or any other substitute realisation agent appointed in accordance with the terms of the Realisation Agency Agreement (which, for the avoidance of doubt, may include third party service providers). No assurance can be given that the creditworthiness of these parties will not deteriorate in the future, which may affect the realisation of the Leased Vehicles by such parties in accordance with the relevant agreement.

Pursuant to the Realisation Agency Agreement, LPUK is required to procure the appointment of a Suitable Entity to act as Back-Up Realisation Agent on the occurrence of an Appointment Trigger within 120 calendar days thereof (see "Description of Certain Transaction Documents – Realisation Agency Agreement"). Further, the Back-Up Realisation Agent will be under an obligation to, amongst other things, request any assistance it may require so that it is able, on its assumption of the Back-Up Realisation Agent role, to perform services contained in the Realisation Agency Agreement immediately.

Following a Realisation Agent Termination Event, the Back-Up Realisation Agent will take over the tasks of the Realisation Agent under the Realisation Agency Agreement. The Back-Up Realisation Agent shall realise the relevant Leased Vehicles via a sale in the open market in accordance with the Realisation Agency Agreement. Since the Realisation Agent will be appointed upon the occurrence of certain events, as described above, the risk of interruptions in respect of the performance under the Realisation Agency Agreement is mitigated to a certain extent.

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

(f) Risk of late payments received by Realisation Agent

Under the Realisation Agency Agreement, the Realisation Agent has undertaken to transfer or procure to have transferred the Vehicle Realisation Proceeds (less fees payable to the Realisation Agent) on each Interest Payment Date immediately following the date of receipt of such Vehicle Realisation Proceeds, in accordance with the Realisation Agency Agreement (see "Description of Certain Transaction Documents – Realisation Agency Agreement – Collections and commingling").

If the Realisation Agent does not forward all amounts which it owes pursuant to the Realisation Agency Agreement arising out of or in connection with the realisation of the Leased Vehicles in accordance with the Transaction Documents, insufficient amounts may be available to the Issuer to make payments to Noteholders on any Interest Payment Date.

Furthermore, no assurance can be given that, upon the insolvency of the Realisation Agent, no commingling risk will arise as the proceeds arising out of or in connection with the realisation of the Leased Vehicles will first be paid by third party purchasers to the Realisation Agent. This risk is, however, mitigated by the fact that the realisation mandate of the Realisation Agent will be revoked upon the occurrence of a Realisation Agent Termination Event and, therefore, prior to or, at the latest, upon the insolvency of the Realisation Agent. Therefore, the commingling risk will be limited to the amounts standing to the credit of the bank accounts of the Realisation Agent representing the Vehicle Realisation Proceeds at the time insolvency proceedings are opened relating to the Vehicle Realisation Proceeds. In addition, upon the occurrence of Realisation Agent Termination Event, the Issuer agrees and covenants to direct the Realisation Agent to direct the payment of all Vehicle Realisation Proceeds directly into the Issuer Transaction Account.

- (g) Interest rate risk on the Class A Notes resulting in the risk of Interest Rate Swap Counterparty insolvency

On or about the Closing Date, the Issuer will enter into the Interest Rate Swap Agreement with the Interest Rate Swap Counterparty.

The Interest Rate Swap Agreement will hedge certain risks of a mismatch between the floating rate of interest payable by the Issuer on the Class A Notes and income to be received by the Issuer in respect of the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables.

During those periods in which the floating rates payable by the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement are substantially greater than the fixed rates payable by the Issuer under such Interest Rate Swap Agreement, the Issuer will be more dependent on receiving payments from such Interest Rate Swap Counterparty in order to make interest payments on the Notes. If the Interest Rate Swap Counterparty fails to pay any amounts when due under the Interest Rate Swap Agreement, the Collections from the Portfolio and, if applicable, any Swap Collateral may be insufficient to make the required payments on the Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments on the Notes.

The Interest Rate Swap Agreement covers a significant portion of the interest rate risk present in the context of the Notes.

During those periods in which the floating rates payable by the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement are less than the fixed rates payable by the Issuer under the Interest Rate Swap Agreement, the Issuer will be obligated under the Interest Rate Swap Agreement to make a payment to the Interest Rate Swap Counterparty. Such amounts (other than Subordinated Termination Payments) will rank higher in priority than payments on the Notes or Reserve Loan. If a payment under the Interest Rate Swap Agreement is due to the Interest Rate Swap Counterparty on any Interest Payment Date, the Portfolio may be insufficient to make the required payments on the Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments under the Notes.

The Interest Rate Swap Counterparty may terminate a transaction under the Interest Rate Swap Agreement if, amongst other things, certain insolvency events occur in respect of the Issuer, if the Issuer fails to make a payment under the Interest Rate Swap Agreement when due (after taking into account any grace periods) or if a change of law results in the obligations of one of the parties becoming illegal. The Issuer may terminate a transaction under the Interest Rate Swap Agreement if, amongst other things, certain insolvency events occur in respect of the Interest Rate Swap Counterparty, the Interest Rate Swap Counterparty fails to make a payment under the Interest Rate Swap Agreement (after taking into account any grace periods) or a change of law results in the obligations of one of the parties becoming illegal.

In the event that the Interest Rate Swap Counterparty falls below the Minimum Required Rating at any time, the Interest Rate Swap Counterparty shall be required to take certain remedial actions, within the time frame stipulated in the Interest Rate Swap Agreement, intended to mitigate the effects of such downgrade below the Minimum Required Rating. Such actions could include the Interest Rate Swap Counterparty posting collateral in accordance with the Interest Rate Swap Agreement and transferring its obligations to a replacement Interest Rate Swap Counterparty or procuring a guarantee or a co-obligor, or taking any other action as agreed with the relevant Rating Agency. In certain circumstances if the Interest Rate Swap Counterparty fails to take certain actions contemplated in the Interest Rate Swap Agreement to which it is party within the relevant time specified in the Interest Rate Swap Agreement, the Issuer may be entitled to terminate certain transactions under the Interest Rate Swap Agreement and the Issuer may then be entitled to receive (or be required to pay) a swap termination payment from or to the Interest Rate Swap Counterparty.

However, in the event that the Interest Rate Swap Counterparty is downgraded, there can be no assurance that a guarantor or replacement Interest Rate Swap Counterparty will be found or that the amount of any collateral posted to the Issuer will be sufficient to meet the Interest Rate Swap Counterparty's obligations.

In the event that a transaction under the Interest Rate Swap Agreement is terminated or closed-out by either party, then a termination payment may be due to the Issuer or to the Interest Rate Swap Counterparty in accordance with the relevant Priority of Payments. Any such termination payment could, if market interest rates and other conditions have changed materially, be substantial. In certain circumstances, termination payments required to be made by the Issuer to the Interest Rate Swap Counterparty will rank higher in priority than all payments on the Notes (but only if the Interest Rate Swap Counterparty is not a defaulting party). In such event, the Portfolio may be insufficient to fund the required payments on the Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments on the Notes.

In the event that a transaction under an Interest Rate Swap Agreement is terminated or closed-out by either party, the Issuer may not be able to enter into a replacement Interest Rate Swap Agreement immediately or at all. To the extent a replacement Interest Rate Swap Agreement is not in place, the amount available to pay principal and interest under the Notes will be reduced if the interest rates under the Notes exceed the fixed rate the Issuer would have been required to pay the Interest Rate Swap Counterparty under the terminated transaction. In these circumstances, the Portfolio may be insufficient to make the required payments under the Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments under the Notes.

The Interest Rate Swap Counterparty may, subject to certain limited conditions, transfer its obligations under the Swap Agreement to a third party with the Minimum Required Rating if it meets certain conditions (as an "**Eligible Swap Counterparty**"). There can be no assurance that the credit quality of the replacement Interest Rate Swap Counterparty will ultimately prove as strong as that of the original Interest Rate Swap Counterparty.

Upon the termination of the Interest Rate Swap Agreement prior to the repayment of the Notes, the Issuer will use its reasonable efforts to find a replacement which is an Eligible Swap Counterparty.

The Issuer does not consider there to be any material currency risk in the transactions contemplated by the Transaction Documents.

(h) The Issuer's reliance on third parties to meet its obligations to Noteholders

The Issuer is a party to contracts with a number of other third parties that have agreed to perform certain services in relation to, inter alia, the Notes. For example, the Interest Rate Swap Counterparty has agreed to enter into the Interest Rate Swap Agreement, the Corporate Services Provider has agreed to provide corporate services to the Issuer and the Servicer, the Sub-Maintenance Coordinator, the Realisation Agent, the Cash Manager, the Agent Bank, the Paying Agents and the Reporting Agent have agreed to provide servicing, cash administration, payment, administration, calculation and reporting services in connection with the Notes, the

Lease Agreements and/or the Leased Vehicles. In the event that any relevant third party fails to perform its obligations under the respective agreements to which it is a party, the Noteholders may be adversely affected. No assurances can be given that the Issuer will be able to find any replacement providers on a timely basis or at all. In this regard, see further "Risk of change of Servicer" and "Role of Back-Up Sub-Maintenance Coordinator" below.

6. MACROECONOMIC AND MARKET RISKS

- (a) The ongoing uncertainty as to the future relationship between the United Kingdom with the EEA and non-EEA countries following the UK withdrawal from the EU may affect the market value and/or liquidity of the Notes in the secondary market.

The United Kingdom ("UK") left the European Union ("EU") on 31 January 2020 at 11pm, at which point the transition period has ended and the Treaty on the European Union and the Treaty on the Functioning of the European Union have ceased to apply to the UK. The UK is also no longer part of the European Economic Area ("EEA"). On 24 December 2020, an agreement in principle was reached in relation to the EU-UK Trade and Cooperation Agreement (the "**Trade and Cooperation Agreement**"), to govern the future relations between the EU and the UK following the end of the transition period. The Trade and Cooperation Agreement was signed on 30 December 2020. The Trade and Cooperation Agreement has provisional application from 1 January 2021 until the European Parliament gives its consent by 28 February 2021.

The European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020) and secondary legislation made under powers provided in these Acts ensure that there is a functioning statute book in the UK. While the UK introduced a temporary permission regime to allow EEA firms to continue to do business in the UK for a limited period of time, once the passporting regime fell away, the majority of EEA states have not introduced similar transitional regimes. The Trade and Cooperation Agreement is only part of the overall package of agreements reached on 24 December 2020. Other supplementing agreements included a series of joint declarations on a range of important issues, including financial services, where further cooperation is foreseen. The declarations state that the EU and the UK will discuss how to move forward with equivalence determinations in relation to financial services. It should be noted that even if equivalence arrangements for certain sectors of the financial services industry are agreed, market access is unlikely to be as comprehensive as the market access that the UK enjoyed through its EU membership. Prospective investors should also note that the regulatory treatment, including the availability of any preferential regulatory treatment, of the Notes may be affected (as to which, please refer to the Risk Factor entitled "Regulatory treatment of ABS (including Basel III and risk retention) " and "Securitisation Regulation Risk Factor".

Due to the ongoing political uncertainty as regards the structure of the future relationship between the UK and the European Union, and as a consequence, the uncertainty as to the wider implications it will have for the UK, it is not possible to determine the precise impact on the general economic conditions in the UK, including the performance of the UK auto leasing market. It is also not possible to determine the precise impact that these matters will have on the business of the Issuer (including the performance of the Portfolio), any other party to the Transaction Documents and/or any Lessee in respect of the Portfolio, or on the regulatory position of any such entity or of the transactions contemplated by the Transaction Documents under European Union regulation or more generally. However, the impact may include:

- (a) investment decisions to be delayed, reduced job security and damaged consumer confidence. The resulting adverse economic conditions could affect Lessees' willingness or ability to meet their obligations, resulting in increased defaults in the Portfolio and ultimately the ability of the Issuer to satisfy its obligations under the Notes. Additionally, LPUK may experience difficulty in originating sufficient replacement assets during the Revolving Period, which may affect the market value of the Notes;
- (b) an adverse effect on parties to the Transaction Documents. Depending on the terms of the exit from the European Union, such parties may become unable to perform their obligations resulting from changes in regulation, including the loss of existing

regulatory rights to do cross-border business. Additionally, parties to the Transaction Documents may be adversely affected by rating actions or volatile and illiquid markets (including currency markets and bank funding markets) arising from the conduct and progress of the formal withdrawal negotiations. As a result, there is an increased risk of such parties becoming unable to fulfil their obligations which could have an adverse impact on Noteholders;

- (c) further negative rating action, following downgrades of the UK sovereign and the Bank of England by rating agencies. The rating of the sovereign affects the ratings of entities operating in its territory, and in particular the ratings of financial institutions. Further downgrades may cause downgrades to parties to the Transaction Documents meaning that they cease to have the relevant required ratings to fulfil their roles and need to be replaced. If rating action is widespread, it may become difficult or impossible to replace parties to the Transaction Documents with others who have the required ratings on similar terms or at all; and
- (d) an adverse effect on LPUK's business, employees, customers, drivers and suppliers in the UK. For example, while LPUK's UK vehicle manufacturers and suppliers are working to put in place contingency plans, LPUK cannot give any assurance that Brexit will not cause a significant supply disruption impacting its business. Additionally, tariffs may be imposed on imports of vehicles and vehicle parts into the UK from the European Union and, for certain vehicles, it may not be possible to pass these tariffs on to customers. The uncertainty around Brexit might also impact our LPUK customers' fleet and their short- and long-term vehicle needs.

No assurance can be given that any of the matters outlined above would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes and/or the market value and/or liquidity of the Notes in the secondary market.

- (b) The Covid-19 Pandemic may affect the liquidity of the Notes

In December 2019, a novel strain of coronavirus which causes a respiratory disease in humans ("**Covid-19**") was reported in Wuhan, China. The World Health Organization has since declared Covid-19 a global pandemic. Governments worldwide have implemented measures to contain the spread of the virus including domestic and international travel bans, quarantines and restrictions on public gatherings and commercial activities. The effect of the Covid-19 pandemic (the "**Covid-19 Pandemic**") on the Issuer and/or any other Transaction Party is wide ranging and its impact is difficult to determine. In particular, the global economic slowdown resulting from the Covid-19 pandemic has created severe disruptions and significant uncertainty in global financial markets and caused a significant reduction in liquidity in the secondary market for asset-backed securities. The lack of liquidity has resulted in a decrease in demand for asset-backed securities in the secondary market and caused the de-valuation of various assets in secondary markets. The effects of the Covid-19 Pandemic may adversely affect the ability of the Issuer to satisfy its obligations under the Notes and/or the market value and/or liquidity of the Notes in the secondary market.

- (c) The market continues to develop in relation to SONIA as a reference rate in the capital markets

Investors should be aware that the market continues to develop in relation to the Sterling Overnight Index Average ("**SONIA**") as a reference rate in the capital markets and its adoption as an alternative to Sterling LIBOR. In particular, market participants and relevant working groups are exploring alternative reference rates based on SONIA, including term SONIA reference rates (which seek to measure the market's forward expectation of an average SONIA rate over a designated term). As a result, the market or a significant part thereof may adopt an application of SONIA that differs significantly from that set out in the Conditions and used in relation to Notes that reference a SONIA rate issued under this prospectus. Interest on Notes which reference a SONIA rate is only capable of being determined at the end of the relevant Observation Period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference a SONIA rate to reliably estimate the amount of interest which will be payable on such Notes.

- (d) Changes or uncertainty in respect of SONIA may affect the value and payment of interest under the Notes

Various interest rates and other indices which are deemed to be benchmarks, including SONIA, are the subject of recent national, international and other regulatory reforms and proposals for reform. Some of these reforms are already effective while others are still to be implemented, including the EU Benchmarks Regulation (Regulation (EU) 2016/1011) (the "**EU Benchmarks Regulation**").

The EU Benchmarks Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**") among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to or referencing a benchmark in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

Based on the foregoing, investors should be aware that:

- (a) any of these reforms or pressures described above or any other changes to a relevant interest rate benchmark (including SONIA) could affect the level of the published rate, including to cause it to be lower and/or more volatile than it would otherwise be;
- (b) while an amendment may be made under Condition 11 (Meetings of Noteholders, Modification and Waiver) to change the SONIA rate to an alternative base rate under certain circumstances broadly related to SONIA disruption or discontinuation and subject to certain conditions, there can be no assurance that any such amendment will be made or, if made, that it (i) will fully or effectively mitigate all relevant interest rate risks or result in an equivalent methodology for determining the interest rates on the floating rate Notes or (ii) will be made prior to any date on which any of the risks described in in this risk factor may become relevant; and
- (c) if SONIA is discontinued, and whether or not an amendment is made under Condition 11 (Meetings of Noteholders, Modification and Waiver) to change the SONIA rate on the Notes as described in paragraph (b) above there can be no assurance that the applicable fall-back provisions under the Interest Rate Swap Agreement would operate to allow the transactions under the Interest Rate Swap Agreement to effectively mitigate interest rate risk in respect of the floating rate Notes.

Moreover, any of the above matters (including an amendment to change the SONIA rate as described in paragraph (b) above) or any other significant change to the setting or existence of SONIA could affect the ability of the Issuer to meet its obligations under the Notes and/or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Notes. Changes in the manner of administration of SONIA could result in adjustment to the Conditions, early redemption, delisting or other consequences in relation to the floating rate Notes. No assurance may be provided that relevant changes will not occur with respect to

SONIA or any other relevant interest rate benchmark and/or that such benchmarks will continue to exist. Investors should consider these matters when making their investment decision with respect to the Notes.

- (e) Credit ratings assigned to the Notes may not reflect all the risks associated with an investment in the Notes

The ratings assigned to the Class A Notes by the Rating Agencies are based on the terms of the Transaction Documents and other relevant structural features of this transaction, including (but not limited to) the short-term unsecured, unguaranteed and unsubordinated debt obligations of the Interest Rate Swap Counterparty and the Account Bank, and reflect only the views of the Rating Agencies.

A rating is not a recommendation to buy, sell or hold securities and there is no assurance that any ratings will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by any one or more of the Rating Agencies as a result of changes in or unavailability of information or if, in the judgement of the Rating Agencies, circumstances so warrant. At any time, a Rating Agency may revise its relevant rating methodology, with the result that any rating assigned to the Notes may be lowered or withdrawn. A qualification, downgrade or withdrawal of any of the ratings mentioned above may adversely impact the market value of the Notes.

Credit rating agencies other than the Rating Agencies could seek to rate the Notes and if such "unsolicited ratings" are lower than the comparable ratings assigned to the Notes by the Rating Agencies, those unsolicited ratings could have an adverse effect on the market value of the Notes. For the avoidance of doubt and unless the context otherwise requires, any reference to "**ratings**" or "**rating**" in this Prospectus is to the ratings assigned by the specified Rating Agencies only. The Class B Note will not be rated by the Rating Agencies.

In addition, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances. Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third-country rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances).

The list of registered and certified rating agencies published by the European Securities and Markets Authority (ESMA) on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. The UK CRA Regulation may require, among other things, issuers or related third parties intending to solicit a credit rating of a structured finance instrument to appoint at least two credit rating agencies to provide credit ratings independently of each other. As such, UK regulated investors are required to use, for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances. In the case of third country ratings, for a certain limited period of time, transitional relief accommodates continued use for regulatory purposes in the UK, of existing pre-2021 ratings, provided the relevant conditions are satisfied.

Additionally, the UK CRA Regulation requires certain additional disclosure to be made in respect of structured finance transactions. The credit ratings included or referred to in this Prospectus have been issued by DBRS and Moody's, each of which is established in the UK and is registered under the UK CRA Regulation.

The rating DBRS has given to the Rated Notes is endorsed by DBRS Ratings GmbH, which is a credit rating agency established in the EU. The rating Moody's has given to the Rated Notes is endorsed by Moody's Deutschland GmbH, which is a credit rating agency established in the EU.

Each of DBRS Ratings GmbH and Moody's Deutschland GmbH is included in the list of credit rating agencies published by ESMA on its website (at <https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>) in accordance with the CRA Regulation.

If the status of the rating agency rating the Notes changes for the purposes of the CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Notes may have a different regulatory treatment, which may impact the value of the Notes and their liquidity in the secondary market. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Prospectus

The terms of certain Transaction Documents require the Rating Agencies to be notified in relation to certain actions proposed to be taken by the Issuer and the Note Trustee and such actions will only be effective to the extent there has been no reduction, qualification or withdrawal by the Rating Agencies of the then current rating of the Class A Notes (a "**Ratings Confirmation**").

A Ratings Confirmation that any action proposed to be taken by the Issuer or the Note Trustee will not have an adverse effect on the then current rating of the Notes does not, for example, confirm that such action (i) is permitted by the terms of the Transaction Documents or (ii) is in the best interests of, or prejudicial to, Noteholders. While entitled to have regard to the fact that the Rating Agencies have confirmed that the then current rating of the relevant Class of Notes would not be adversely affected, the above does not impose or extend any actual or contingent liability on the Rating Agencies to the Issuer Secured Creditors (including the Noteholders), the Issuer, the Arranger, the Joint Lead Managers, the Note Trustee or any other person or create any legal relationship between the Rating Agencies and the Issuer Secured Creditors (including the Noteholders), the Issuer, the Arranger, the Joint Lead Managers, the Trustee or any other person whether by way of contract or otherwise.

Any such Ratings Confirmation may or may not be given at the sole discretion of each Rating Agency. It should be noted that, depending on the timing of delivery of the request and any information needed to be provided as part of any such request, it may be the case that a Rating Agency cannot provide a Ratings Confirmation in the time available or at all, and the Rating Agency is likely to state that it is not responsible for the consequences thereof. A Ratings Confirmation, if given, will be given on the basis of the facts and circumstances prevailing at the relevant time and in the context of cumulative changes to the transaction of which the securities form part since the Closing Date. A Ratings Confirmation represents only a restatement of the opinions given as at the Closing Date and cannot be construed as advice for the benefit of any parties to the transaction.

Certain Rating Agencies have indicated that they will no longer provide Ratings Confirmations as a matter of policy. To the extent that a Ratings Confirmation cannot be obtained, whether or not a proposed action will ultimately take place will be determined in accordance with the provisions of the relevant Transaction Documents and specifically the relevant modification and waiver provisions.

In respect of each Rating Agency, if a Ratings Confirmation is a condition to any action, step or matter under any Transaction Document and a written request for such Ratings Confirmation is delivered to that Rating Agency by or on behalf of the Issuer (copied to the Trustee) and:

- (a) (i) that Rating Agency indicates that it does not consider a Ratings Confirmation necessary in the circumstances or otherwise declines to review the matter for which the Ratings Confirmation is sought (including as a result of the policy or practice of that Rating Agency) or (ii) within 30 days of delivery of such request, that Rating Agency has not responded to the request for the Ratings Confirmation; and
- (b) the Issuer has otherwise received no indication from that Rating Agency that its then current ratings of the Class A Notes would be reduced, qualified, withdrawn or put on negative watch as a result of such action, step or matter,

then (A) there shall be no requirement for the Ratings Confirmation from the Rating Agency if the Issuer certifies to the Trustee that one of the events in paragraph (a) above has occurred and the condition in paragraph (b) above is fulfilled; and (B) neither the Issuer nor the Note Trustee shall be liable for any loss that Noteholders may suffer as a result.

In addition, the terms of the Trust Deed provide that, in determining whether or not to exercise or perform any right, power, trust, authority, duty or discretion under or in relation to the Trust Deed or any other Transaction Document, the Note Trustee shall be entitled to take into account to the extent that it considers, in its sole and absolute discretion, it is necessary and/or appropriate and/or relevant, any Ratings Confirmation.

7. LEGAL RISKS AND REGULATORY RISKS RELATING TO THE PURCHASED RECEIVABLES

Regulatory treatment of ABS (including Basel III and risk retention)

- (a) Regulatory initiatives and reforms may have an adverse impact on the regulatory treatment of the Notes

In Europe, the U.S., and elsewhere, there is increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in multiple measures for increased regulation which are at various stages of implementation and which may have an adverse impact on the regulatory position of certain investors in securitisation exposures and/or on the incentives for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Notes are responsible for analysing their own regulatory position, and should consult their own advisers in this respect. None of the Issuer, Joint Lead Managers or Arranger, makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory treatment of their investment on the Closing Date, or at any time in the future.

- (b) Prudential regulation reforms under Basel or other frameworks may have an adverse impact on the regulatory capital treatment of the Notes.

Investors should note in particular that the Basel Committee on Banking Supervision ("**BCBS**") has approved a series of significant changes to the Basel framework for prudential regulation (such changes being referred to by the BCBS as Basel III, and referred to, colloquially, as Basel III in respect of reforms finalised prior to 7 December 2017 and Basel IV in respect of reforms finalised on or following that date). The Basel III/IV reforms, which include revisions to the credit risk framework in general and the securitisation framework in particular, may result in increased regulatory capital and/or other prudential requirements in respect of securitisation positions. The BCBS continues to work on new policy initiatives. National implementation of the Basel III/IV reforms may vary those reforms and/or their timing. It should also be noted that changes to prudential requirements have been made for insurance and reinsurance undertakings through participating jurisdiction initiatives, such as the Solvency II framework in Europe. Prospective investors should therefore make themselves aware of the requirements described above (and any corresponding implementing rules of their regulator), where applicable to them, in addition to any other applicable regulatory requirements with respect to their investment in the Notes. Investors in the Notes are responsible for analysing their own regulatory position and prudential regulation treatment applicable to the Notes and should consult their own advisers in this respect. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

It should also be noted that at the end of 2019, the European Parliament and the Council finalised the legislative package on covered bond reforms made up of a new regulation (Regulation (EU) 2019/2160), which entered into force on 7 January 2020 with the deadline for application of 8 July 2022 (both texts have relevance for the EEA and are to be implemented in due course in other countries in the EEA). The new regulation will be directly applicable in the EU from 8 July 2022 and it amends article 129 of the Capital Requirements Regulation (Regulation (EU) No 575/2013) ("**EU CRR**") (and certain related provisions) and further strengthens the criteria for asset-backed securities that benefit from preferential capital treatment under the EU CRR regime. Given that the aspects of the new regime will require transposition through national laws, the final position is not yet known. Therefore, there can be no assurances or predictions made as to the precise effect of the new regime on the Notes. Investors in the Notes are responsible for analysing their own regulatory position and prudential regulation treatment applicable to the Notes and should consult their own advisers in this respect.

(c) Risks relating to adverse developments in the automotive industry

General developments in the automotive industry are important for LPUK, due to their effects on the terms and conditions (including price levels) for purchasing, servicing and eventually reselling its vehicles, which in turn could impact the demand for, and pricing of, its services.

LPUK is dependent on developments in automotive trends, which are subject to a variety of factors that it cannot influence. These include, for example, the evolution of oil prices and renewable energy prices and infrastructure, the expansion of public transport infrastructure, availability of popular electric vehicle models, new technologies such as autonomous driving software, urban policies adversely affecting personal car use, changes in government policies affecting diesel vehicles in the United Kingdom, the imposition of carbon taxes and other regulatory measures to address climate changes, pollution or other negative impacts of mass transport. A negative development of these factors may affect the use of vehicles in general and therefore LPUK's business.

In particular, certain types of diesel vehicles (such as Euro 5 and older models) were affected, or may in the near future become affected, by low emission zones or bans in certain cities or regions. Several cities, including Birmingham, Nottingham, Southampton, Derby and Leeds, set up Clean Air Zones in 2019. In April 2019, an Ultra-Low Emission Zone (ULEZ) was introduced in London that will affect all diesel vehicles that do not meet Euro 6 standards.

The government in the United Kingdom has introduced a range of charges and taxes that affect diesel drivers. Higher VED charges came into effect for new diesels on 1 April 2018 and the company car tax levied on diesel cars has increased from 3% to 4%. In addition, any new diesel car that fails to meet the new Real Driving Emissions 2 (RDE2) standard is subject to a higher tax in the first year. As a result of these developments, the market prices of used diesel vehicles in the United Kingdom could be affected.

(d) Risks relating to other current and future regulatory developments

On 17 November 2020, the Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020 ("**Breathing Space Regulations**") were made which will implement a new breathing space scheme from 4 May 2021. The scheme will allow individuals struggling with problem debt an extra 60 days to get their finances under control, while they receive debt advice via professional debt advice providers in order to enter an appropriate debt solution. The scheme also provides for an alternative means to access the protections of a moratorium where individuals are receiving mental health crisis treatment, which will enable the protections to be in place for the duration of their crisis treatment. No interest and fees on debts can be charged and almost all enforcement action will be paused during the moratorium period. However individuals would not be protected from enforcement action on any debts arising from failure to pay ongoing household liabilities, such as rent or mortgage payments. The breathing space will include almost all personal debts and therefore the Seller will be required to implement the requirements of the scheme for customers that meet the eligibility criteria for entry into the scheme, therefore this could result in adverse consequences for Noteholders' investment in the Notes including reduced or delayed payments on the Notes or a reduction in the credit quality or credit rating of the Notes.

On 21 October 2020 the FCA published a consultation paper (CP20/21) outlining changes to the FCA Handbook as a result of the Breathing Space Regulations. The proposed changes amend certain parts of CONC to clarify how the rules will apply where the Breathing Space Regulations also apply. The FCA is seeking views on the proposals, and the deadline for responses to the consultation is 6 January 2021. On 24 December 2020, the Government published guidance to provide support to creditors and debt advisors in understanding the Breathing Space Regulations.

The Consumer Credit (Enforcement, Default and Termination Notices) (Coronavirus) (Amendment) Regulations 2020 came into force on 2 December 2020 implementing changes to the default notices required by sections 87 and 88 of the CCA. These changes restrict the amount of information that must be made prominent and require the use of bold or underlined text rather than capital letters in the default notices. Owners will also be able to replace legal terms with more widely understood words. The Seller is required to make the changes within six months to ensure the default notice remains valid under sections 87 and 88 CCA. In the context of consumer hire regulation, there are a significant number of complex regulations applied by the FCA. It should be noted that the regulations themselves, related laws and regulatory practice are all liable to change during the life of the Notes. The nature of such changes and the ultimate impact is difficult to predict and therefore there is no certainty of the impact which any regulatory change could have with regards to the performance of the assets which may ultimately have an adverse impact on the Issuer's ability to make timely payments on the Notes.

Regulation of consumer hire agreements and related matters is subject to regular legislative intervention. No assurance can be given that changes will not be made to the regulatory regime in respect of the consumer hire market in the United Kingdom generally, the Issuer's particular sector in that market or specifically in relation to the Issuer. In particular, no assurance can be given as to the impact of any possible change to the law (including any change in regulation which may occur without a change in primary legislation) or administrative practice after the date of the Prospectus nor can any assurance be given that any such change will not result in adverse consequences such as a loss on, or early redemption of, the Notes.

The matters described above, together with any other changes to laws, regulations or regulatory guidance applying to the Issuer or the Lease Agreements, may result in increased compliance costs, unrecoverable losses on the Lease Agreements and/or reduce the Issuer's ability to generate Receivables. Investors may consequently receive less interest or principal than expected or the Notes may be redeemed early.

- (e) Lease Agreements regulated by the Financial Services and Markets Act 2000 ("**FSMA**") and the Consumer Credit Act 1974 (as amended) ("**CCA**") and within scope of consumer legislation

A Lease Agreement may be regarded as 'regulated' if it falls within the definition of 'regulated credit agreement' or 'regulated consumer hire agreement' in the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 ("**RAO**"). This section provides a brief overview of the main consequences of regulation of the Lease Agreements under FSMA and the CCA, as well as general consumer protection legislation. Please refer to "Consumer Credit Regulation in the UK" for further details.

The main consequences of a Lease Agreement being a regulated under FSMA and the CCA are:

- (a) A Regulated Lease Agreement might be unenforceable if the Originator and/or any broker has not complied with requirements under the FSMA as to authorisation of such Originator and/or broker or if the Regulated Lease Agreement does not comply with requirements under the CCA as to the form and content of the Regulated Lease Agreement and (in so far as applicable) pre-contract disclosure and the procedures used by the Originator to originate the Regulated Lease Agreement.
- (b) The Originator (or Servicer on the Originator's behalf) must also comply with servicing requirements under the CCA. For example: (a) a regulated credit or consumer hire agreement is unenforceable against the debtor for any period when the Originator (or Servicer on the Originator's behalf) fails to comply with requirements as to arrears notices, notices of default sums or default notices (although any such enforcement may be cured retrospectively by the creditor remedying the breach) and, in the case of

regulated credit agreements only, periodic statements; (b) the customer is not liable to pay interest or default fees for any period when the Originator (or Servicer on the Originator's behalf) fails to comply with requirements as to periodic statements or arrears notices; and (c) interest on default fees is restricted to nil until the 29th day after the day on which a notice of default fees is given and then to simple interest (i.e. interest may only be calculated on the principal amount of the default fee).

- (c) Any Lease Agreement intended to be unregulated might instead be wholly or partly a Regulated Lease Agreement or treated as such because of technical rules on determining (a) whether the Lessee includes an "individual" within the CCA, (b) whether the Terms and Conditions of the Notes for a hire agreement within the CCA are met, and (c) whether the agreement is an exempt agreement under the CCA and (d) the effect of changes to agreements.
- (d) Under sections 76, 86A, 86B, 86D-F, 87, 109, 110 and 130 of the CCA, the Originator is required to provide certain information and documents to the Lessee. Failure to comply with these provisions may render a consumer hire agreement regulated by the CCA unenforceable or the Lessee not liable to pay interest or default fees. These provisions of the CCA may result in adverse effects on the Issuer's ability to make payment in full on the Notes when due.
- (e) The Originator has interpreted certain technical rules under the CCA in a way common with many other players in the auto leasing market. If such interpretations were held to be incorrect by a court or other dispute resolution authority, then a Regulated Lease Agreement could be unenforceable, as described above. If such interpretations were challenged by a significant number of Lessees, then this could lead to significant disruption and shortfall in the income of the Issuer. To mitigate this risk, the Originator has provided certain representations and warranties with regard to the Portfolio, as described in more detail in the section entitled "Description of Certain Transaction Documents – Purchase Agreement".
- (f) In addition, now that Regulated Lease Agreements are subject to the FSMA regulatory regime supervised by the FCA, breaches of FCA rules are also relevant. A Lessee who is a private person may be entitled to claim damages for loss suffered as a result of any contravention by the Originator of a rule under FSMA (e.g. CONC). The Lessee may attempt to set off the amount of any claim for contravention of CONC against the amount owing by the Lessee under his or her Regulated Lease Agreement or any other hire or credit agreement he has taken out with the Originator (or exercise analogous rights in Scotland or Northern Ireland). Any such set-off may adversely affect the Issuer's ability to make payments in full.
- (g) An alternative dispute resolution scheme for CCA matters is run by the Ombudsman. The scheme is mandatory for all businesses authorised by the FCA to carry on regulated activities in respect of regulated credit and consumer hire agreements. As the Ombudsman is required to make decisions on the basis of, among other things, the principles of fairness, and may order a money award to the debtor or Lessee, it is not possible to predict how any future decision of the Ombudsman would affect the ability of the Issuer to make payments to Noteholders.
- (h) If the Originator was to repossess a Vehicle or to obtain an order for its delivery (after exercising its right to terminate the Regulated Lease Agreement in the event of an unremedied breach of agreement by the Lessee), there remains a risk that the court would exercise its power under section 132 of the CCA to return the Lessee's payments, in whole or in part, whose release from liability, in whole or in part, would then become exercisable. If it appears to the court just to do so, having regard to the extent of the enjoyment of the goods by the Lessee, the court shall grant the application in full or in part (s.132(1)). Further the court has an inherent equitable jurisdiction to grant the Lessee relief against forfeiture. No Lessee under any Regulated Lease Agreement enjoys any voluntary termination rights under section 101 of the CCA.

- (i) If certain default or enforcement proceedings are taken or notice of early termination is served on a Lessee, the Lessee can apply under the CCA to the court for a time order to change the timing of payments under his Regulated Lease Agreement or to repay the outstanding sum by lower instalments than provided for in the Regulated Lease Agreement. The court has a wide discretion to make an order incorporating such amendments to the relevant Regulated Lease Agreement as it considers fit, in order to achieve the objectives of the time order.
- (j) The court has power to determine that the relationship between the Originator (or, a legal assignee of the Originator) and the customer arising out of the credit agreement (whether alone or with any related agreement) is unfair to the customer. If the court makes such determination, then it may make an order, among other things, requiring the Originator, or any assignee such as the Issuer, to repay any sum paid by the customer. Importantly, although the unfair relationships provisions do not apply to consumer hire agreements and therefore do not apply to any of the Regulated Lease Agreements, the unfair relationship provisions do apply to most exempt credit agreements, for example, hire-purchase agreements for business purposes where the borrowers are individuals or relevant recipients of credit and the amount payable exceeds £25,000.
- (k) Under section 56 of the CCA, a Lessee in relation to a Regulated Lease Agreement may make a claim against the Originator in certain circumstances for any pre contractual statement made to the Lessee by the Originator or its agent in relation to the making of the Regulated Lease Agreement. If any such statement made by a person other than the Originator arises, the Originator would ordinarily seek to be indemnified by that person.

Where the Lessee is a "consumer" as defined in the relevant consumer legislation, i.e. an individual acting for purposes outside his own business, regardless of whether the Lease Agreements are regulated under the CCA/FSMA or not, the main consequences are:

- (l) The Lease Agreements may fall within scope of the Unfair Terms in Consumer Contracts Regulations 1999 (the "UTCCR") meaning that:
- a Lessee may challenge a standard term in a contract on the basis that it is unfair and not binding on the consumer (although the rest of the contract continues to bind the parties if it is capable of continuing in existence without the unfair term); and
 - the appropriate regulator and any qualifying body (such as local trading standards authorities) may seek to enjoin (or in Scotland interdict) a business from relying on unfair terms.
- (m) The Lease Agreement may fall within scope of the Consumer Rights Act 2015 ("CRA") meaning:
- a Lessee may make a claim for misrepresentation and/or breach of contract against the Originator if the relevant Leased Vehicle that is the subject of the Lease Agreement is not of satisfactory quality or fit for its intended purpose; under the terms of each Lease Agreement, the Originator excludes liability for breach of any condition or warranty as to the quality, condition, performance or fitness for purpose of the relevant Leased Vehicle; where the Lessee makes the contract other than in the course of a business this exclusion does not affect the Lessee's statutory rights that the goods be of satisfactory quality and fit for their intended purpose where the Lessee makes the contract in the course of a business the exclusion of liability will only be binding if it meets a statutory test of reasonableness; whenever this test is not satisfied the Originator will seek to rely on its right to be reimbursed by the dealer (described above); the Lessee may set off the amount of any claim he has against the Originator against the amount owing by the Lessee under the Lease Agreement or under any other Lease Agreement (or exercise analogous rights in Scotland);

- certain terms of Lease Agreements may be unenforceable if they are deemed unfair, opening the Originator, or any assignee such as the Issuer, to consumer and regulatory challenge; any consequent non-recovery, claim or set-off may adversely affect the Issuer's ability to make payments in full when due on the Notes;
 - where a term in a consumer contract is susceptible of multiple different meanings, the meaning most favourable to the consumer will prevail; any consequent non-recovery may adversely affect the Issuer's ability to make payments in full when due on the Notes;
 - in view of the Covid-19 pandemic, the CMA published a statement on 30 April 2020, setting out its general views about how the law operates in relation to cancellation and refunds, noting that ultimately the position will be determined by the courts; this is mainly relevant to unregulated consumer credit or hire agreements; the guidance clarifies consumers' rights and could result in greater number of cancelled Lease Agreements; and
 - no assurance can be given that any changes in legislation, guidance or case law on unfair terms or implied terms as to title, description and quality or fitness of the goods will not have a material adverse effect on the relevant Lease Agreements and accordingly on the Issuer's ability to make payments in full when due on the Notes.
- (n) It is possible that any relevant Lease Agreement made with consumers may contain unfair terms, which may result in the possible unenforceability of those unfair terms. No assurance can be given that any further guidance on or changes to the CRA if enacted, will not have an adverse effect on the Portfolio, the Seller, the Servicer, the Agent Bank or Paying Agents or the Issuer and their respective businesses and operations. This may adversely affect the ability of the Issuer to dispose of the realisable value of the Portfolio, or any part thereof and/or, where relevant, to dispose of the Portfolio, or any part thereof, in a timely manner, and accordingly affect the ability of the Issuer to meet its obligations under the Notes when due.
- (o) Certain Lease Agreements may, depending on when they were entered into and other characteristics, fall within the Financial Services (Distance Marketing) Regulations 2004 ("**DMRs**") or within the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 ("**Information Regulations**"). The DMRs and the Information regulations generally prescribe pre contract information, and a right to cancel.
- (i) These cancellation rights are not restricted in application to Regulated Lease Agreements and may apply to any Lease Agreement where the Lessee is a consumer. However, the DMRs are restricted in application to financial services contracts whereas the Information Regulations apply to non-financial services contracts. If the Lessee cancels the Lease Agreement under the DMRs, or the Information Regulations, then he is entitled to recover his past payments under the agreement, and is liable to pay charges if proportionate and disclosed as payable for a cancelled agreement, and if with the Lessee's consent performance started before the cancellation period expired.
- (ii) If the consumer receives pre contract information that will or may not contain certain details of prescribed information under the Information Regulations. No Lease Agreement in the pool is a hire purchase/credit agreement with a consumer and therefore the DMRs do not apply. If a significant number of Lessees were to challenge the approach taken by the Originator as to the form and content of the pre contract information required by the DMRs and/or the Information Regulations, this could, depending on the attitude of the courts or other dispute resolution authority, lead to material disruption and shortfall in the income of the Issuer.

The Consumer Protection from Unfair Trading Regulations 2008 ("CPUTR") may apply to the relationship between the Lessee and Originator. The CPUTR are not restricted in application to Regulated Lease Agreements and may apply to any Lease Agreement where the Lessee is a consumer. The CPUTR prohibits unfair business-to-consumer commercial practices before, during and after a consumer contract is made. Breach of the CPUTR does not (of itself) render an agreement void or unenforceable, but the possible liabilities for misrepresentation or breach of contract in relation to agreements may result in irrecoverable losses on amounts to which such agreements apply and consumers have a right to redress for prohibited practices, including a right to unwind agreements. No assurance can be given that the United Kingdom implementation of the CPUTR will not have a material adverse effect on the Lease Agreements and accordingly the ability of the Issuer to make payments to Noteholders.

(f) Administrator Incentive Recovery Fee

As noted above, only the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables will be transferred to the Issuer rather than the Leased Vehicles themselves. As such, the Leased Vehicles will remain the property of LPUK. LPUK as the Realisation Agent is responsible for selling the Leased Vehicles resulting from Defaulted Lease Agreements or where LPUK as Repurchaser has failed to repurchase the Lease Receivables and (in each case if applicable), the RV Claims and the Final Balloon Payment Receivables in accordance with the Purchase Agreement, in each case after the Leased Vehicle has been returned to LPUK. The Vehicle Realisation Proceeds from such sales are, in the ordinary course, payable to the Issuer. If the Issuer does not receive the Vehicle Realisation Proceeds this may affect its ability to make payments under the Notes.

In the event of an insolvency of LPUK, as ownership of the Vehicles vests with LPUK, only the Insolvency Official is able to sell the relevant Vehicles. Although proceeds from any sale of the Vehicles will be paid to the Issuer, in order to mitigate against the risk that the Insolvency Official chooses not to sell the relevant Lease Vehicles, the transaction structure includes a number of incentivisation mechanisms. For example, in order to help incentivise the Insolvency Official to sell or consent to the sale of the Leased Vehicle by the Back-Up Realisation Agent, the transaction structure includes the concept of the Administrator Incentive Recovery Fee. The Administrator Incentive Recovery Fee is payable to the insolvency official of LPUK in relation to the sale of the Leased Vehicles. The fee will be equal to a percentage of the corresponding Vehicle Realisation Proceeds. The Administrator Incentive Recovery Fee will be paid to the administrator or liquidator of LPUK, even where the Leased Vehicle has been sold by the Back-Up Realisation Agent.

There are also further incentives for the Insolvency Official to sell or consent to the sale of the relevant Leased Vehicles. For example, LPUK will be liable in damages to the Issuer as it would have breached its contractual obligations to the Issuer under the Purchase Agreement to sell the related Leased Vehicle upon termination of the Lease Agreement or recovery of the Leased Vehicle in relation to Defaulted Lease Agreements.

To the extent the Insolvency Official sought not to sell or consent to the sale of the relevant Lease Vehicles but rather re-lease them as part of a new business plan (although LPUK is not currently engaged in the leasing of second-hand cars, other than in relation to sale and leaseback arrangements), in addition to damages payable to the Issuer, any such proceeds would still need to be accounted to the Issuer as RV Claims or Final Balloon Payment Receivables. Such amounts include any sale proceeds or amounts arising as a result of entering into a new lease with respect to any Leased Vehicles.

Should an administrator or liquidator be appointed in relation to LPUK, a moratorium on legal proceedings and (in the case of an administration) the enforcement of security against LPUK (including security interests under the LPUK Deed of Charge) will arise. Notwithstanding the various incentives on the Insolvency Official to sell the relevant Leased Vehicles, there can be no assurance that such incentives will be sufficient to incentivise an Insolvency Official to take prompt action to sell or consent to the sale of the Leased Vehicles (in particular, in circumstances where the insolvency proceedings are complex). Noteholders should also be aware that the Administrator Incentive Recovery Fee is payable in priority to payments of

principal and interest on the Notes in accordance with the relevant Priority of Payments. If the fee negotiated by the Servicer (or Back-Up Servicer) with the Insolvency Official is of a sufficient size this may reduce the amounts available to make payments in respect of the Notes.

(g) Conflicts of interest may arise out of the Transaction

LPUK, the Joint Lead Managers, the Class B Note Purchaser, the Arranger, the Note Trustee, the Issuer Security Trustee, the LPUK Security Trustee, the Principal Paying Agent, the Account Bank, the Cash Manager, the Interest Rate Swap Counterparty, the Corporate Services Provider and the Reporting Agent are acting in a number of capacities in connection with the transaction. These parties will have only those duties and responsibilities expressly agreed to by them in the relevant Transaction Document 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 as expressly provided with respect to each agreement to which they are a party. The aforementioned parties in their various capacities in connection with the transaction may enter into business dealings from which they may derive revenues and profits without any duty to account therefor in connection with the transaction.

LPUK in particular may hold and/or service claims against the Lessees other than the Portfolio. The interests or obligations of the aforementioned parties in their respective capacities with respect to such other claims may in certain aspects conflict with the interests of the Noteholders.

The Joint Lead Managers may act under various capacities in this transaction and may (directly or indirectly) purchase Notes and, in this case may trade or exercise voting rights in respect of the Notes held by the relevant entity in a manner that may not be aligned with the interests of the other Noteholders.

The aforementioned parties (and their affiliates) may engage or may have been engaged in commercial relationships and provide certain services to the Seller, the LeasePlan Group and/or the Lessees and other parties, such as, in particular, acting as lender and providing general banking, investment and other financial services. In such relationships the aforementioned parties are not obliged to take into account the interests of the Noteholders. Accordingly, because of these relationships, potential conflicts of interest may arise out of the transaction.

(h) FCA review of the motor finance sector

The FCA launched its Credit Information Market Study in 2019 and an interim report is expected to be published in 2021. The report on the credit information market will analyse the purpose, quality, and accessibility of credit information as well as the market structure, business models, competition, consumer engagement and consumer understanding of credit information. Credit information is particularly important in retail lending as it is used for assessment of credit risk and affordability as well as fraud prevention. The FCA's conclusions, and any subsequent rule changes, may have an effect on the vehicle finance market and may have a material adverse effect on the Seller, the Issuer and/or the Servicer and their respective businesses and operations and may in turn adversely affect the Issuer's ability to make payments in full when due on the Notes.

Any such action, in particular, but not limited to, action which restricts the Seller's business or imposes additional compliance or mediation costs, may have a material adverse effect on the Servicer and/or the Issuer and their respective businesses and operations. There is a risk that this may adversely affect the Seller's ability to realise the value at which the Lease Agreements could be realised and accordingly the ability of the Issuer to meet its obligations under the Notes.

(i) Liquidation expenses payable on floating charge realisation will reduce amounts available to satisfy the claims of secured creditors of the Issuer

Prior to the House of Lords' decision in the case of *Re Leyland Daf* in 2004, the general position was that, in a liquidation of a company, the liquidation expenses ranked ahead of unsecured debts and floating chargees' claims. *Re Leyland Daf* reversed this position so that liquidation expenses could no longer be recouped out of assets subject to a floating charge. However, section 176ZA of the Insolvency Act, which came into force on 6 April 2008, effectively

reversed by statute the House of Lords' decision in *Re Leyland Daf*. As a result, it is now the case that the costs and expenses of a liquidation will be payable out of floating charge assets in priority to the claims of the floating charge-holder. In respect of certain litigation expenses of the Insolvency Official only, this is subject to the approval of the amount of such expenses by the floating charge-holder (or, in certain circumstances, the court) pursuant to provisions set out in the Insolvency (England and Wales) Rules 2016 (as amended). In general, the reversal of *Re Leyland Daf* applies in respect of all liquidations commenced on or after 6 April 2008.

Therefore, floating charge realisations upon the enforcement of the floating charge security to be granted by the Issuer would be reduced by the amount of all, or a significant proportion of, any liquidation expenses.

(j) U.S. Risk Retention Requirements

Section 941 of the Dodd-Frank Act amended the Securities Exchange Act, 1934, as amended, to generally require the "securitizer" of a "securitization transaction" to retain at least 5 per cent. of the "credit risk" of "securitized assets", as such terms are defined for the purposes of that statute, and generally prohibit a securitizer from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the securitizer is required to retain. The U.S. Risk Retention Rules came into effect on 24 December 2016 with respect to all classes of asset-backed securitizations. The U.S. Risk Retention Rules provide that the securitizer of a securitization transaction is its sponsor. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligation that they generally impose.

LPUK, as the sponsor under the U.S. Risk Retention Rules, does not intend to retain at least 5 per cent. of the credit risk of the securitized assets for purposes of compliance with the U.S. Risk Retention Rules, but rather intends to rely 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 "ABS interests" (as defined in the U.S. Risk Retention Rules) are issued) of all classes of ABS interests issued in the securitization transaction are sold or transferred to, or for the account or benefit of, U.S. persons (as defined in the U.S. Risk Retention Rules, "**Risk Retention U.S. Persons**"); (3) neither the sponsor nor the issuer of the securitization 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 Portfolio will be comprised of Lease Receivables, RV Claims and Final Balloon Payment Receivables and their related security, all of which are originated by LeasePlan UK Limited, a company incorporated in England and Wales. See the section entitled "Characteristics of the Portfolio" for more information.

Prior to any Notes which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person, the purchaser of such Notes must first disclose to the Joint Lead Managers that it is a Risk Retention U.S. Person and obtain the written consent of LPUK in the form of a U.S. Risk Retention Waiver. 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" under Regulation S and that persons who are not "U.S. persons" under Regulation S may be U.S. persons under the U.S. Risk Retention Rules. The definition of "U.S. person" in the U.S. Risk Retention Rules is excerpted below. Particular attention should be paid to paragraphs (b) . and (h)(ii) below, which are different than comparable provisions from Regulation S.

Under the U.S. Risk Retention Rules, and subject to limited exceptions, "**U.S. person**" (and "**Risk Retention U.S. Person**" as used in this Prospectus) means any of the following:

- (a) any natural person resident in the United States;

- (b) any partnership, corporation, limited liability company, or other organisation or entity organised or incorporated under the laws of any State or of the United States ;
- (c) any estate of which any executor or administrator is a U.S. person (as defined under any other clause of this definition);
- (d) any trust of which any trustee is a U.S. person (as defined under any other clause of this definition);
- (e) any agency or branch of a foreign entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition);
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and
- (h) any partnership, corporation, limited liability company, or other organization or entity if:
 - (i) organized or incorporated under the laws of any foreign jurisdiction; and
 - (ii) formed by a U.S. person (as defined under any other clause of this definition) principally for the purpose of investing in securities not registered under the Securities Act ;

Each holder of a Note or beneficial interest therein acquired in the initial syndication thereof, by its acquisition of such Note or beneficial interest therein, will be deemed, and, in certain circumstances, will be required to represent to the Issuer, LPUK and the Joint Lead Managers that it (1) either (i) is not a Risk Retention U.S. Person or (ii) it has obtained a U.S. Risk Retention Waiver, (2) is acquiring such Note or beneficial interest therein for its own account and not with a view to distribute such Note and (3) is not acquiring such Note or beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section __.20 of the U.S. Risk Retention Rules described herein).

LPUK has advised the Issuer that it will not provide a U.S. Risk Retention Waiver to any investor if such investor's purchase would result in more than 10 per cent. of the dollar value (or equivalent amount in the currency in which securities are issued) (as determined by fair value under US GAAP) of all Classes of Notes to be sold or transferred to Risk Retention U.S. Persons on the Closing Date.

There can be no assurance that the requirement to request that LPUK provide its prior written consent to the purchase of any Notes by, or for the account or benefit of, any Risk Retention U.S. Person will be complied with or will be made by such Risk Retention U.S. Persons.

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. No assurance can be given as to whether a failure by LPUK to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) may give rise to regulatory action which may adversely affect the Notes or the market value of the Notes. Furthermore, the impact of the U.S. Risk Retention Rules on the securitization market generally is uncertain, and a failure by LPUK to comply with the U.S. Risk Retention Rules could therefore negatively affect the market value and secondary market liquidity of the Notes.

None of the Joint Lead Manager or any of their respective affiliates makes any representation to any prospective investor or purchasers of the Notes or a beneficial interest therein as to whether

the transaction described in this Prospectus comply with the U.S. Risk Retention Rules now or at any time in the future.

(k) Securitisation Regulation Risk Factor

Regulation (EU) 2017/2401, as amended, including (i) relevant regulatory and/or implementing technical standards or delegated regulation in relation thereto (including any applicable transition provisions); and/or (ii) any relevant guidance and policy statements in relation thereto published by the EBA, the ESMA, the EIOPA and/or the European Commission (the "**EU Securitisation Regulation**"), applies in general (subject to certain grandfathering) from 1 January 2019. However, some legislative measures necessary for the full implementation of the EU Securitisation Regulation regime have not yet been finalised and compliance with certain requirements is subject to the application of transitional provisions. Moreover, it is expected that in Q1 2021 the EU Securitisation Regulation regime will be amended as a result of the legislative proposals by the European Commission of July 2020 (relating to the introduction of a regulatory regime for balance sheet synthetic STS securitisations and changes aimed at addressing regulatory obstacles affecting securitisation of non-performing exposures) and further amendments are expected as a result of the wider review of the EU Securitisation Regulation regime by 1 January 2022, which review may be accompanied by further legislative proposals.

The EU Securitisation Regulation establishes certain common rules for all securitisations that fall within its scope (including recast of pre-1 January 2019 risk retention and investor due diligence regimes).

The EU Securitisation Regulation has direct effect in member states of the EU and is to be implemented in due course in other countries in the EEA.

The UK Securitisation Regulation (which largely mirrors, with some adjustments, the EU Securitisation Regulation) applies in the UK (subject to the temporary transitional relief being available in certain areas) from the end of the transition period in the Brexit process at the start of 2021.

The EU Securitisation Regulation and/or the UK Securitisation Regulation requirements will apply to the Notes. As such, certain European-regulated institutional investors or UK-regulated institutional investors, which include relevant credit institutions, investment firms, authorised alternative investment fund managers, insurance and reinsurance undertakings, certain undertakings for the collective investment of transferable securities and certain regulated pension funds (institutions for occupational retirement provision), are required to comply under Article 5 of the EU Securitisation Regulation or Article 5 of the UK Securitisation Regulation, as applicable, with certain due diligence requirements prior to holding a securitisation position and on an ongoing basis while holding the position. Among other things, prior to holding a securitisation position, such institutional investors are required to verify under their respective EU or UK regime certain matters with respect to compliance of the relevant transaction parties with credit granting standards, risk retention and transparency requirements and, on transactions notified as EU STS or UK STS, compliance of that transaction with the EU or UK STS requirements, as applicable. If the relevant European-regulated or UK-regulated institutional investor elects to acquire or holds the Notes having failed to comply with one or more of these requirements, as applicable to them under their respective EU or UK regime, this may result in the imposition of a penal capital charge on the Notes for institutional investors subject to regulatory capital requirements or a requirement to take a corrective action, in the case of a certain type of regulated fund investors. Aspects of the requirements of the EU Securitisation Regulation and the UK Securitisation Regulation and what is or will be required to demonstrate compliance to national regulators remain unclear and it should be noted that under the UK Securitisation Regulation regime certain temporary transitional relief may be available until 31 March 2022 for the purposes of compliance with the UK institutional investor due diligence requirements.

Further, European-regulated institutional investors should note that the Reporting Entity will only prepare or procure the preparation of the monthly Investor Report and certain loan-by-loan information in relation to the Portfolio in respect of the relevant Monthly Collection Period, which will be prepared in accordance with the UK Securitisation Regulation and the UK Article

7 Technical Standards only. Although the UK Article 7 Technical Standards largely mirror the EU Article 7 Technical Standards, prospective investors should note that future divergence between the EU and UK regimes cannot be ruled out. In the event of any future divergence between the EU and UK regimes, the Reporting Entity will undertake to procure the provision of any reasonable and relevant additional data and information that may be required for the purpose of Article 5 of the EU Securitisation Regulation and is under no obligation to prepare any reporting in accordance with the EU Article 7 Technical Standards. Prospective investors should note that there can be no assurance that the information in this Prospectus or to be made available to investors in accordance with the UK Securitisation Regulation will be adequate for any prospective institutional investors to comply with their due diligence obligations under the EU Securitisation Regulation.

Prospective investors should therefore make themselves aware of the requirements applicable to them in their respective jurisdictions and are required to independently assess and determine the sufficiency of the information described in this Prospectus, generally for the purposes of complying with such due diligence requirements under the EU Securitisation Regulation and any corresponding national measures which may be relevant or the UK Securitisation Regulation, as applicable.

Various parties to the securitisation transaction described in this Prospectus (including the Issuer and the Seller) are also subject to the requirements of the UK Securitisation Regulation. However, some uncertainty remains in relation to the interpretation of some of these requirements and what is or will be required to demonstrate compliance to the relevant UK regulators. Prospective investors should note that there can be no assurance that the information in this Prospectus or to be made available to investors in accordance with Article 7 of the UK Securitisation Regulation will be adequate for any prospective institutional investors to comply with their due diligence obligations under the UK Securitisation Regulation. Prospective investors in the Notes are responsible for analysing their own regulatory position, and should consult their own advisers in this respect.

Finally, in order to enable the Issuer to comply with any obligation which applies to it under the UK Securitisation Regulation or any other regulatory technical standards authorised under the UK Securitisation Regulation, amendments may be made to the Transaction Documents or the Conditions without the consent of the Noteholders and without the consent of any Issuer Secured Creditors (other than those Issuer Secured Creditors who are party to the relevant Transaction Document(s)) provided that the Issuer certifies in writing to the Note Trustee that in the reasonable opinion of the Issuer such amendment would not (a) adversely impact on the Issuer's ability to make payments when due in respect of the Notes; or (b) affect the legality, validity and enforceability of any of the Transaction Documents and any Issuer Security created therein, as described above under Condition 11 (Meetings of Noteholders, Modification and Waiver).

(l) Simple, Transparent and Standardised Securitisations and UK STS Designation

The UK Securitisation Regulation (and the UK CRR) includes provisions that implement the revised securitisation framework developed by BCBS (with adjustments) and provides, among other things, for harmonised foundation criteria and procedures applicable to securitisations seeking designation as UK STS securitisation.

The UK STS securitisation designation impacts on the potential ability of the Notes to achieve better or more flexible regulatory treatment from the perspective of the applicable UK regulatory regimes, such as the prudential regulation of UK CRR firms and UK Solvency II firms, and from the perspective of the UK EMIR regime.

It is intended that a UK STS notification will be submitted to the FCA by LPUK, as originator. The UK STS Notification, once notified to the FCA, will be available for download on the FCA STS Register website.

LPUK and the Issuer have used the services of PCS UK to carry out the UK STS Verification. It is expected that the UK STS Verification prepared by PCS UK will be available on its website at <https://pcsmarket.org/>. For the avoidance of doubt, the website of PCS UK and the contents of that website do not form part of this Prospectus.

It is important to note that the involvement of PCS UK as an authorised verification agent is not mandatory and the responsibility for compliance with the UK Securitisation Regulation remains with the relevant institutional investors, originators and issuers, as applicable in each case. A UK STS Verification will not absolve such entities from making their own assessments with respect to the UK Securitisation Regulation, and a UK STS Verification cannot be relied on to determine compliance with the foregoing regulations in the absence of such assessments by the relevant entities. Investors should note that a draft UK STS Notification will be made available to investors before pricing.

- (m) Noteholders' interests may be adversely affected by a change of Law

The transactions described in this Prospectus (including the issue of the Notes) and the ratings which are to be assigned to the Notes are based on the relevant law and administrative practice in effect as at the date hereof, and having regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given as to the impact of any possible change to the law (including any change in regulation which may occur without a change in primary legislation), administrative practice or tax treatment after the date of this document or can any assurance be given as to whether any such change would adversely affect the ability of the Issuer to make payments under the Notes. In addition, it should be noted that regulatory requirements (including any applicable retention, due diligence or disclosure obligations) may be amended and there can be no assurance that any such changes will not adversely affect the compliance position of a transaction described in this Prospectus or of any party under any applicable law or regulation.

- (n) UK Taxation position of the Issuer

The Issuer has been advised that it should fall within the UK permanent regime for the taxation of securitisation companies (as introduced by the Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296) (as amended) (the "**Securitisation Tax Regulations**")), and as such should be taxed only on the amount of its "retained profit" (as that term is defined in the Securitisation Tax Regulations) which it is entitled to retain under the Transaction Documents for so long as it satisfies the conditions of the Securitisation Tax Regulations. If the Issuer does not (or subsequently will not) satisfy the conditions of the Securitisation Tax Regulations, then the Issuer may be subject to tax liabilities not contemplated in the cash flows for the transaction described in this Prospectus. Any such tax liabilities may reduce amounts available to the Issuer to meet its obligations under the Notes and may result in the investors receiving less interest and/or principal than expected.

- (o) Effects of the Volcker Rule on the Issuer

The Issuer was structured so as not to constitute a "covered fund" for purposes of the regulations adopted to implement Section 619 of the Dodd-Frank Act (such statutory provision together with such implementing regulations, the "**Volcker Rule**"). 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 general effects of the Volcker Rule remain uncertain. Any prospective investor in the Notes, 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.

- (p) No gross-up for taxes

Should any withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by any government or state with authority to tax or any political subdivision or any authority thereof or therein having power to tax be required to be made from any payment in respect of the Notes (as to which, in relation to the United Kingdom, see "Taxation – United Kingdom Taxation" below), neither the Issuer, the Note Trustee, the Issuer Security Trustee, the LPUK Security Trustee nor any Paying Agent will be obliged to make any additional payments to Noteholders to

compensate them for the reduction in the amounts that they will receive as a result of such withholding or deduction.

(q) Issuer Security

Although the Issuer Security Trustee will hold the benefit of the Issuer Security created under the Issuer Deed of Charge on trust for, *inter alios*, the Noteholders, such Issuer Security will also be held on trust for certain other parties that will rank ahead of the Noteholders.

In the event that the Issuer Security is enforced, the proceeds of such enforcement may be insufficient, after payment of all other claims ranking in priority to amounts due under the Notes, to pay in full all amounts of principal and interest (and any other amounts) due in respect of the Notes. Enforcement of the Issuer Security by the Issuer Security Trustee is the only remedy available for the purpose of recovering amounts owed in respect of the Notes.

(r) UK Banking Act 2009

The Banking Act 2009 (the "**Banking Act**") includes a provision for a special resolution regime pursuant to which specified UK authorities have extended tools to deal with the failure (or likely failure) of certain UK incorporated entities, including authorised deposit-taking institutions and investment firms, and powers to take certain resolution actions in respect of third country institutions. In addition, powers may be used in certain circumstances in respect of UK established banking group companies, where such companies are in the same group as a relevant UK or third country institution. Relevant transaction parties for these purposes include LPUK, the Account Bank, the Interest Rate Swap Counterparty and the Agent Bank.

The tools available under the Banking Act include share and property transfer powers (including powers for partial property transfers), bail-in powers, certain ancillary powers (including powers to modify contractual arrangements in certain circumstances) and special insolvency procedures which may be commenced by the UK authorities. It is possible that the extended tools described above could be used prior to the point at which an application for insolvency proceedings with respect to a relevant entity could be made and, in certain circumstances, the UK authorities may exercise broad pre-resolution powers in respect of relevant entities with a view to removing impediments to the exercise of the stabilisation tools.

In general, the Banking Act requires the UK authorities to have regard to specified objectives in exercising the powers provided for by the Act. One of the objectives (which is required to be balanced as appropriate with the other specified objectives) refers to the protection and enhancement of the stability of the financial system of the United Kingdom. The Banking Act includes provisions related to compensation in respect of instruments and orders made under it. In general, there is considerable uncertainty about the scope of the powers afforded to UK authorities under the Banking Act and how the authorities may choose to exercise them.

If an instrument or order were to be made under the provisions of the Banking Act currently in force in respect of a relevant entity as described above, such action may (amongst other things) affect the ability of such entities to satisfy their obligations under the Transaction Documents and/or result in modifications to such documents. In particular, modifications may be made pursuant to powers permitting (i) certain trust arrangements to be removed or modified, (ii) contractual arrangements between relevant entities and other parties to be removed, modified or created where considered necessary to enable a transferee in the context of a property or share transfer to operate the transferred business effectively and (iii) in connection with the modification of an unsecured liability through use of the bail-in tool, the discharge of a relevant entity from further performance of its obligations under a contract. In addition, powers may apply to require a relevant instrument or order (and related events) to be disregarded in determining whether certain widely defined "default events" have occurred (which events may include trigger events included in the Transaction Documents in respect of the relevant entity including termination events and (in the case of the Seller in respect of perfection of legal title to the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables). As a result, the making of an instrument or order in respect of a relevant entity described above may affect the ability of the Issuer to meet its obligations in respect of the Notes. While there is provision for compensation in certain circumstances under the Banking Act 2009, there can be no

assurance that Noteholders would recover compensation promptly and equal to any loss actually incurred.

As noted above, the stabilisation tools may be used in respect of certain banking group companies provided certain conditions are met. If the Issuer was regarded to be a banking group company and no exclusion applied, then it would be possible in certain scenarios for the relevant authority to exercise one or more relevant stabilisation tools (including the property transfer powers and/or the bail-in powers) in respect of it, which could result in reduced amounts being available to make payments in respect of the Notes and/or in the modification, cancellation or conversion of any unsecured portion of the liability of the Issuer under the Notes at the relevant time. In this regard, it should be noted that the UK authorities have provided an exclusion for certain securitisation companies, which exclusion is expected to extend to the Issuer, although aspects of the relevant provisions are not entirely clear.

At present, the UK authorities have not made an instrument or order under the Banking Act in respect of the entities referred to above and there has been no indication that any such instrument or order will be made, but there can be no assurance that this will not change and/or that Noteholders will not be adversely affected by any such instrument or order if made. While there is provision for compensation in certain circumstances under the Act, there can be no assurance that Noteholders would recover compensation promptly and equal to any loss actually incurred.

As a result of Directive 2014/59/EU ("**BRRD**") providing for the establishment of an EEA-wide framework for the recovery and resolution of credit institutions and investment firms and any relevant national implementing measures, it is possible that an institution with its head office in an EEA and/or certain group companies (such as the Interest Rate Swap Counterparty, the Agent Bank, the Principal Paying Agent or the Registrar) could be subject to certain resolution actions in that other state. In June 2019, Directive ((EU) 2019/879) ("**BRRD II**") entered into force and it becomes applicable on 28 December 2020. BRRD II amends the BRRD including, among other things, with respect to certain resolution powers that the authorities can exercise, such as a moratorium power on banks' liabilities. BRRD II also introduces reforms in relation to requirements concerning the contractual recognition of bail-in as set out in Article 55 BRRD, the introduction of requirements on the contractual recognition of resolution stay powers, as well as changes related to the revision of the existing minimum requirements for own funds and eligible liabilities with a view to calibrating them with the total loss absorbing capacity standard.

Any resolution or action may affect the ability of any relevant entity to satisfy its obligations under the Transaction Documents and there can be no assurance that Noteholders will not be adversely affected as a result.

(s) Set-off risk may adversely affect the value of the Portfolio or any part thereof

As described above, the sale by the Seller to the Issuer of the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables will be given effect by an equitable assignment only. As a result, legal title to the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables sold by the Seller to the Issuer will remain with the Seller. Therefore, the rights of the Issuer may be subject to the direct rights of the Lessees against the Seller, including rights of set-off which occur in relation to transactions (including the relevant Lease Agreement) made between the Lessees and the Seller existing prior to notification to the Lessees of the assignment of the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables.

In addition, some of the Lease Receivables in the Portfolio may have increased risks of set-off, because the Seller is required to make payments under the relevant Lease Agreement to the Lessees. For instance, set-off rights may occur if the Seller fails to make payments to a Lessee under the terms of an open contract settlement process whereby the Seller is obliged to pay certain adjusting payments to the Lessees where the amounts paid by the Lessee exceed the actual costs incurred by the Seller. New products offered by the Seller in the future may have similar characteristics involving payments due from the Seller to the Lessees.

If the Seller defaults in its obligations under any open contract, fails to provide the relevant Lease Services or otherwise defaults in relation to a Leased Vehicle in accordance with the terms of the relevant Lease Agreement, then the relevant Lessee may set off any damages claim arising

from the Seller's breach of contract against the Seller's (and, as equitable assignee of or holder of the beneficial interest in the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables in the Portfolio, the Issuer's) claim for payment of principal and/or interest under the relevant Lease Agreement as and when it becomes due. These set-off claims will constitute transaction set-off as described in the immediately preceding risk factor and will not be affected or diminished by notice of the assignment to the Issuer being given to the Lessee.

A Lessee may also attempt to set off an amount greater than the amount of his damages claim against the payments under the relevant Lease Agreement. In that case, the Servicer will be entitled to take enforcement proceedings against the Lessee, although the period of non-payment by the Lessee is likely to continue until a judgment is obtained.

The exercise of set-off rights by Lessees may adversely affect the realisable value of the Portfolio and/or the ability of the Issuer to make payments under the Notes.

(t) Equitable assignment

The sale by the Seller to the Issuer of the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables will take effect by way of an equitable assignment. As a result, legal title to the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables will remain with the Seller. The Issuer, however, will have the right to demand that the Seller transfers to it legal title to the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables in the limited circumstances described in the Purchase Agreement and, until such right arises, the Issuer will not give notice of the sale of the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables to any Lessee.

Since the Issuer has not obtained legal title to the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables or otherwise perfected its legal title to the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables, the following risks exist:

- (a) first, if the Seller wrongly sells any Lease Receivables, RV Claim and/or Final Balloon Payment Receivable, which have already been sold to the Issuer, to another person and that person acted in good faith and did not have notice of the interests of the Issuer in those Lease Receivables, the RV Claim or the Final Balloon Payment Receivable, then such person might obtain good title to the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables, free from the interests of the Issuer. If this occurred, then the Issuer would not have good title to the affected Lease Receivable, RV Claim and/or the Final Balloon Payment Receivable and it would not be entitled to payments by a Lessee in respect of that Lease Agreement. However, the risk of third party claims obtaining priority to the interests of the Issuer would be likely to be limited to circumstances arising from a breach by the Seller of its contractual obligations or fraud, negligence or mistake on the part of the Seller or the Issuer or their respective personnel or agents;
- (b) second, the rights of the Issuer may be subject to the rights of the Lessee against the Seller, such as rights of set-off, which occur in relation to transactions; and
- (c) third, unless the Issuer has perfected the assignment of the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables (which it is only entitled to do in certain limited circumstances), the Issuer would not be able to enforce any Lessee's obligations under a Lease Agreement itself but would have to join the Seller as a party to any legal proceedings.

If any of the risks described in paragraphs (a) and (b) above were to occur, then the realisable value of the Portfolio or any part thereof and/or the ability of the Issuer to make payments under the Notes will be affected.

Once notice has been given to the Lessees of the assignment of the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables to the Issuer, independent set-off rights which a Lessee has against the Seller will crystallise and further rights of independent set-off

would cease to accrue from that date and no new rights of independent set-off could be asserted following that notice. Set-off rights arising under "transaction set-off" (which are set-off claims arising out of a transaction connected with the Lease Agreement) will not be affected by that notice and will continue to exist. In relation to potential transaction set-off in respect of the Lease Agreements, see further below.

It should be noted however, that LPUK is required to pay Deemed Collections to the Purchaser which includes amounts which Lessees have set-off against or deducted or withheld from amounts due as Lease Receivables or Final Balloon Payments to LPUK. Further, for so long as the Issuer does not have legal title, the Seller will undertake for the benefit of the Issuer and the Issuer Secured Creditors that it will lend its name to, and take such other steps as may be reasonably required by the Issuer and/or the Issuer Security Trustee in relation to, any legal proceedings in respect of the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables. For such purposes, the Originator will grant to the Issuer a Power of Attorney.

(u) Issuer's ability to make payments under the Notes may be affected by disclaimer

Under section 178 of the Insolvency Act, a liquidator may disclaim any onerous property notwithstanding that he has taken possession of it, endeavoured to sell it or otherwise exercised rights of ownership in relation to it. For the purposes of section 178 of the Insolvency Act "**onerous property**" means any unprofitable contract and any other property of the company which is unsaleable or not readily saleable or is such that it may give rise to a liability to pay money or perform any other onerous act. Any agreement which may, by its performance by a company, prejudice the liquidator's obligation to realise that company's property and pay a dividend to creditors within a reasonable period of time could, prima facie, constitute onerous property of such company. It is therefore possible that an Insolvency Official of LPUK may seek to disclaim the Lease Agreements which LPUK has entered into notwithstanding the Issuer is (subject to a delegation to LPUK as Sub-Maintenance Coordinator) under an obligation to provide certain maintenance services in respect of the Leased Vehicles under certain of the Lease Agreements. If an Insolvency Official sought to disclaim certain Lease Agreements then the Issuer's income from the Portfolio may be affected thereby impairing its ability to make payments under the Notes.

Where a liquidator of LPUK were to disclaim a Lease as onerous property, such a disclaimer would only operate so far as is necessary for the purpose of releasing LPUK from any liability. Any such disclaimer would therefore not affect the rights or liabilities of any other person (including the rights of the Lessees to retain possession under the Lease Agreements and the rights of Issuer to receive payments of the rental from Lessees) nor would the disclaimer operate so as to affect the disposition of the RV Claims or Final Balloon Payment Receivables to the Issuer in each case on the basis that these claims have already vested. Notwithstanding this, in order to mitigate against the risks outlined above, a Back-Up Sub-Maintenance Coordinator will on the occurrence of an Appointment Trigger, be procured by LPUK within 120 calendar days and will be appointed by the Issuer to co-ordinate the performance of the Lease Services on the occurrence of a Sub-Maintenance Coordinator Termination Event and following notification by the Issuer (with prior consent of the Issuer Security Trustee) or the Issuer Security Trustee to the Back-Up Sub-Maintenance Coordinator to commence the coordination of the Lease Services. The insolvency of LPUK is a Sub-Maintenance Coordinator Termination Event.

If the appointment of LPUK as Sub-Maintenance Coordinator is terminated pursuant to the terms of the Sub-Maintenance Coordination Agreement (which could occur if the Insolvency Official elects not to continue the maintenance obligations and other services), the Back-Up Sub-Maintenance Coordinator will perform the maintenance tasks if notification is provided to it by the Issuer (with prior consent of the Issuer Security Trustee) or the Issuer Security Trustee. Where the maintenance and other obligations under the Lease Agreements are carried out by another entity, it would be unlikely that an Insolvency Official would deem these obligations to be onerous on the part of LPUK unless the continuance of the obligations could prejudice the liquidator's ability to realise LPUK's property and pay a dividend to creditors within a reasonable period of time. Although some residual liability to the Lessees may remain with LPUK (LPUK will be liable in the event that the Back-Up Sub-Maintenance Coordinator does not perform the maintenance obligations in accordance with the terms of the relevant Lease Agreements), the liquidator will be paid a Liquidation Fee by the Issuer to compensate for any such losses.

To help further mitigate against this risk, the Purchase Agreement will also include liquidated damages provisions so that where the Insolvency Official disclaims a contract then LPUK would have to pay damages to the Issuer in an amount equal to all amounts the Issuer would expect to receive under the Lease Agreements and from the associated RV Claim or Final Balloon Payment Receivable. Such damages claim would, however, be an unsecured claim against LPUK. It would also be likely that the Lessees would seek damages for default by LPUK under the Lease Agreements following any disclaimer of the contracts. Furthermore, although no assurances can be given that a court would grant a vesting order, where an Insolvency Official sought to disclaim it may be possible for the Issuer to seek a vesting order from the court such that the disclaimed property is vested in it. However, this may have an adverse impact on the Issuer's securitisation company status for UK corporation tax purposes.

(v) Reliance on warranties

If the Portfolio should partially or totally fail to conform at the Initial Cut-Off Date, the Closing Date, the Additional Cut-Off Dates or the Additional Portfolio Purchase Dates, as applicable, to the Lease Warranties given by the Seller in the Purchase Agreement and such failure has a Lease Receivable Material Adverse Effect in relation to the Lease Receivables, RV Claims and/or the Final Balloon Payment Receivables, the Seller shall have 20 Business Days after the date that the Seller became aware or was notified of such failure to cure in all material respects or correct such failure. Any such breach or failure will not be deemed to have a Lease Receivable Material Adverse Effect if such failure does not affect the ability of the Issuer to receive and retain timely payment in full of such Lease Receivable, RV Claim and/or Final Balloon Payment Receivable. If the Seller does not cure or correct such failure prior to such time, then the Seller is required to repurchase the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables affected by such failure on the Interest Payment Date following the expiration of such period at a price equal to the Aggregate Discounted Balance of such Lease Receivables, RV Claims and/or Final Balloon Payment Receivables as of the Cut-Off Date immediately preceding the date of such repurchase).

Where a breach of the Lease Warranties or any of them (including the Eligibility Criteria) occurs by reason of the Lease Agreement (or part thereof) being determined illegal, invalid, non binding or unenforceable under the CCA, the Seller is not obliged to repurchase the relevant Lease Receivables, RV Claim and/or Final Balloon Payment Receivable in accordance with the Purchase Agreement but is under an obligation on or before the next following Interest Payment Date to pay an amount, calculated by the Servicer in accordance with the Servicing Agreement, required to compensate the Issuer for any loss suffered by the Issuer as a result of such breach. If a Lease Receivable, RV Claim and/or Final Balloon Payment Receivable has never existed, or has ceased to exist, such that it is not outstanding on the date on which it is otherwise due to be repurchased pursuant to the Purchase Agreement, the Seller is not obliged to repurchase the Issuer's rights, title, interest and benefit in to and under such Lease Receivable, RV Claim and/or Final Balloon Payment Receivable but shall instead indemnify the Issuer and the Issuer Security Trustee against any loss and all liabilities suffered by reason of any warranty or representation relating to or otherwise affecting such Lease Receivable, RV Claim and/or Final Balloon Payment Receivable being untrue or incorrect by reference to the facts subsisting at the date on which the relevant warranty or representation was given provided that the amount of such indemnity shall not exceed the Aggregate Discounted Balance of such Lease Receivables, RV Claims and/or Final Balloon Payment Receivables (calculated as at the Cut-Off Date immediately prior to the date on which such Lease Receivables, RV Claims and/or Final Balloon Payment Receivables were due to be repurchased) had the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables existed on the relevant repurchase date and complied with each of the Lease Warranties in relation to such Lease Receivables, RV Claims and/or Final Balloon Payment Receivables as at the relevant date. Payments in respect of such indemnity shall be made by the Seller on the date occurring not later than the next following Interest Payment Date immediately after the Seller has become aware of the relevant breach.

The Issuer's rights under these provisions are, however, not secured, and the Noteholders bear the risk deriving from this fact.

(w) Impact of UK EMIR and EU EMIR

UK EMIR and EU EMIR (each as amended from time to time) prescribe 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 Interest Rate Swap Agreement will depend on the classification of the counterparties to such derivative transactions.

Pursuant to UK EMIR and EU EMIR, counterparties can be classified as: (i) financial counterparties ("**FCs**") (which includes a sub-category of small FCs ("**SFCs**")), 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 relevant Clearing Obligation or, to the extent that the relevant swaps are not subject to clearing, to the relevant collateral exchange obligation and the relevant daily valuation obligation under the Risk Mitigation Requirements, such obligations do not apply in respect of NFC-entities.

The Issuer is currently an NFC- for the purposes of UK EMIR and a third country equivalent to an NFC- (a "**TCE NFC-**") for the purposes of EU EMIR, although a change in its position cannot be ruled out. Should the status of the Issuer change to an NFC+ or FC for the purposes of UK EMIR and/or a third country equivalent to a FC or NFC+ (a "**TCE FC**" or a "**TCE NFC+**", respectively) for the purposes of EU EMIR, this may result in the application of the relevant Clearing Obligation or (more likely) the relevant collateral exchange obligation and relevant daily valuation obligation under the Risk Mitigation Requirements, as 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 UK EMIR and EU EMIR to date. It should also be noted that the collateral exchange obligation should not apply in respect of Issuer swap agreement entered into prior to the relevant application date, unless such a swap is materially amended on or after that date. In respect of UK EMIR, it should also be noted that, given the intention to seek the UK STS designation for the 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 Interest Rate Swap Agreement, provided the applicable conditions are satisfied. With regard to the latter, please refer to "Simple, Transparent and Standardised Securitisations and UK STS Designation" and ""Securitisation Regulation Risk Factor" above. In respect of EU EMIR, the Notes (given they will not obtain EU STS designation) will not be able to benefit from the equivalent exemption under EU EMIR should the status of the Issuer and/or Funding change to TCE NFC+ or TCE FC.

Prospective investors should note that there is some uncertainty with respect to the ability of each 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.

Finally, in order to enable the Issuer to comply with any obligation which applies to it under UK EMIR and EU EMIR, amendments may be made to the Transaction Documents or the Conditions without the consent of the Noteholders and without the consent of any Issuer Secured Creditors (other than those Issuer Secured Creditors who are party to the relevant Transaction Document(s)) provided that the Issuer certifies in writing to the Note Trustee that in the reasonable opinion of the Issuer such amendment would not (a) adversely impact on the Issuer's ability to make payments when due in respect of the Notes; or (b) affect the legality, validity and enforceability of any of the Transaction Documents and any Issuer Security created therein, as described above under Condition 11 (Meetings of Noteholders, Modification and Waiver).

8. RISKS RELATING TO THE CHARACTERISTICS OF THE NOTES

(a) There can be no assurance of Eurosystem eligibility

The Notes are not currently Eurosystem eligible. Nevertheless, the Class A Notes are intended to be held in a manner which would allow Eurosystem eligibility. This means that the Class A Notes are intended upon issue to be deposited with one of Euroclear or Clearstream, Luxembourg as Common Safekeeper, but does not necessarily mean that the Class A Notes in the future will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem ("**Eurosystem eligible collateral**") at any or all times during their life. Such recognition will depend upon other Eurosystem eligibility criteria. It is expected that the Class B Note will not satisfy the Eurosystem eligibility criteria. The Issuer gives no representation, warranty, confirmation or guarantee to any investor in the Class A Notes that the Class A Notes will at any time in the future satisfy all or any of the requirements for Eurosystem eligibility and be recognised as Eurosystem eligible collateral. Any potential investor in the Class A Notes should make their own conclusions and seek their own advice with respect to whether or not the Class A Notes constitute Eurosystem eligible collateral.

(b) Book-entry registration

The Class A Notes will be represented by Global Notes delivered (in the case of the Class A Notes) to a common safekeeper for Clearstream, Luxembourg and Euroclear, and will not be held by the beneficial owners or their nominees. The Global Notes will not be registered in the names of the beneficial owners or their nominees. As a result, unless and until Class A Notes in definitive form are issued, beneficial owners will not be recognised by the Issuer or the Issuer Security Trustee as Noteholders, as that term is used in the Trust Deed. Until such time, beneficial owners will only be able to exercise their rights in relation to the Class A Notes indirectly, through Clearstream, Luxembourg or Euroclear (as the case may be) and their respective participating organisations, and will, subject to Condition 14 (Notices), receive notices (which, so long as the Class A Notes are admitted to trading and listed on the Official List, are always published in accordance with the relevant guidelines of Euronext Dublin by a notification in writing to Euronext Dublin who will in turn release this notice via the Regulatory News Service) and other information provided for under the Conditions only if and to the extent provided by Clearstream, Luxembourg or Euroclear (as the case may be) and their respective participating organisations.

(c) Eligibility of the Notes for central bank schemes is subject to the applicable collateral framework criteria and could have an impact on the liquidity of the Notes in general

Whilst central bank schemes (such as the Bank of England's ("**BoE**") Discount Window Facility, the Indexed Long-Term Repo Facility and other schemes under its Sterling Monetary Framework, and the Eurosystem monetary policy framework for the European Central Bank), including emergency liquidity operations introduced by central banks in response to a financial crisis or a wide-spread health crisis (such as Covid-19 pandemic), provide an important source of liquidity in respect of eligible securities, the relevant eligibility criteria for eligible collateral which apply (and will apply in the future) under such schemes and liquidity operations may change. The investors should draw their own conclusions and seek their own advice with respect to whether or not the Notes constitute eligible collateral for the purposes of any of the central bank liquidity schemes. No assurance is given that any Notes will be eligible for any specific central bank liquidity schemes.

TRANSACTION OUTLINE

The information set out below is an overview of various aspects of the transaction. This overview is not purported to be complete and should be read in conjunction with, and is qualified in its entirety by, references to the detailed information presented elsewhere in this Prospectus.

TRANSACTION PARTIES ON THE CLOSING DATE

Party	Name	Address	Document under which appointed/Further Information
Issuer, Purchaser and Maintenance Coordinator	Bumper UK 2021-1 Finance PLC	1 Bartholomew Lane, London, EC2N 2AX	N/A
Holdings	Bumper UK 2021-1 Finance Holdings Limited	1 Bartholomew Lane, London, EC2N 2AX	N/A
Seller	LeasePlan UK Limited	165 Bath Road, Slough, Berkshire SL1 4AA	N/A
Originator and Reporting Entity	LeasePlan UK Limited	165 Bath Road, Slough, Berkshire SL1 4AA	N/A
Servicer	LeasePlan UK Limited	165 Bath Road, Slough, Berkshire SL1 4AA	Servicing Agreement by the Issuer. See the section entitled "Description of Certain Transaction Documents – Servicing Agreement" for more information.
Realisation Agent	LeasePlan UK Limited	165 Bath Road, Slough, Berkshire SL1 4AA	Realisation Agency Agreement by the Issuer. See the section entitled "Description of Certain Transaction Documents – Realisation Agency Agreement" for more information.
Sub-Maintenance Coordinator	LeasePlan UK Limited	165 Bath Road, Slough, Berkshire SL1 4AA	Sub-Maintenance Coordinator Agreement by the Issuer. See the section entitled "Description of Certain Transaction Documents – Sub-Maintenance Coordinator Agreement" for more information.
Cash Manager	Intertrust Administrative Services B.V.	1097 JB Amsterdam, Prins Bernhardplein 200, The Netherlands	Cash Management Agreement by the Issuer. See the section entitled "Description of Certain Transaction Documents – Cash Management Agreement" for more information.
Reporting Agent	Intertrust Administrative Services B.V.	1097 JB Amsterdam, Prins Bernhardplein 200, The Netherlands	Servicing Agreement by the Issuer. See the section entitled

			"Description of Certain Transaction Documents – Servicing Agreement" for more information.
Reserve Loan Provider	LeasePlan UK Limited	165 Bath Road, Slough, Berkshire SL1 4AA	Reserves Loan Agreement by the Issuer. See the section entitled "Description of Certain Transaction Documents – Reserve Loan Agreement" for more information.
Interest Rate Swap Counterparty	Banco Santander, S.A.	Ciudad Grupo Santander Edificio Dehesa, Planta 1, Avda. Cantabria, s/n, 28660 Boadilla del Monte (Madrid), Spain	Interest Rate Swap Agreement by the Issuer. See the section entitled "Description of Certain Transaction Documents – Interest Rate Swap Agreement" for more information.
Account Bank	BNP Paribas Securities Services, London Branch	10 Harewood Avenue, London NW1 6AA, United Kingdom	Bank Account Agreement by the Issuer. See the section entitled "Description of Certain Transaction Documents – Bank Account Agreement" for more information.
Note Trustee	BNP Paribas Trust Corporation UK Limited	10 Harewood Avenue, London NW1 6AA, United Kingdom	Trust Deed and Issuer Deed of Charge. See the Conditions for further information.
Issuer Security Trustee	BNP Paribas Trust Corporation UK Limited	10 Harewood Avenue, London NW1 6AA, United Kingdom	Issuer Deed of Charge. See the section entitled "Description of Certain Transaction Documents – Issuer Deed of Charge" for more information.
LPUK Security Trustee	BNP Paribas Trust Corporation UK Limited	10 Harewood Avenue, London NW1 6AA, United Kingdom	LPUK Deed of Charge. See the section entitled "Description of Certain Transaction Documents – LPUK Deed of Charge" for more information.
Principal Paying Agent	BNP Paribas Securities Services Luxembourg Branch	60 avenue J.F. Kennedy, L-1855 Luxembourg, Luxembourg	Agency Agreement by the Issuer. See the section entitled "Description of Certain Transaction Documents – Agency Agreement" for more information.
Agent Bank	BNP Paribas Securities Services Luxembourg Branch	60 avenue J.F. Kennedy, L-1855 Luxembourg, Luxembourg	Agency Agreement by the Issuer. See the section entitled "Description of Certain

			Transaction Documents – Agency Agreement" for more information.
Registrar	BNP Paribas Securities Services Luxembourg Branch	60 avenue J.F. Kennedy, L-1855 Luxembourg, Luxembourg	Agency Agreement by the Issuer. See the section entitled "Description of Certain Transaction Documents – Agency Agreement" for more information.
Corporate Services Provider	Intertrust Management Limited	1 Bartholomew Lane, London, EC2N 2AX	Corporate Services Agreement by the Issuer and Holdings. See the section entitled "The Issuer" and "Corporate Administration" for further information.
Arranger	LeasePlan Corporation N.V.	Gustav Mahlerlaan 360, 1082 ME, Amsterdam, The Netherlands	N/A
Joint Lead Managers	Banco Santander, S.A.	Pasco de Pereda 9-12, 39004 Santander Spain	Subscription Agreement
	BNP Paribas	16 Boulevard des Italiens 75009 Paris France	
Class B Note Purchaser	LeasePlan UK Limited	165 Bath Road, Slough, Berkshire SL1 4AA	Subscription Agreement
Listing Agent	Arthur Cox Listing Services Limited	Ten Earlsfort Terrace, Dublin 2, Ireland	N/A

THE PORTFOLIO

Please refer to the sections entitled "Characteristics of the Portfolio", "Consumer Credit Regulation in the UK", "Overview of UK Vehicle Lease Market" and "Description of Certain Transaction Documents" for further detail in respect of the characteristics of the Portfolio and the sale and the servicing arrangements in respect of the Portfolio.

Sale of Portfolio:

On the Initial Purchase Date and on each Additional Portfolio Purchase Date, the Seller is entitled to sell to the Issuer a portfolio of (i) Lease Receivables, (ii) the RV Claims and (iii) Final Balloon Payment Receivables.

The Lease Receivables will consist of any and all claims and rights of the Seller against the Lessees under or in connection with the use of the Leased Vehicles under the relevant Lease Agreements originated by LPUK. Such claims and rights include amounts relating to VAT, maintenance charge or related fees and expenses due and payable by the Lessee under the relevant Lease Agreement and any Ancillary Rights but excluding any amounts in respect of the RV Claims and the Final Balloon Payment Receivables.

The RV Claims will consist of the right to receive all proceeds derived from the Leased Vehicle other than Lease Receivables and Final Balloon Payment Receivables (including, for the avoidance of doubt, any sale proceeds or amounts arising as a result of entering into a new lease with respect to such Leased Vehicle which do not constitute a Lease Receivable sold to the Issuer).

The Final Balloon Payment Receivables will consist of any and all claims and rights of the Seller to amounts paid by the Lessee in respect of any Final Balloon Payment pursuant to a Lease Agreement included in the Portfolio.

Title in the Vehicles will be retained by the Seller.

The Issuer will use, *inter alia*, Lease Principal Collections and Lease Interest Collections in respect of the Portfolio to make payments of, among other things, principal and interest due on the Notes provided that during the Revolving Period, Available Distribution Amounts will not be applied in redemption of the Notes but shall be applied to acquire Additional Portfolios from the Seller.

The sale of the Initial Portfolio and any Additional Portfolio to the Issuer will in all cases also be subject to certain conditions as at the Closing Date and the relevant Additional Portfolio Purchase Date. The conditions include that:

- (a) the Issuer pays the Initial Purchase Price or the Additional Portfolio Purchase Price, as applicable;
- (b) a Transfer Notice attaching the relevant Portfolio Schedule certified by an authorised signatory of the Seller to be true and accurate in all material respects is delivered from the Seller to the Issuer, the Issuer Security Trustee and the Cash Manager; and
- (c) no Revolving Period Termination Event has occurred as of the Purchase Date.

See the section entitled "Description of Certain Transaction Documents – Purchase Agreement" for more information.

Features of Lease Receivables:

The following is an overview of certain features of the Lease Receivables, RV Claims and Final Balloon Payment Receivables as at the Initial Cut-Off

Date and investors should refer to, and carefully consider, further details in respect of the Lease Receivables and Vehicle Realisation Proceeds/Estimated Residual Value set out in "Characteristics of the Portfolio – Pool Size and Characteristics".

Consideration: The purchase price payable in consideration of the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables will be equal to the Initial Purchase Price or the Additional Portfolio Purchase Price (as applicable) and (subject to the conditions on the payment of Junior and Senior Deferred Purchase Price) the Deferred Purchase Price.

See the section entitled "Description of Certain Transaction Documents – Purchase Agreement" for more information.

Representations and Warranties: The Seller will make (a) Lease Warranties regarding the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables and (b) Corporate Warranties on the Closing Date and each Additional Portfolio Purchase Date, in each case with reference to the facts and circumstances then subsisting as at the immediately preceding relevant Cut-Off Date.

Examples of the representations and warranties given by the Seller include the following: (i) each of the Lease Agreements, Lease Receivables, RV Claims and Final Balloon Payment Receivables meet the Eligibility Criteria as of the respective Cut-Off Date, (ii) it is the sole legal and beneficial owner of the relevant Leased Vehicle which is hired under a Lease Agreement to a Lessee and any such Leased Vehicle is free of any encumbrances and not subject to any retention of title arrangement or any option to acquire on, over or affecting such Leased Vehicle, other than any Permitted Encumbrance, and (iii) as of the relevant Cut-Off Date, no Lease Agreement has been terminated, repudiated or rescinded by it or any relevant Lessee.

See the section entitled "Description of Certain Transaction Documents – Purchase Agreement" for further information.

Eligibility Criteria: Pursuant to the terms of the Purchase Agreement, the Seller will represent and warrant on each Purchase Date that the Lease Agreements, Lease Receivables, the related RV Claims and/or, as applicable, the related Final Balloon Payment Receivables satisfy certain Eligibility Criteria at the Cut-Off Date preceding any Purchase Date.

Examples of the Eligibility Criteria include the following: (a) the purchase price (including VAT) for the Leased Vehicle has been paid in full to the relevant supplier, (b) the underlying Lease Agreement (i) has been duly executed, (ii) is legal, valid, binding and enforceable save that a Lease Agreement will only be determined not to be enforceable by reason of a breach of the CCA at such time as a court delivers a judgment with respect to such specific lease and (iii) is governed by and subject to the laws of England and Wales, (c) the underlying Lease Agreement has been entered into in the ordinary course of business on arms' length commercial terms, and (d) the Leased Vehicle being the subject of the corresponding Lease Agreement is existing and is in good and substantial repair and condition and complies with the provisions of the Road Traffic Act 1988, as amended.

See the section entitled "Description of Certain Transaction Documents – Purchase Agreement" for further information.

Replenishment Criteria: Under the Purchase Agreement, the Seller will represent on each relevant Purchase Date that the Lease Receivables, the related RV Claims and the related Final Balloon Payment Receivables satisfy the Replenishment Criteria on the relevant Cut-Off Date and, for the avoidance of doubt, calculated by taking into account the Additional Portfolio to be purchased on

such Purchase Date.

In general terms, the Replenishment Criteria are designed to address the concentrations in the Portfolio.

See the section entitled "Description of Certain Transaction Documents – Purchase Agreement" for further information.

Repurchase by the Seller:

Pursuant to the Purchase Agreement, the Seller will be required to repurchase the Lease Receivables and (in each case if applicable) the RV Claims and the Final Balloon Payment Receivables in certain circumstances. On repurchase of the Lease Receivables and (in each case if applicable) the RV Claims and the Final Balloon Payment Receivables, the Seller will pay to the Issuer the Repurchase Price.

The Seller is obliged to repurchase the Lease Receivables and (in each case if any) the RV Claims and the Final Balloon Payment Receivables in the following circumstances:

- (a) in respect of Lease Receivables, RV Claims and Final Balloon Payment Receivables relating to Hire Purchase Lease Agreements, on the relevant Lease Maturity Date provided always that such repurchase shall not take effect if (aa) on or prior to such Lease Maturity Date a Lease Maturity Extension occurs in respect of such Hire Purchase Lease Agreements or (bb) the Lessee has not paid the relevant Final Balloon Payment;
- (b) in respect of Lease Receivables and RV Claims relating to Lease Agreements other than Hire Purchase Lease Agreements (but including Hire Purchase Lease Agreements in respect of which the Lessee does not pay the relevant Final Balloon Payment and consequently the repurchase of such Hire Purchase Lease Agreements does not take effect on the Lease Maturity Date) within ten Business Days after the original Lease Maturity Date, unless a Lease Maturity Extension occurs in respect of such Lease Agreements on or prior to the Lease Maturity Date;
- (c) in the case of Lease Receivables and (in each case as applicable) RV Claims and/or Final Balloon Payment Receivables in respect of Lease Agreements for which a Permitted Lease Maturity Extension has occurred, (in the case of Lease Agreements other than Hire Purchase Lease Agreements) within ten Business Days after the Lease Maturity Extension Date and (in the case of Hire Purchase Lease Agreements) on the Lease Maturity Extension Date;
- (d) in the case of Lease Receivables, RV Claims and/or Final Balloon Payment Receivables in respect of Lease Agreements for which a Prohibited Lease Maturity Extension has occurred, within ten Business Days after the last day of the Monthly Collection Period in which such Prohibited Lease Maturity Extension is agreed;
- (e) within ten Business Days after the original Lease Maturity Date, following any Lease Agreement Silent Extension;
- (f) within ten Business Days of a Lease Agreement Early Termination Date, in the event of a Lease Agreement Early Termination; or
- (g) in the event of a breach of the Lease Warranties (including the Eligibility Criteria) made by the Seller which the Servicer determines has a Lease Receivable Material Adverse Effect in respect of the Lease Receivables, the RV Claims and/or the Final

Balloon Payment Receivables by reference to the facts and circumstances then subsisting on the relevant Cut-off Date (subject to certain other conditions described in the Section entitled "Description of Certain Transaction Documents – Purchase Agreement" and provided that, for the purposes of calculating the Repurchase Price in such circumstances where the relevant Lease Agreement is also a Defaulted Lease Agreement, the Aggregate Discounted Balance shall be calculated as if the relevant Lease Receivables, RV Claims and/or Final Balloon Payment Receivables in respect of such Lease Agreement are Performing Lease Receivables, Performing RV Claims and Performing Final Balloon Payment Receivables respectively).

Other than in respect of paragraph (g) above, the Seller shall have no obligation to repurchase Lease Receivables, RV Claims or Final Balloon Payment Receivables relating to a Defaulted Lease Agreement.

The Seller may re-purchase all, but not some, of the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables if the Seller exercises its Clean-up Call.

See the section entitled "Description of Certain Transaction Documents – Purchase Agreement" for more information.

Consideration for repurchase:

On repurchase of the Lease Receivables and (in each case if applicable) the RV Claims and the Final Balloon Payment Receivables, the Seller will pay to the Issuer the Repurchase Price.

The "**Repurchase Price**" will be an amount equal to the Aggregate Discounted Balance (calculated, in the case of any Lease Receivables, RV Claims and/or Final Balloon Payment Receivables which are to be repurchased due to breach of Lease Warranties and which relate to Defaulted Lease Agreements, as if such Lease Receivables, RV Claims and/or Final Balloon Payment Receivables are Performing Lease Receivables, Performing RV Claims and Performing Final Balloon Payment Receivables respectively) of the Lease Receivables, the RV Claims and/or the Final Balloon Payment Receivables to be repurchased by the Seller as of the Cut-Off Date immediately preceding the date of such repurchase.

In the event of a breach of the Lease Warranties, if a Lease Receivable, RV Claim and/or Final Balloon Payment Receivable has never existed, or has ceased to exist, such that it is not outstanding on the date on which it is otherwise due to be repurchased pursuant to the Purchase Agreement, the Seller shall not be obliged to repurchase the Issuer's rights, title, interest and benefit in, to and under such Lease Receivables, RV Claims and/or Final Balloon Payment Receivables but shall instead indemnify the Issuer and the Issuer Security Trustee against any loss and all liabilities suffered by reason of any warranty or representation relating to or otherwise affecting such Lease Receivables, RV Claims and/or Final Balloon Payment Receivables being untrue or incorrect by reference to the facts subsisting at the date on which the relevant warranty or representation was given provided that the amount of such indemnity shall not exceed the Aggregate Discounted Balance of such Lease Receivables, RV Claims and/or Final Balloon Payment Receivables (calculated as at the Cut-Off Date immediately prior to the date on which such Lease Receivables, RV Claims and/or Final Balloon Payment Receivables were due to be repurchased) had the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables existed on the relevant repurchase date and complied with each of the Lease Warranties in relation to such Lease Receivable, RV Claim and/or Final Balloon Payment Receivable as at the relevant date.

The Repurchase Price shall be payable on the Interest Payment Date immediately following the date on which the Seller is required to repurchase the Lease Receivable, RV Claims and/or Final Balloon Payment Receivables and the Seller shall be obliged to pay the Repurchase Price to the Issuer (by transferring the same to the Issuer Transaction Account).

Where a breach of the Lease Warranties (including the Eligibility Criteria) occurs by reason of the Lease Agreement (or part thereof) being determined illegal, invalid, non-binding or unenforceable under the CCA, the Seller will not be obliged to repurchase the relevant Lease Receivables, RV Claims and/or Final Balloon Payment Receivables, but will on or before the next following Interest Payment Date pay an amount, calculated by the Servicer in accordance with the Servicing Agreement, required to compensate the Issuer for any loss suffered by the Issuer as a result of such breach.

See the section entitled "Description of Certain Transaction Documents – Purchase Agreement" for more information.

Servicing of the Portfolio:

LPUK, acting as the servicer (the "**Servicer**"), will, pursuant to the terms of the servicing agreement to be entered into on or about the Closing Date between the Issuer, the Servicer, and the Issuer Security Trustee (the "**Servicing Agreement**"), until the occurrence of a Servicer Termination Event, service and administer the Lease Agreements and report on the performance of the portfolio.

A back-up servicer will, on the occurrence of an Appointment Trigger, be procured by LPUK within 120 calendar days and will be appointed by the Issuer (the "**Back-Up Servicer**") subject to and in accordance with the back-up servicing agreement (the "**Back-Up Servicing Agreement**") to be entered into by and between, the Issuer, the Back-Up Servicer and the Issuer Security Trustee. The Back-Up Servicing Agreement will be substantially on the terms of the Servicing Agreement which, in addition, shall include provisions detailing the Back-Up Servicer Role to be provided by the Back-Up Servicer prior to it acting as Servicer. Unless and until a Servicer Termination Event has occurred in respect of LPUK as Servicer, the Back-Up Servicer will act solely in a stand-by role.

Following a Servicer Termination Event, the Back-Up Servicer (acting as Servicer) will take over the services from LPUK as Servicer under the Servicing Agreement subject to and in accordance with the Back-Up Servicing Agreement.

Delegation:

The Servicer may at any time without the prior consent of the Issuer, the Issuer Security Trustee or any other party to the Transaction Documents, sub-delegate all or any part of its duties under the Servicing Agreement provided that the Servicer remains responsible for the functions so delegated.

Lease Services in respect of the Portfolio:

Pursuant to the Purchase Agreement, the Originator will agree in favour of the Issuer to perform the Lease Services under and in accordance with the terms of the relevant Lease Agreements and in furtherance of such obligation and in furtherance of the Issuer's interest in the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables comprised in the Portfolio the Originator will appoint the Issuer to act as Maintenance Coordinator who will in turn appoint LPUK to act as Sub-Maintenance Coordinator under the Sub-Maintenance Coordinator Agreement and agree to coordinate the Lease Services under the terms of the relevant Lease Agreements.

The Sub-Maintenance Coordinator may at any time without the prior

consent of the Issuer, the Issuer Security Trustee or any other party to the Transaction Documents, sub-delegate all or any part of its duties under the Sub-Maintenance Coordinator Agreement provided that the Sub-Maintenance Coordinator remains responsible for the functions so delegated.

See the section entitled "Description of Certain Transaction Documents – Sub-Maintenance Coordinator Agreement" for more information.

A back-up sub-maintenance coordinator will, on the occurrence of an Appointment Trigger, be procured by LPUK within 120 calendar days and will be appointed by the Issuer (the "**Back-Up Sub-Maintenance Coordinator**") subject to and in accordance with a back-up sub-maintenance coordinator agreement (the "**Back-Up Sub-Maintenance Coordinator Agreement**") to be entered into by and between, the Issuer, the Back-Up Sub-Maintenance Coordinator and the Issuer Security Trustee (as directed by the Issuer), which will be substantially on the terms of the Sub-Maintenance Coordinator Agreement which, in addition, shall include provisions detailing the Back-Up Sub-Maintenance Coordinator role to be provided by the Back-Up Sub-Maintenance Coordinator prior to it acting as Sub-Maintenance Coordinator. Unless and until a Sub-Maintenance Coordinator Termination Event has occurred in respect of LPUK as Sub-Maintenance Coordinator, the Back-Up Sub-Maintenance Coordinator will act solely in a stand-by role.

If on the occurrence of a Back-Up Maintenance Coordinator Termination Event or if LPUK has not procured that a Suitable Entity is appointed to act as Back-Up Sub-Maintenance Coordinator within 120 calendar days from the occurrence of an Appointment Trigger, the Issuer has agreed to use reasonable endeavours to procure a Suitable Entity to act as Back-Up Sub-Maintenance Coordinator.

The Back-Up Sub-Maintenance Coordinator will, following the Sub-Maintenance Coordinator Termination Event (as defined below) and termination of the appointment of the Sub-Maintenance Coordinator, be appointed to replace LPUK as the Sub-Maintenance Coordinator.

Realisation of Vehicles:

LPUK, acting in its capacity as the realisation agent (the "**Realisation Agent**") will, pursuant to the terms of the realisation agency agreement to be entered into on or about the Closing Date between the Issuer, the Realisation Agent, the Seller, the LPUK Security Trustee and the Issuer Security Trustee (the "**Realisation Agency Agreement**"), sell the Vehicles within its possession or control (a) in respect of the Defaulted Lease Agreements and (b) where the Seller has not repurchased the associated RV Claims in respect of such Vehicles and, if applicable, the associated Lease Receivables and Final Balloon Payment Receivables, pursuant to the terms of the Purchase Agreement.

The Realisation Agent may at any time without the prior consent of the Issuer, the Issuer Security Trustee or any other party to the Transaction Documents, sub-delegate all or any part of its duties under the Realisation Agency Agreement provided that the Realisation Agent remains responsible for the functions so delegated.

A back-up realisation agent (the "**Back-Up Realisation Agent**") will, following the occurrence of an Appointment Trigger, be procured by LPUK within 120 calendar days and thereafter will be appointed by the Issuer pursuant to the terms of a back-up realisation agency agreement (the "**Back-Up Realisation Agency Agreement**") substantially on the terms of the Realisation Agency Agreement which, in addition, shall include provisions detailing the Back-Up Realisation Agent Role (as defined and described

further below) to be provided by the Back-Up Realisation Agent prior to it acting as Realisation Agent.

If on the occurrence of a Realisation Agent Termination Event or if LPUK has not procured that a Suitable Entity is appointed to act as Back-Up Realisation Agent within 120 calendar days from the occurrence of an Appointment Trigger, the Issuer has agreed to use reasonable endeavours to procure a Suitable Entity to act as Back-Up Realisation Agent.

The Back-Up Realisation Agent will, following the Realisation Agent Termination Event (as defined below) and termination of the appointment of the Realisation Agent, be appointed to replace LPUK as Realisation Agent under the Back-up Realisation Agency Agreement.

Pursuant to the terms of the Realisation Agency Agreement, following the occurrence of an Appointment Trigger, a Suitable Entity which is willing to act as the trustee agent shall be procured by LPUK within 120 calendar days (or should LPUK fail to procure a suitable entity within 120 days, by the Issuer) and appointed by the LPUK Security Trustee (provided it is satisfied with the terms of appointment thereof) as agent of the LPUK Security Trustee (and not, for the avoidance of doubt, as agent of LPUK) (the "**Trustee Agent**") to perform the role described in Schedule 3 to the LPUK Deed of Charge on and following the occurrence of an Automatic Crystallisation Event, which by way of overview will require the Trustee Agent, among other things, to: (i) consent to the most appropriate sales channel for the disposal of Charged Vehicles; and (ii) use the information available to it (including such information provided by LPUK pursuant to the LPUK Deed of Charge and the Servicing Agreement, used vehicle guide prices publications such as "CAP" and "Glass Guide" information), and give consideration to the relevant Charged Vehicle's characteristics (including its age, mileage, condition and specification), in order to provide its consent.

Pursuant to the LPUK Deed of Charge, the LPUK Security Trustee or Trustee Agent, as applicable, may request such information as they may require regarding the Charged Vehicles, including whether they are currently subject of a Lease Agreement.

See the sections entitled "Triggers Table" and "Description of Certain Transaction Documents – Realisation Agency Agreement" for more information.

OVERVIEW OF THE TERMS AND CONDITIONS OF THE NOTES

Please refer to section entitled "Terms and Conditions of the Notes" for further detail in respect of the terms of the Notes.

FULL CAPITAL STRUCTURE OF THE NOTES

	Class A	Class B
Currency	Sterling	Sterling
Initial Principal Amount	400,000,000	150,000,000
Note Credit Enhancement	Subordination of Class B Note	N/A
Credit Enhancement and Liquidity Support	Liquidity Reserve and excess Available Distribution Amounts	Liquidity Reserve and excess Available Distribution Amounts
Issue Price	100%	100%
Interest Basis	Compounded Daily SONIA	N/A
Margin	0.50% p.a.	1.74% p.a.
Interest Accrual Method	Actual/365	Actual/365
Interest Determination Date	The fifth London Banking Day before the relevant Interest Payment Date	N/A
Interest Payment Dates	20th day of each calendar month	20th day of each calendar month
Business Day Convention	Modified Following	Modified Following
First Interest Payment Date	April 2021	April 2021
First Interest Period	The period from and including the Closing Date to but excluding the First Interest Payment Date	The period from and including the Closing Date to but excluding the First Interest Payment Date
Revolving Period End Date	April 2022	April 2022
Post Revolving Period Termination Event Redemption Profile¹	Pass through redemption on each Interest Payment Date subject to and in accordance with the Normal Amortisation Period Priority of Payments. See Condition 6.3 (Mandatory redemption in part)	
Post Accelerated Amortisation Event Redemption Profile	Pass through redemption, subject to and in accordance with the Accelerated Amortisation Period Priority of Payments. See Condition 6.3 (Mandatory redemption in part)	
Clean Up Call	Any Interest Payment Date on which the Aggregate Discounted Balance of the Portfolio as at the immediately preceding Cut-Off Date is less	N/A

¹ The revolving period commences on (and includes) the Closing Date and ends on (but excludes) the earlier of (i) the Interest Payment Date falling in April 2022 and (ii) the date on which a Revolving Period Termination Event occurs.

	<u>Class A</u>	<u>Class B</u>
	than 10% of the Aggregate Discounted Balance on the Initial Cut-Off Date or any Interest Payment Date on or following the redemption in full of Class A Notes and the Seller exercises its option to repurchase the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables in full, which requires the Issuer to redeem the Notes in full. See Condition 6.2 (Optional redemption in whole for taxation or other reasons)	
Other Early Redemption in full Events	Please refer to Condition 6.2 (Optional redemption in whole for taxation or other reasons)	
Final Maturity Date	Interest Payment Date falling in December 2030	Interest Payment Date falling in December 2030
Form of the Notes	Registered Notes	Registered Note
Application for Listing	Euronext Dublin	Not Listed
ISIN	XS2306948774	N/A
Common Code	230694877	N/A
Clearance/Settlement	Euroclear/Clearstream, Luxembourg	N/A
Minimum Denomination	£100,000	£100,000
Initial Purchaser	N/A	LPUK
Ranking	The Notes within each Class will rank <i>pari passu</i> and rateably without any preference or priority among themselves as to payments of interest and principal at all times.	

Class A Notes will rank senior to the Class B Note as to payments of interest and principal at all times.

"Most Senior Class Outstanding" means the Class A Notes while they remain outstanding and thereafter the Class B Note while it remains outstanding.

Issuer Security The Notes are secured and will share the Issuer Security with the other Issuer Secured Liabilities of the Issuer as set out in the Issuer Deed of Charge. The security granted by the Issuer to the Issuer Security Trustee, for itself and on trust for the other Issuer Secured Creditors, includes:

- (a) a charge by way of first fixed charge of all its rights in respect of the Lease Receivables, RV Claims, Final Balloon Payment Receivables and Ancillary Rights comprised in the Portfolio and the Additional Portfolio;
- (b) an assignment, subject to a proviso for re-assignment on redemption, of all its rights in respect of the Issuer Charged Documents which, in the case of the Interest Rate Swap Agreement, is subject to netting and set-off provisions therein;
- (c) a charge by way of first fixed charge over all its rights in respect of Authorised Investments made or purchased from time to time by or on behalf of the Issuer and all interest, moneys and proceeds paid or payable in relation to those Authorised Investments (which may in each case take effect as a floating charge);
- (d) a charge by way of first fixed charge, of all of its rights in respect of (i) any amounts standing from time to time to the credit of the Bank Accounts; (ii) all interest paid or payable in relation to those amounts; and (iii) all debts represented by those amounts; and
- (e) a first floating charge over its property, assets and rights whatsoever and wheresoever present and future.

See the section entitled "Description of Certain Transaction Documents – Issuer Deed of Charge" for more information.

Some of the other Issuer Secured Creditors rank senior to the Issuer's obligations under the Notes in respect of the allocation of proceeds as set out in the relevant Priority of Payments.

LPUK Deed of Charge

As security for its obligation to repurchase the Lease Receivables and (in each case if applicable) the RV Claims and the Final Balloon Payment Receivables from the Issuer and to make payment of all other amounts due by the Seller to the Issuer in each case pursuant to the Purchase Agreement and to make payment of all amounts payable to the LPUK Security Trustee, any Receiver or any LPUK Security Trustee Appointee, LPUK will grant floating security to the LPUK Security Trustee over the Charged Vehicles pursuant to the terms of the LPUK Deed of Charge.

The floating charge granted by LPUK will automatically crystallise if, among other things, (a) any person levies or attempts to levy, distress, execution or other process against any of the Charged Vehicles, which (when combined with any other levy, distress, execution or other process against any of the Charged Vehicles) is in an amount above an aggregate amount equal at any point in time to £20,000,000 or (b) on the occurrence of certain insolvency, administration and winding-up related events relating to LPUK (each as more fully described below).

See the section entitled "Description of Certain Transaction Documents – LPUK Deed of Charge" for more information.

Interest Provisions

Please refer to "Full Capital Structure of the Notes" as set out above.

Interest Deferral

Interest due and payable on the Class A Notes will not be deferred. For as long as the Class A Notes are outstanding, interest due and payable on the Class B Note may be deferred, in accordance with Condition 15.1 (Interest). Deferred interest will also accrue interest in accordance with Condition 15.1 (Interest) and such additional interest may also be deferred under Condition 15.1 (Interest).

Withholding Tax

All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**"), unless the withholding or deduction of the Taxes is required by applicable law. In that event, the Issuer or, as the case may be, the relevant Paying Agent shall make such payment after the withholding or deduction has been made and shall account to the relevant authorities for the amount required to be withheld or deducted. Neither the Issuer nor any Paying Agent shall be obliged to make any additional payments to Noteholders in respect of such withholding or deduction.

Redemption

The Notes are subject to the following optional or mandatory redemption events:

- mandatory redemption in whole on the Final Maturity Date, as fully set out in Condition 6.1 (Redemption at maturity);
- mandatory redemption in part on any Interest Payment Date commencing on the occurrence of a Revolving Period Termination Event subject to availability of Available Distribution Amounts (applied in accordance with the Normal Amortisation Period Priority of Payments, as fully set out in Condition 6.3 (Mandatory redemption in part));
- optional redemption in whole on any Interest Payment Date on which the Aggregate Discounted Balance of the Portfolio as at the immediately preceding Cut-Off Date is less than 10% of the Aggregate Discounted Balance on the Initial Cut-Off Date, as fully set out in Condition 6.2 (Optional redemption in whole for taxation or other reasons);
- optional redemption exercisable by the Issuer in whole for tax or other reasons on any Interest Payment Date, as fully set out in Condition 6.2 (Optional redemption in whole for taxation or other reasons); and
- optional redemption in whole on any Interest Payment Date on or following the redemption in full of Class A Notes as fully set out in Condition 6.2 (Optional redemption in whole for taxation or other reasons).

Any Note redeemed pursuant to the above redemption provisions will be redeemed at an amount equal to the Principal Amount Outstanding of the relevant Note to be redeemed together with accrued (and unpaid) interest on the Principal Amount Outstanding of the relevant Note up to (but excluding) the date of redemption.

Issuer Event of Default

As fully set out in Condition 9 (Issuer Events of Default), which includes:

- Insolvency Event in respect of the Issuer;
- the Issuer defaults in the payment of any interest on the Most Senior Class Outstanding when the same becomes due and payable, and such default continues for a period of ten Business Days;
- the Issuer defaults in the payment of principal on any Class A Note or (subject to the Class A Notes being redeemed in full) any Class B Note when the same becomes due and payable, and such default continues for a period of five Business Days; and

- the Issuer's failure to perform or observe any of its other obligations under the Conditions or any Transaction Document to which it is a party (excluding, for the avoidance of doubt, its obligations to make payments of principal or interest on the Notes) and such default is, in the opinion of the Note Trustee, to be certified in writing, materially prejudicial to the interests of the Noteholders of the Most Senior Class Outstanding and is either (i) in the opinion of the Note Trustee, incapable of remedy or (ii) in the opinion of the Note Trustee, capable of remedy, but remains unremedied for a period of thirty days (30) or such longer period as the Note Trustee may agree after the Note Trustee has given written notice of such default to the Issuer.

Enforcement

If an Issuer Event of Default has occurred and is continuing, the Note Trustee may, and shall, if so requested (i) in writing by the holders of at least 25% in aggregate Principal Amount Outstanding of the Most Senior Class Outstanding; or (ii) by an Extraordinary Resolution of the Noteholders of the Most Senior Class Outstanding but, in each case, only if it has been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing deliver a Note Acceleration Notice and institute such proceedings or action as may be required in order to enforce or realise the Issuer Security (including, but not limited to, the giving of a direction to the Issuer Security Trustee to enforce or realise the Issuer Security).

Limited Recourse

If at any time following:

- (a) the occurrence of either:
 - (i) the Final Maturity Date or any earlier date upon which all of the Notes of each Class are due and payable; or
 - (ii) the service of a Note Acceleration Notice; and
- (b) Realisation of the Issuer Charged Assets and application in full of any amounts available to pay amounts due and payable under the Notes in accordance with the applicable Priority of Payments; and
- (c) the proceeds of such Realisation are insufficient, after payment of all other claims ranking in priority in accordance with the applicable Priority of Payments, to pay in full all amounts then due and payable under any Class of Notes,

then the amount remaining to be paid (after such application in full of the amounts first referred to in paragraph (b) above) under such Class of Notes (and any Class of Notes junior to that Class of Notes) shall, on the day following such application in full of the amounts referred to in paragraph (b) above, cease to be due and payable by the Issuer. "**Realisation**" is defined in Condition 18 (Limited Recourse).

Non petition

Each Issuer Secured Creditor (other than the Issuer and the Issuer Security Trustee) agrees with and acknowledges to each of the Issuer and the Issuer Security Trustee, and the Issuer Security Trustee agrees with and acknowledges to the Issuer, that:

- (a) none of the Issuer Secured Creditors (nor any person on their behalf, other than the Issuer Security Trustee where appropriate) are entitled, otherwise than as permitted by the Transaction Documents, to direct the Issuer Security Trustee to enforce the Issuer Security or take any proceedings or action against the Issuer to enforce or realise the Issuer Security;

- (b) none of the Issuer Secured Creditors (other than the Issuer Security Trustee) shall have the right to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to any of the Issuer Secured Creditors;
- (c) until the date falling two years after the Final Discharge Date, none of the Issuer Secured Creditors nor any person on their behalf shall initiate or join any person in initiating an Insolvency Event or the appointment of an Insolvency Official in relation to the Issuer other than a Receiver or an administrator appointed under Clause 11 (Receiver) of the Issuer Deed of Charge; and
- (d) none of the Issuer Secured Creditors shall be entitled to take or join in the taking of any corporate action, legal proceedings or other procedure or step which would result in the Priority of Payments not being complied with.

**Obligations as
corporate obligations**

Other than as provided for in the Transaction Documents, no Transaction Party shall have any recourse against nor shall any personal liability attach to any shareholder, officer, agent, employee or director of the Issuer in his capacity as such, by any proceedings or otherwise, in respect of any obligation, covenant, or agreement of the Issuer contained in the Transaction Documents.

Governing Law

English law.

RIGHTS OF NOTEHOLDERS AND RELATIONSHIP WITH OTHER ISSUER SECURED CREDITORS

Please refer to sections entitled "Terms and Conditions of the Notes" for further detail in respect of the rights of Noteholders, conditions for exercising such rights and relationship with other Issuer Secured Creditors.

Prior to an Issuer Event of Default Noteholders holding not less than 10% of the Principal Amount Outstanding of the Notes of any Class or Classes (if such meeting relates to more than one Class of Notes) then outstanding are entitled to request that the Note Trustee convene a Noteholders' meeting of such Class or Classes (if such meeting relates to more than one Class of Notes) (subject to the Note Trustee being indemnified and/or secured and/or prefunded to its satisfaction). Noteholders of any Class or Classes can also participate in a Noteholders' meeting of such Class or Classes convened by the Issuer or Note Trustee to consider any matter affecting their interests.

However, unless the Issuer has an obligation to take such action under the relevant Transaction Documents, so long as no Issuer Event of Default has occurred and is continuing, the Noteholders are not entitled to instruct or direct the Issuer to take any actions, either directly or through the Note Trustee, without the consent of the Issuer and, if applicable, certain other Transaction Parties.

Following an Issuer Event of Default Following the occurrence of an Issuer Event of Default, Noteholders of the Most Senior Class Outstanding may, if they hold not less than 25% of the Principal Amount Outstanding of the Notes of such Class then outstanding, give written instructions or may pass an Extraordinary Resolution (in a Noteholders' meeting), directing the Note Trustee (provided it has been indemnified and/or secured and/or prefunded to its satisfaction) to deliver a Note Acceleration Notice to the Issuer stating that all Classes of Notes are immediately due and repayable at their respective Principal Amount Outstanding.

Noteholders Meeting provisions

	Initial meeting	Adjourned meeting
Notice period:	21 clear days	10 clear days
Quorum:	not less than 10% of the Principal Amount Outstanding of the relevant Class or Classes of Notes for the initial meeting for all Ordinary Resolutions; and a majority of the Principal Amount Outstanding of the relevant Class or Classes of Notes for the initial meeting for all Extraordinary Resolutions (other than a Basic Terms Modification, which requires not less than 75% of the Principal Amount Outstanding of the relevant Class or Classes of Notes).	any holding for the adjourned meeting (other than a Basic Terms Modification, which requires not less than 25% of the Principal Amount Outstanding of the relevant Class or Classes of Notes).

Required majority:	a majority of votes cast for matters requiring Ordinary Resolution; and not less than 75% of votes cast for matters requiring Extraordinary Resolution.	a majority of votes cast for matters requiring Ordinary Resolution; and not less than 75% of votes cast for matters requiring Extraordinary Resolution.
--------------------	---	---

Written Resolution: not less than 75% of the Principal Amount Outstanding of the relevant Class or Classes of Notes in respect of a matter requiring an Extraordinary Resolution and a majority of the Principal Amount Outstanding of the relevant Class or Classes of Notes in respect of a matter requiring an Ordinary Resolution. A Written Resolution has the same effect as an Extraordinary Resolution or Ordinary Resolution, as the case may be.

Electronic Resolution a resolution (being a resolution passed by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) to the Paying Agent or another specified agent and/or the Trustee in accordance with the operating rules and procedures of the relevant clearing system(s)) by or on behalf of one or more persons holding not less than 75% of the Note Principal Amount Outstanding of the Notes of the relevant Class or Classes then outstanding in respect of a matter requiring an Extraordinary Resolution and by or on behalf of one or more persons holding not less than a clear majority in aggregate of the Note Principal Amount Outstanding of the Notes of the relevant Class or Classes then outstanding in respect of a matter requiring an Ordinary Resolution) (an "**Electronic Resolution**"). An Electronic Resolution shall take effect as if it were an Extraordinary Resolution or Ordinary Resolution, as the case may be. Electronic Resolutions shall only be applicable to Notes held in Euroclear and/or Clearstream, Luxembourg.

Matters requiring Extraordinary Resolution

Broadly speaking, the following matters require an Extraordinary Resolution:

- Basic Terms Modification;
- to remove the Note Trustee, the LPUK Security Trustee and/or the Issuer Security Trustee and to approve the appointment of a new Note Trustee and/or Issuer Security Trustee and/or LPUK Security Trustee;
- to discharge or exonerate the Note Trustee, the LPUK Security Trustee or the Issuer Security Trustee from any liability in respect of any act or omission for which it may have become or may become responsible under the Trust Deed, the Notes, the LPUK Deed of Charge or the Issuer Deed of Charge; and

- to waive any breach or authorise any proposed breach by the Issuer or (if relevant) any other Transaction Party of any obligation under or in respect of the Transaction Documents or any act or omission which may otherwise constitute an Issuer Event of Default or Issuer Potential Event of Default.

Basic Terms Modification

The following proposals constitute a Basic Terms Modification:

- to change any date fixed for payment of principal or interest in respect of the Notes of any class, to change the amount of principal or interest due on any date in respect of the Notes of any class or to alter the method of calculating the amount of any payment in respect of the Notes of any class (other than a Base Rate Modification);
- (except in accordance with Clause 25 (Substitution) of the Trust Deed) to effect the exchange, conversion or substitution of the Notes of any Class for, or the conversion of such Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;
- to change the currency in which amounts due in respect of the Notes are payable;
- (other than any new fee arrangement upon replacement of any Transaction Party) to alter the priority of payment of interest or principal in respect of the Notes;
- to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or
- to amend the definition of Basic Terms Modification.

Relationship between Classes of Noteholders to only regard interests of the Most Senior Class Outstanding

Subject to the provisions governing a Basic Terms Modification, an Extraordinary Resolution of Noteholders of the Most Senior Class Outstanding shall be binding on all other Classes and would override any resolutions to the contrary by them.

A Basic Terms Modification requires an Extraordinary Resolution of each Class of Notes then outstanding.

Issuer/Seller as Noteholder

For the purpose of, *inter alia*, the right to attend and vote at any meeting of Noteholders, any Written Resolution in writing or by Electronic Resolution and any direction made by Noteholders, those Notes (if any) which are held by or on behalf of or for the benefit of the Issuer or the Seller or any holding company of either of them or any other subsidiary of such holding company, in each case as beneficial owner, shall (unless and until ceasing to be held) be deemed not to remain outstanding, provided that if all the Notes of a particular Class are held by the Issuer or the Seller, any holding company of either of them or any other subsidiary of such holding company (the "**Relevant Class of Notes**") (and no other Classes of Notes exist that rank junior or *pari passu* to the Relevant Class of Notes, in respect of which the Notes are held by persons other than the Issuer, the Seller, any holding company of either of them or any other subsidiary of such holding company), Notes of the Relevant Class of Notes will be deemed to remain outstanding.

Relationship between Noteholders and other Secured Creditors

So long as any Notes are outstanding and there is a conflict between the interests of the Noteholders (or any Class thereof) and any other Issuer Secured Creditor, the Note Trustee and the Issuer Security Trustee will take into account only the interests of the Noteholders (or such Class thereof) in the exercise of their discretion.

**Provision of
Information to the
Noteholders**

The Reporting Entity (as originator) will procure that the information and reports as more fully set out in the section of this Prospectus headed "Description of Certain Transaction Documents – Servicing Agreement" are published when and in the manner set out in such section.

CREDIT STRUCTURE AND CASHFLOW

- Available Distribution Amount:** For each Interest Payment Date, the "**Available Distribution Amount**" will be calculated by the Servicer (and verified by the Cash Manager and the Reporting Agent) on the immediately preceding Calculation Date and will be an amount equal to the sum of the following amounts (subject to the section entitled "Absence of Calculations by the Servicer" below), which shall be applied according to the applicable Priority of Payments (and in respect of any relevant Advances under the Reserve Loan Agreement, taking into account any amounts received on such Interest Payment Date), without double counting:
- (a) any Collections (other than VAT Collections) collected or received, as the case may be, during the immediately preceding Monthly Collection Period (without double-counting with item (j) below);
 - (b) any Deemed Collections to be paid by the Seller on such Interest Payment Date, in respect of the immediately preceding Monthly Collection Period;
 - (c) any Vehicle Realisation Proceeds collected or received, as the case may be, during the immediately preceding Monthly Collection Period;
 - (d) any Repurchase Price to be paid by the Seller on or prior to such Interest Payment Date in relation to a repurchase during the immediately preceding Monthly Collection Period or in respect of a repurchase pursuant to a Clean-up Call prior to such Interest Payment Date;
 - (e) any Investment Earnings;
 - (f) any Net Swap Receipts under the Interest Rate Swap Agreement received on or immediately preceding such Interest Payment Date;
 - (g) any Maintenance Coordinator Fee received by the Issuer from LPUK;
 - (h) any sum standing to the credit of the Replenishment Ledger;
 - (i) any sum standing to the credit of the Liquidity Reserve Ledger;
 - (j) upon the occurrence of a Reserves Trigger Event and as long as a Reserves Trigger Event is continuing, any:
 - (i) Expected Collections transferred by the Seller to the Issuer Transaction Account on the immediately preceding Interest Payment Date; and
 - (ii) excess of actual Collections in respect of the Lease Receivables or Final Balloon Payments and all Vehicle Realisation Proceeds (unless such Vehicle Realisation Proceeds relate to a disposal of a Leased Vehicle by the Realisation Agent) in respect of the RV Claims received during the immediately preceding Monthly Collection Period *over* Expected Collections transferred by the Seller to the Issuer Transaction Account on the immediately preceding Interest Payment Date;
 - (k) (subject to any restriction on the use of such reserve as described in the section entitled "Absence of Calculations by the Servicer" below), upon the occurrence of an Insolvency Event with respect to LPUK

and/or to the extent LPUK (in its capacity as Sub-Maintenance Coordinator) does not, or is no longer able to cover the costs for Lease Services or related costs, any amount standing to the credit of the Maintenance Reserve up to an amount equal to the shortfall of maintenance and related costs not covered by LPUK measured by or on behalf of the Purchaser;

- (l) any amount standing to the credit of the Junior Deferred Purchase Price Reserve Ledger;
- (m) any other amounts received by the Issuer after the Closing Date not otherwise excluded from Available Distribution Amounts; and
- (n) following repayment in full of the Maintenance Reserve Advances (and any Further Maintenance Reserve Advance (if applicable)) and following the date on which the Notes have been repaid in full, all amounts standing to the credit of the Maintenance Reserve Ledger.

On each Interest Payment Date prior to the repayment in full of the Maintenance Reserve Advances (and any Further Maintenance Reserve Advance (if applicable)) or the service of a Note Acceleration Notice, the amount equal to the excess standing to the credit of the Maintenance Reserve Ledger over the amount of the relevant Required Reserve Amount then outstanding shall not form part of Available Distribution Amounts but shall be applied towards repayment of the Maintenance Reserve Advance (and any Further Maintenance Reserve Advance (if applicable)).

On each Interest Payment Date following the occurrence of a Reserves Trigger Event and as long as a Reserves Trigger Event is continuing, the amount equal to the excess of:

- (a) the expected Collections in respect of the Lease Receivables or Final Balloon Payments and all Vehicle Realisation Proceeds (unless such Vehicle Realisation Proceeds relate to a disposal of a Leased Vehicle by the Realisation Agent) in respect of the RV Claims that were paid directly into the Issuer Transaction Account on the immediately preceding Interest Payment Date; *over*
- (b) the actual Collections in respect of the Lease Receivables or Final Balloon Payments and all Vehicle Realisation Proceeds (unless such Vehicle Realisation Proceeds relate to a disposal of a Leased Vehicle by the Realisation Agent) in respect of the RV Claims received during the Monthly Collection Period immediately preceding the relevant Interest Payment Date,

shall not form part of Available Distribution Amounts and shall be paid to the Seller Collection Account on such Interest Payment Date if and to the extent the Servicer has complied with its obligation to advance the Expected Collections relevant to such Interest Payment Date (or netted therewith).

Following the service of a Note Acceleration Notice, the Issuer shall repay the Maintenance Reserve Advances (and any Further Maintenance Reserve Advance (if applicable)) in accordance with the Accelerated Amortisation Period Priority of Payments.

See "Risk Factors – Risk Factors relating to The Notes" and "Description of Certain Transaction Documents – Cash Management Agreement" below for more information on the operation of the reserves described in items (i), (k) and (n) above.

Revolving Period

For the avoidance of doubt no payment of principal will be made on the Class

Priority of Payments: A Notes or the Class B Note during the Revolving Period subject to any repayment made by the Issuer in accordance with Condition 6.2 (Optional redemption in whole for taxation or other reasons).

During the Revolving Period, the Available Distribution Amount will be distributed on each Interest Payment Date according to the following order of priority (in each case if and to the extent payments of a higher order of priority have been made in full) (the "**Revolving Period Priority of Payments**"):

- (a) to pay any taxes due and payable by the Issuer, other than corporation tax on amounts standing to the credit of the Retained Profit Ledger;
- (b) prior to the appointment of LPUK as Sub-Maintenance Coordinator being terminated, to pay the Seller the Senior Deferred Purchase Price;
- (c) to pay *pari passu* and *pro rata* any amounts payable to the LPUK Security Trustee, Issuer Security Trustee and Note Trustee (and any Appointee or LPUK Security Trustee Appointee, as applicable) and the Trustee Agent under the LPUK Deed of Charge and/or Issuer Deed of Charge and/or Trust Deed and to any Receiver appointed under the LPUK Deed of Charge and/or Issuer Deed of Charge;
- (d) to pay *pari passu* and *pro rata* any Senior Expenses (other than those paid elsewhere hereunder), the Servicer Fee, the Back-Up Servicer Fee, the Back-Up Servicer Stand-By Fee, the Sub-Maintenance Coordinator Fee, the Back-Up Sub-Maintenance Coordinator Fee, the Back-Up Sub-Maintenance Coordinator Stand-By Fee, the Reporting Agent Fee, the Realisation Agent Fee, the Back-Up Realisation Agent Fee and the Back-Up Realisation Agent Stand-By Fee;
- (e) to credit an amount equal to £350 on each Interest Payment Date to the Retained Profit Ledger;
- (f) to pay amounts payable by the Issuer to the Interest Rate Swap Counterparty in respect of any Net Swap Payments or (to the extent not paid from the Swap Collateral Accounts) any Swap Termination Payments under the Interest Rate Swap Agreement (other than any Subordinated Termination Payments);
- (g) to pay *pari passu* and *pro rata* amounts payable in respect of accrued and unpaid interest on the Class A Notes (including, without limitation, overdue interest);
- (h) to credit the Liquidity Reserve Ledger such that the balance standing to the credit thereof is equal to the Required Liquidity Reserve Amount;
- (i) to pay (i) any Additional Portfolio Purchase Price if such Interest Payment Date is an Additional Portfolio Purchase Date and thereafter (ii) to credit any Excess Collection Amount to the Replenishment Ledger such that the balance standing to the credit thereof (when aggregated with any Additional Portfolio Purchase Price paid on such Interest Payment Date) is equal to the Required Replenishment Amount;
- (j) to pay *pari passu* and *pro rata* amounts payable in respect of accrued and unpaid interest on the Class B Note (including, without limitation, overdue interest);
- (k) to pay to the Reserve Loan Provider amounts payable in respect of

accrued and unpaid interest on each Advance and Further Maintenance Reserve Advance under the Reserve Loan (including, without limitation, overdue interest);

- (l) to pay to the Reserve Loan Provider amounts payable in respect of the principal outstanding with respect to each Advance or Further Maintenance Reserve Advance under the Reserve Loan, in accordance with the terms of the Reserve Loan Agreement;
- (m) (to the extent not paid from the Swap Collateral Accounts) to pay to the Interest Rate Swap Counterparty any Subordinated Termination Payments; and
- (n) for so long as LPUK is not in default of its obligation to repurchase the Lease Receivables and (in each case if applicable), the RV Claims and the Final Balloon Payment Receivables or to sell the Leased Vehicles in accordance with the terms of the Purchase Agreement and the Realisation Agency Agreement, and each Required Reserve Amount has been credited to the relevant Trigger Reserve Ledger, or at any time after the Notes have been repaid or provided for in full, the junior deferred purchase price being:
 - (i) an amount equal to the Aggregate Discounted Balance Increase Amount relating to the immediately preceding Monthly Collection Period plus all accrued but unpaid Aggregate Discounted Balance Increase Amounts of all previous Monthly Collection Periods; and
 - (ii) all remaining funds,

(items (i) and (ii) above being the "**Junior Deferred Purchase Price**" and, together with the Senior Deferred Purchase Price and the VAT Deferred Purchase Price the "**Deferred Purchase Price**").

See also "VAT Collections" below for more information.

If no amount is payable under item (n) above, because LPUK is in default of its obligation to repurchase the Lease Receivables and (in each case if applicable) the RV Claims and the Final Balloon Payment Receivables or to sell the Leased Vehicles in accordance with the terms of the Purchase Agreement and the Realisation Agency Agreement or each Required Reserve Amount has not been credited to the relevant Trigger Reserve Ledger (in each case at any time prior to the Notes having been repaid or provided for in full), such amount will be credited to a ledger (the "**Junior Deferred Purchase Price Reserve Ledger**") and will form part of the Available Distribution Amounts on the next Interest Payment Date.

On each Interest Payment Date prior to the repayment in full of the Maintenance Reserve Advances (and any Further Maintenance Reserve Advance (if applicable)) or the service of a Note Acceleration Notice, the amount equal to the excess standing to the credit of the Maintenance Reserve Ledger over the amount of the relevant Required Reserve Amount then outstanding shall not form part of Available Distribution Amounts but shall be applied towards repayment of the Maintenance Reserve Advance (and any Further Maintenance Reserve Advance (if applicable)).

Prior to the repayment in full of the Maintenance Reserve Advances (and any Further Maintenance Reserve Advance (if applicable)) and following the date on which the Notes have been repaid in full, the Maintenance Reserve Ledger shall not form part of Available Distribution Amounts but shall be applied towards repayment of the Maintenance Reserve Advance (and any Further

Maintenance Reserve Advance (if applicable)).

**Normal Amortisation
Period Priority of
Payments:**

After the termination of the Revolving Period and provided no Accelerated Amortisation Event has occurred, the Available Distribution Amount will be distributed on each Interest Payment Date, before the date on which the Aggregate Discounted Balance has been reduced to zero according to the following order of priority (in each case if and to the extent payments of a higher order of priority have been made in full) (the "**Normal Amortisation Period Priority of Payments**"):

- (a) to pay any taxes due and payable by the Issuer, other than corporation tax on amounts standing to the credit of the Retained Profit Ledger;
- (b) (x) prior to (i) the occurrence of a Seller Event of Default or (ii) the appointment of LPUK as Sub-Maintenance Coordinator being terminated or (y) following all amounts payable under the Notes being discharged in full, to pay the Seller the Senior Deferred Purchase Price;
- (c) to pay *pari passu* and *pro rata* any amounts payable to the LPUK Security Trustee, Issuer Security Trustee and Note Trustee (and any Appointee or LPUK Security Trustee Appointee, as applicable) and the Trustee Agent under the LPUK Deed of Charge and/or Issuer Deed of Charge and/or Trust Deed and to any Receiver appointed under the LPUK Deed of Charge and/or Issuer Deed of Charge;
- (d) to pay *pari passu* and *pro rata* any Senior Expenses (other than those paid elsewhere hereunder), the Servicer Fee, the Back-Up Servicer Fee, the Back-Up Servicer Stand-By Fee, the Sub-Maintenance Coordinator Fee, the Back-Up Sub-Maintenance Coordinator Fee, the Back-Up Sub-Maintenance Coordinator Stand-By Fee, the Reporting Agent Fee, the Realisation Agent Fee, the Back-Up Realisation Agent Fee and the Back-Up Realisation Agent Stand-By Fee;
- (e) to pay to any Insolvency Official of LPUK, the Liquidation Fee or as applicable the Administrator Incentive Recovery Fee;
- (f) to credit an amount equal to £350 on each Interest Payment Date to the Retained Profit Ledger;
- (g) to pay amounts payable by the Issuer to the Interest Rate Swap Counterparty in respect of any Net Swap Payments or (to the extent not paid from the Swap Collateral Accounts) any Swap Termination Payments under the Interest Rate Swap Agreement (other than any Subordinated Termination Payments);
- (h) to pay *pari passu* and *pro rata* amounts payable in respect of accrued and unpaid interest on the Class A Notes (including, without limitation, overdue interest);
- (i) to credit the Liquidity Reserve Ledger such that the balance standing to the credit thereof is equal to the Required Liquidity Reserve Amount;
- (j) to apply an amount up to the total of the Required Principal Redemption Amount for such Interest Payment Date, to pay *pari passu* and *pro rata* the Principal Amount Outstanding of the Class A Notes;
- (k) to pay *pari passu* and *pro rata* amounts payable in respect of accrued and unpaid interest on the Class B Note (including, without limitation,

overdue interest);

- (l) (subject to the Class A Notes being redeemed in full) to pay *pari passu* and *pro rata* to the Class B Noteholder the Principal Amount Outstanding of the Class B Note up to the sum of (A) the Required Principal Redemption Amount for such Interest Payment Date, less (B) amounts paid above under item (j) (or, if such amount is negative, zero);
- (m) to pay to the Reserve Loan Provider amounts payable in respect of accrued and unpaid interest on each Advance and Further Maintenance Reserve Advance under the Reserve Loan (including, without limitation, overdue interest);
- (n) to pay to the Reserve Loan Provider amounts payable in respect of principal under each Advance and Further Maintenance Reserve Advance under the Reserve Loan, in accordance with the terms of the Reserve Loan Agreement;
- (o) (to the extent not paid from the Swap Collateral Accounts) to pay to the Interest Rate Swap Counterparty any Subordinated Termination Payments; and
- (p) for so long as LPUK is not in default of its obligation to repurchase the Lease Receivables and (in each case if applicable) the RV Claims and the Final Balloon Payment Receivables or to sell the Leased Vehicles in accordance with the terms of the Purchase Agreement and the Realisation Agency Agreement, and each Required Reserve Amount has been credited to the relevant Trigger Reserve Ledger, or at any time after the Notes have been repaid or provided for in full, to pay to the Seller by way of Junior Deferred Purchase Price:
 - (i) an amount equal to the Aggregate Discounted Balance Increase Amount relating to the immediately preceding Monthly Collection Period plus all accrued but unpaid Aggregate Discounted Balance Increase Amounts of all previous Monthly Collection Periods; and
 - (ii) all remaining funds.

See also "VAT Collections" below for more information.

Junior Deferred Purchase Price:

If no amount is payable under item (p) above, because LPUK is in default of its obligation to repurchase the Lease Receivables and (in each case if applicable) the RV Claims and the Final Balloon Payment Receivables or to sell the Leased Vehicles in accordance with the terms of the Purchase Agreement and the Realisation Agency Agreement or each Required Reserve Amount has not been credited to the relevant Trigger Reserve Ledger (in each case at any time prior to the Notes having been repaid or provided for in full), such amount will be credited to the Junior Deferred Purchase Price Reserve Ledger and will form part of the Available Distribution Amounts on the next Interest Payment Date.

Releases from the Maintenance Reserve Ledger:

On each Interest Payment Date prior to the repayment in full of the Maintenance Reserve Advances (and any Further Maintenance Reserve Advance (if applicable)) or the service of a Note Acceleration Notice, the amount equal to the excess standing to the credit of the Maintenance Reserve Ledger over the amount of the relevant Required Reserve Amount shall not form part of Available Distribution Amounts but shall be applied towards repayment of the Maintenance Reserve Advance (and any Further Maintenance Reserve Advance (if applicable)).

Prior to the repayment in full of the Maintenance Reserve Advances (and any Further Maintenance Reserve Advances (if applicable) and following the date on which the Notes have been repaid in full, the Maintenance Reserve Ledger shall not form part of Available Distribution Amounts but shall be applied towards repayment of the Maintenance Reserve Advance (and any Further Maintenance Reserve Advance (if applicable)).

**Accelerated
Amortisation Period
Priority of Payments:**

After the occurrence of an Accelerated Amortisation Event, all funds available to the Issuer (including any amounts standing to the credit of the Issuer Transaction Account (but excluding any amounts standing to the credit of the Swap Collateral Accounts, the Maintenance Reserve Ledger, any Tax Credits and any Replacement Swap Premium and Collections representing VAT Collections) and all monies received or recovered by the Issuer Security Trustee or any Receiver in respect of the Issuer Charged Assets) will be applied by the Issuer Security Trustee (or the Cash Manager on its behalf) on any Business Day according to the following order of priority (in each case if and to the extent payments of a higher order of priority have been made in full):

- (a) on a *pari passu* and *pro rata* basis to pay any amounts payable to the LPUK Security Trustee, Issuer Security Trustee and Note Trustee (and any Appointee or LPUK Security Trustee Appointee, as applicable) and the Trustee Agent under the LPUK Deed of Charge and/or Issuer Deed of Charge and/or Trust Deed and to any Receiver appointed under the LPUK Deed of Charge and/or Issuer Deed of Charge including, but not limited to, the payment of remuneration, costs and expenses and all other amounts due and payable by the Issuer;
- (b) prior to (i) the occurrence of a Seller Event of Default or (ii) the appointment of LPUK as Sub-Maintenance Coordinator being terminated, to pay the Seller the Senior Deferred Purchase Price;
- (c) to pay *pari passu* and *pro rata* any Senior Expenses (other than those paid elsewhere hereunder), Servicer Fee, Back-Up Servicer Fee, Back-Up Servicer Stand-By Fee, the Sub-Maintenance Coordinator Fee, the Back-Up Sub-Maintenance Coordinator Fee, the Back-Up Sub-Maintenance Coordinator Stand-By Fee, the Realisation Agent Fee, the Back-Up Realisation Agent Fee, the Back-Up Realisation Agent Stand-By Fee and the Reporting Agent Fee;
- (d) to pay to any Insolvency Official of LPUK, the Liquidation Fee or as applicable the Administrator Incentive Recovery Fee;
- (e) to credit an amount equal to £350 on each Interest Payment Date to the Retained Profit Ledger;
- (f) to pay amounts payable by the Issuer to the Interest Rate Swap Counterparty in respect of any Net Swap Payments or (to the extent not paid from the Swap Collateral Accounts) any Swap Termination Payments under the Interest Rate Swap Agreement (other than any Subordinated Termination Payments);
- (g) to pay *pari passu* and *pro rata* any amounts payable in respect of accrued and unpaid interest on the Class A Notes (including, without limitation, overdue interest);
- (h) to pay *pari passu* and *pro rata* all amounts due in respect of principal on the Class A Notes:

- (i) subject to the Class A Notes being redeemed in full:
 - (i) to pay *pari passu* and *pro rata* any amounts payable in respect of accrued and unpaid interest on the Class B Note (including, without limitation overdue interest); and
 - (ii) to pay *pari passu* and *pro rata* all amounts due in respect of principal on the Class B Note;
- (j) subject to the Class A Notes and the Class B Note being redeemed in full, to pay to the Reserve Loan Provider, amounts payable in respect of accrued and unpaid interest on each Advance and Further Maintenance Reserve Advance (including, without limitation, overdue interest) and all amounts payable in respect of principal under the Reserve Loan;
- (k) (to the extent not paid from the Swap Collateral Accounts) to pay *pari passu* and *pro rata* to the Interest Rate Swap Counterparty any Subordinated Termination Payments; and:
- (l) for so long as LPUK is not in default of its obligation to repurchase the Lease Receivables and (in each case if applicable) the RV Claims and the Final Balloon Payment Receivables or to sell the Leased Vehicles in accordance with the terms of the Purchase Agreement and the Realisation Agency Agreement, and each Required Reserve Amount has been credited to the relevant Trigger Reserve Ledger, or at any time after the Notes have been repaid or provided for in full to pay to the Seller by way of Junior Deferred Purchase Price:
 - (i) an amount equal to the Aggregate Discounted Balance Increase Amount relating to the immediately preceding Monthly Collection Period plus all accrued but unpaid Aggregate Discounted Balance Increase Amounts of all previous Monthly Collection Periods; and
 - (ii) all remaining funds.

No payment, transfer and/or withdrawal may be made from any of the Bank Accounts (other than any Swap Collateral Accounts from which transfers and/or withdrawals may be made in accordance with the Interest Rate Swap Agreement) at any time upon and after the occurrence of an Accelerated Amortisation Event without the prior written consent of the Issuer Security Trustee.

See also "VAT Collections" below for more information.

Following the service of a Note Acceleration Notice, the Issuer shall repay the Maintenance Reserve Advances (and any Further Maintenance Reserve Advance (if applicable)) in accordance with the Accelerated Amortisation Period Priority of Payments.

VAT Collections

Any amounts representing VAT Collections received by the Issuer, shall be paid to the Seller as VAT Deferred Purchase Price on Interest Payment Dates and shall not, for the avoidance of doubt, be applied in accordance with the Priority of Payments (including, for the avoidance of doubt, the Accelerated Amortisation Period Priority of Payments).

Calculation of Senior Deferred Purchase Price

The Senior Deferred Purchase Price shall be payable to LPUK (in its capacity as Seller) on each Interest Payment Date subject to and in accordance with the relevant Priority of Payments and subject to the section entitled "Absence of

Calculations by the Servicer" below.

Absence of Calculations by the Servicer

For so long that (i) the Servicer is no longer performing its obligations under the Servicing Agreement in a manner that permits the Cash Manager to make the determinations required of it pursuant to the Cash Management Agreement and (ii) no Back-Up Servicer has been appointed and is performing the obligations of the Servicer pursuant to the terms of the Servicing Agreement (a "**Servicer Replacement Event**"):

- (i) all the amounts standing to the credit of the Issuer Transaction Account, except amounts last calculated as standing to the credit of the Maintenance Reserve Ledger shall comprise the Available Distribution Amount and shall be applied to meet the payment obligations of the Issuer pursuant to the applicable Priority of Payments; and
- (ii) no amounts of Deferred Purchase Price shall be paid to the Seller.

General Credit Structure

The general credit structure of the transaction includes, broadly speaking, the following elements:

- (a) Credit Support:
 - Junior Classes of Notes will be subordinated to more senior Classes of Notes, thereby ensuring that available funds are applied to the Most Senior Class Outstanding in priority to more junior Classes of Notes.
- (b) Liquidity Support:
 - On the Closing Date, the Issuer (or the Cash Manager on its behalf) shall fund a liquidity reserve (the "**Liquidity Reserve**") up to the Required Liquidity Reserve Amount with the proceeds from the Liquidity Reserve Advance it will receive from the Reserve Loan Provider. The purpose of the Liquidity Reserve is to provide the Issuer with additional liquidity on each Interest Payment Date. On each Interest Payment Date, the Liquidity Reserve will form part of Available Distribution Amounts.
- (c) Hedging:
 - Availability of an interest rate swap provided by the Interest Rate Swap Counterparty to hedge floating interest rate risk on the Class A Notes against fixed income to be received by the Issuer in respect of the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables (the "**Interest Rate Swap**").

See the section entitled "Description of Certain Transaction Documents – Interest Rate Swap Agreement" for more information.

Bank Accounts and Cash Management

Collections by the Servicer:

Payments in respect of the Lease Agreements (including Final Balloon Payments) will be paid by the Lessees into the Seller Collection Accounts. Amounts standing to the credit of the Seller Collection Accounts representing Collections and Vehicle Realisation Proceeds (unless such Vehicle Realisation Proceeds relate to a disposal of Leased Vehicles by the Realisation Agent) will be transferred to the Issuer Transaction Account on each Interest Payment Date

in accordance with the provisions of the Servicing Agreement.

Upon the occurrence of a Reserves Trigger Event and as long as a Reserves Trigger Event is continuing, the sum of:

- (a) all Collections in respect of the Lease Receivables or Final Balloon Payments and all Vehicle Realisation Proceeds (unless such Vehicle Realisation Proceeds relate to a disposal of Leased Vehicles by the Realisation Agent) in respect of the RV Claims expected to be received at any time during the Monthly Collection Period in the calendar month following an Interest Payment Date; and
- (b) the higher of
 - (i) (A) the actual Collections in respect of the Lease Receivables or Final Balloon Payments and all Vehicle Realisation Proceeds (unless such Vehicle Realisation Proceeds relate to a disposal of a Leased Vehicle by the Realisation Agent) in respect of the RV Claims received during the Monthly Collection Period immediately preceding such Interest Payment Date; *minus*
 - (B) the expected Collections in respect of the Lease Receivables or Final Balloon Payments and all Vehicle Realisation Proceeds (unless such Vehicle Realisation Proceeds relate to a disposal of a Leased Vehicle by the Realisation Agent) in respect of the RV Claims that were paid directly into the Issuer Transaction Account on the immediately preceding Interest Payment Date; and
 - (ii) zero,

will be transferred from the Seller Collection Accounts to the Issuer Transaction Account on each Interest Payment Date.

Collections by the Realisation Agent:

The Realisation Agent will agree and covenant to the Issuer to pay to the Issuer Transaction Account the Vehicle Realisation Proceeds related to or received during the immediately preceding Monthly Collection Period on each Interest Payment Date.

Upon the occurrence of a Realisation Agent Termination Event, the Issuer agrees and covenants to direct the Realisation Agent to direct the payment of all Vehicle Realisation Proceeds directly into the Issuer Transaction Account.

For further details see the section entitled "Description of Certain Transaction Documents" below.

Overview of key Swap Terms

The Interest Rate Swap has the following key commercial terms:

- Notional Amount: In respect of each calculation period, the sum of the Principal Amount Outstanding of the Class A Notes, in each case, as at the close of business on the first day of the relevant Interest Period and as determined by the Agent Bank on such day and notified by the Agent Bank on such day to the Issuer and the Interest Rate Swap Counterparty pursuant to the provisions of the Agency Agreement.

- Rate of interest payable by the Issuer: 0.1662% per annum,
- Rate of interest payable by the Interest Rate Swap Counterparty:
Compounded Daily SONIA
- Frequency of payment: monthly

TRIGGERS TABLE

Nature of Trigger/Required Ratings	Description of Trigger/Required Ratings	Consequence of Trigger
Appointment Trigger	Means the earlier of the occurrence of (a) LPC ceasing to have at least an Investment Grade Rating, or (b) a Pre-Crystallisation Trigger Event.	<ul style="list-style-type: none"> • LPUK shall procure the appointment of a Suitable Entity within 120 calendar days of the occurrence thereof to act: <ul style="list-style-type: none"> (i) as Back-Up Servicer; (ii) as Back-Up Sub-Maintenance Coordinator; (iii) as Back-Up Realisation Agent; and (iv) as Trustee Agent.

If on the occurrence of a Servicer Termination Event, a Realisation Agent Termination Event or a Back-Up Maintenance Coordinator Termination Event or if LPUK has not procured that a Suitable Entity is appointed to act in these roles within 120 calendar days from the occurrence of an Appointment Trigger: (a) the Issuer has agreed to use reasonable endeavours to procure a Suitable Entity to act as Back-Up Servicer; (b) the Issuer has agreed to use reasonable endeavours to procure a Suitable Entity to act as Back-Up Sub-Maintenance Coordinator; (c) the Issuer has agreed to use reasonable endeavours to procure a Suitable Entity to act as Back-Up Realisation Agent; and (d) the Issuer has agreed to use reasonable endeavours to procure a Suitable Entity to act as Trustee Agent, in each case as applicable.

For these purposes "**procure**" shall mean both identifying and sourcing a Suitable Entity to act in such capacities, as the case may be, and negotiating the terms of appointment of such Suitable Entity (including, for the avoidance of doubt, the preparation of all relevant documentation) and procurement and procuring shall be read accordingly.

**Servicer
Termination
Events**

- (a) the Servicer fails to pay any amount due under the Servicing Agreement on the due date or on demand, if so payable, or to direct the Account Bank in respect of such amount, and such failure has continued unremedied for a period of five Business Days; or
- (b) without prejudice to paragraph (a) above the Servicer in any material respect (i) fails to observe or perform any of its covenants and obligations under or pursuant to the Servicing Agreement or (ii) breaches any term of the Servicing Agreement or any other Transaction Document to which it is a party and such failure continues unremedied for a period of 20 Business Days after the earlier of the Servicer becoming aware of such default and written notice of such failure being received by the Servicer from the Issuer or the Issuer Security Trustee (such notice requiring the same to be remedied); or
- (c) any representation or warranty in the Purchase Agreement or in any report provided by the Seller or the Servicer, is materially false or incorrect and such inaccuracy, if capable of remedy, is not remedied within ten Business Days of the earlier of the Servicer becoming aware of such default and receipt by the Servicer of a notice from the Issuer or the Issuer Security Trustee requiring the same to be remedied; or
- (d) the occurrence of an Insolvency Event in relation to the Servicer or in relation to any party to which the Servicer has assigned its rights under the Servicing Agreement;

Ability of the Issuer or the Issuer Security Trustee to terminate the appointment of Servicer.

**Realisation Agent
Termination
Event**

- (a) the Realisation Agent fails to pay any amount due under the Realisation Agency Agreement

Ability of the Issuer or the Issuer Security Trustee to terminate the appointment of Realisation Agent.

on the due date or on demand, if so payable, or to direct the Account Bank in respect of such amount, and such failure has continued unremedied for a period of five Business Days; or

The Issuer agrees and covenants to direct the Realisation Agent to direct the payment of all Vehicle Realisation Proceeds directly into the Issuer Transaction Account.

- (b) without prejudice to paragraph (a) above, the Realisation Agent (i) fails to observe or perform in any material respect any of its covenants and obligations under or pursuant to the Realisation Agency Agreement or (ii) breaches any term of the Realisation Agency Agreement or any other Transaction Document to which it is a party in any material respect and such failure continues unremedied for a period of 20 Business Days after the earlier of an officer of the Realisation Agent becoming aware of such default and written notice of such failure being received by the Realisation Agent from the Issuer or the Issuer Security Trustee (such notice requiring the same to be remedied); or
- (c) the Realisation Agent ceases or threatens to cease to carry on a substantial part of its business (which cessation or threat thereof would be likely to result in a Material Adverse Effect on its ability to perform its obligations hereunder) which it now conducts directly or indirectly or the Realisation Agent is deemed unable to pay its debts or becomes unable to pay its debts as they fall due or otherwise becomes insolvent; or
- (d) it becomes unlawful for the Realisation Agent to perform any of the services under the Realisation Agency Agreement in any material respect; or
- (e) the occurrence of an Insolvency Event in relation to the Realisation Agent.

Sub-Maintenance

- (a) the Sub-Maintenance Coordinator fails to pay any Ability of the Issuer or the Issuer Security Trustee to terminate the

**Coordinator
Termination
Event**

amount due under the appointment of Sub-Maintenance Sub-Maintenance Coordinator Agreement on the due date or Coordinator. on demand, if so payable, or to direct the Account Bank in respect of such amount, and such failure has continued unremedied for a period of five Business Days; or

- (b) without prejudice to paragraph (a) above, the Sub-Maintenance Coordinator (i) fails to observe or perform in any material respect any of its covenants and obligations under or pursuant to the Sub-Maintenance Coordinator Agreement (other than the covenant that the Sub-Maintenance Coordinator shall, as soon as the same become available, but in any event within 120 days after the end of each financial year, deliver to the Issuer and, following the occurrence of an Issuer Event of Default, the Issuer Security Trustee, the Sub-Maintenance Coordinator audited annual financial statements (including balance sheet, profit and loss and cashflow statements and the related auditor's reports)) (ii) or breaches any term of the Sub-Maintenance Coordinator Agreement or any other Transaction Document to which it is a party in any material respect and such failure continues unremedied for a period of 20 Business Days after the earlier of the Sub-Maintenance Coordinator becoming aware of such default and written notice of such failure being received by the Sub-Maintenance Coordinator from the Issuer or the Issuer Security Trustee (such notice requiring the same to be remedied); or
- (c) the Sub-Maintenance Coordinator ceases or threatens to cease to carry on a substantial part of its business (save where the Sub-Maintenance Coordinator certifies by two directors that

the same would not result in a Material Adverse Effect) which it now conducts directly or indirectly or the Sub-Maintenance Coordinator is deemed unable to pay its debts or becomes unable to pay its debts as they fall due or otherwise becomes insolvent; or

(d) it becomes unlawful for the Sub-Maintenance Coordinator to perform any of the services under the Sub-Maintenance Coordinator Agreement in any material respect; or

(e) the occurrence of an Insolvency Event in relation to the Sub-Maintenance Coordinator.

Reserves Trigger Event

(a) LPC ceasing to have at least the following ratings:

(i) by DBRS: a long term rating of BBB(low) (or if LPC has no public or private rating from DBRS, the corresponding DBRS Equivalent Rating);

(b) by Moody's: Baa3;

(b) LPC ceases to directly or indirectly own more than 50% of the shares of LPUK or LPUK otherwise ceases to be a subsidiary of LPC for the purposes of section 1159 of the Companies Act 2006;

(c) the occurrence of an Insolvency Event with respect to LPUK; or

(d) LPUK fails in its duty to perform or comply with its obligations under Clause 4.2 of the Servicing Agreement in relation to the procurement of the payment of Collections into the Issuer Transaction Account (which shall, for the avoidance of doubt, include upon the insolvency of the bank with which the Seller Collection Accounts are held) and if such

The Maintenance Reserve Ledger will be funded up to the Required Maintenance Reserve Amount with the proceeds of the Maintenance Reserve Advance.

failure is capable of being remedied, such failure, is not remedied within 5 Business Days after notice thereof has been given by the Purchaser or the Issuer Security Trustee to LPUK or such other party.

LPC ceases to directly or indirectly own more than 50% of the shares of LPUK or LPUK otherwise ceases to be a subsidiary of LPC for the purposes of section 1159 of the Companies Act 2006;

See the section entitled "Description of Certain Transaction Documents – Reserve Loan Agreement" for more information.

**Lessee
Notification Event**

The occurrence of:

- (a) a Servicer Termination Event;
- (b) a Seller Event of Default;
- (c) a Realisation Agent Termination Event;
- (d) a Sub-Maintenance Coordinator Termination Event;
- (e) an Automatic Crystallisation Event; and/or
- (f) a Seller Credit Quality Event.

The Servicer (or Back-Up Servicer) on behalf of the Issuer, or following the occurrence of an Issuer Event of Default, on behalf of the Issuer may (and shall if instructed to do so by the Issuer and/or the Issuer Security Trustee, on the Issuer's behalf):

- (a) give notice in the Seller's name to all or any of the Lessees of the sale and assignment of all or any of the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables; and/or
- (b) direct all or any of the Lessees and any relevant third parties to pay amounts outstanding in respect of Lease Receivables, RV Claims and/or Final Balloon Payment Receivables directly to the Issuer, into the Issuer Transaction Account or any other account which is specified by the Issuer; and/or
- (c) give instructions to immediately transfer any Collections standing to the credit of the Seller Collection Accounts to the Issuer Transaction Account; and/or
- (d) take such other action as it reasonably considers to be necessary, appropriate or

desirable in order to recover any amount outstanding in respect of Lease Receivables, RV Claims and/or Final Balloon Payment Receivables or to improve, protect, preserve or enforce their rights against the Lessees in respect of the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables.

See the section entitled "Description of Certain Transaction Documents – Purchase Agreement" for more information.

Automatic Crystallisation Event

- (a) LPUK ceases to carry on all or a substantial part of its business or ceases to be a going concern;
 - (b) LPUK stops making payments to its creditors or gives notice to its creditors that it intends to stop payment;
 - (c) the presentation of a petition for the compulsory winding-up of LPUK is made;
 - (d) the convening of a meeting for the passing of a resolution for the voluntary winding-up of LPUK occurs;
 - (e) the presentation of a petition or application for the making of an administration order in relation to LPUK occurs;
 - (f) any person who is entitled to do so giving written notice of its intention to appoint an administrator of LPUK or filing such a notice with the court;
 - (g) any floating charge granted by LPUK to any other person (whether permitted by the Transaction Documents or not) crystallises for any reason whatsoever; or
 - (h) the Crystallisation Threshold is reached.
- The floating charge granted by LPUK over the Charged Vehicles will automatically crystallise into a fixed charge. LPUK shall (i) give to the LPUK Security Trustee and the Trustee Agent, on request such information as the LPUK Security Trustee or the Trustee Agent, as applicable, may require regarding the Charged Vehicles, including whether they are currently subject of a Lease Agreement and in any event shall provide such information on each day falling three Business Days prior to each Interest Payment Date; (ii) give to the LPUK Security Trustee and the Trustee Agent such information as it may require regarding certain realisation considerations set out in the LPUK Deed of Charge; (iii) not enter into any leasing, sub-leasing or similar arrangement with respect to Charged Vehicles; and (iv) not dispose of or deal with any Charged Vehicle without the prior consent of the Trustee Agent acting on behalf of the LPUK Security Trustee.

Cash Manager Termination Events

- The occurrence of any of the following:
- (a) default is made by the Cash Manager in arranging or
- Ability of the Issuer or the Issuer Security Trustee to terminate the appointment of Cash Manager.

effecting the payment (on behalf of the Issuer), on the due date, of any payment due and to be arranged or effected by it (on behalf of the Issuer) under the Cash Management Agreement and such default continues unremedied for a period of five Business Days; or

(b) default is made by the Cash Manager in the performance or observance of any of its other covenants and obligations under the Cash Management Agreement, which in the opinion of the Issuer Security Trustee is materially prejudicial to the interests of the Issuer Secured Creditors and such default continues unremedied for a period of 20 Business Days after the earlier of the Cash Manager becoming aware of such default and receipt by the Cash Manager of written notice from the Issuer or the Issuer Security Trustee, as the case may be, requiring the same to be remedied; or

(c) an Insolvency Event with respect to the Cash Manager.

Interest Rate Swap Counterparty Ratings Trigger:

(a) The Interest Rate Swap Counterparty, or any additional guarantor, must satisfy the following requirements to have the Moody's initial required ratings: the long-term counterparty risk assessment by Moody's must be at least "A3(cr)".

The Interest Rate Swap Counterparty must provide collateral within 30 Business Days (to the extent required depending on the value of the Interest Rate Swap to each of the parties at such time.)

The Issuer may terminate the Interest Rate Swap Agreement if the Interest Rate Swap Counterparty fails to provide collateral in respect of the Interest Rate Swap Agreement in the relevant time period (to the extent the Interest Rate Swap Counterparty is required to do so) and such failure is not remedied on or before the third Business Day after notice of such failure is given to the Interest Rate Swap Counterparty.

(b) The Interest Rate Swap Counterparty, or any additional guarantor, must satisfy the following requirements to have the Moody's subsequent required ratings: the long-term

The Interest Rate Swap Counterparty must use its commercially reasonable efforts either, as soon as reasonably practicable to transfer its obligations in respect of the Interest Rate Swap to an entity that is eligible to be an interest

counterparty risk assessment by Moody's must be at least "Baa1(cr)".

rate swap counterparty under the Moody's criteria or obtain a guarantee in respect of its obligations under the Interest Rate Swap from an entity with at least the relevant Moody's subsequent required ratings.

The Issuer may terminate the Interest Rate Swap Agreement if the Interest Rate Swap Counterparty either: (a) fails to use its commercially reasonable efforts to take the relevant actions described above; or (b) at least 30 Business Days have elapsed since the Interest Rate Swap Counterparty last had the relevant Moody's subsequent required ratings and, *inter alia*, an offer has been made by a third party that is able to assume the obligations in respect of the Interest Rate Swap Agreement of the Interest Rate Swap Counterparty.

(c) A Long-Term DBRS Rating of at least "A" by DBRS,

where:

"Long-Term DBRS Rating" means, at any time, with respect to an entity:

- (1) its Critical Obligations Rating; or
- (2) if no Critical Obligations Rating has been assigned by DBRS, the higher of (I) the solicited public issuer rating assigned by DBRS to such entity; or (II) the solicited public rating assigned by DBRS to such entity's long-term senior unsecured debt obligations; or
- (3) if no such solicited public rating has been assigned by DBRS, the corresponding DBRS Equivalent Rating;

"Critical Obligations Rating" means the rating assigned to a relevant entity by DBRS to address the risk of default of particular obligations and/or

Subject to the terms of the Interest Rate Swap Agreement, the consequence of breach is that the Interest Rate Swap Counterparty will be obliged to (a) post collateral and may (b) (i) procure a transfer to an eligible replacement of its obligations under the Interest Rate Swap Agreement or (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Interest Rate Swap Agreement or (iii) take such other action as required to maintain or restore the rating of the Class A Notes by DBRS.

exposures of certain banks that 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;

"DBRS Equivalent Rating"

means with respect to the long-term senior debt ratings, (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 lowest ratings 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 the conversion on the basis of the DBRS Equivalent Chart);

DBRS Equivalent Chart"

means:

DBRS	Moody's	S&P	Fitch
AAA	Aaa	AAA	AAA
AA (high)	Aa1	AA+	AA+
AA	Aa2	AA	AA
AA (low)	Aa3	AA-	AA-
A (high)	A1	A+	A+
A	A2	A	A
A (low)	A3	A-	A-
BBB (high)	Baa1	BBB+	BBB+
BBB	Baa2	BBB	BBB
BBB (low)	Baa3	BBB-	BBB-
BB (high)	Ba1	BB+	BB+
BB	Ba2	BB	BB

BB (low)	Ba3	BB-	BB-
B (high)	B1	B+	B+
B	B2	B	B
B (low)	B3	B-	B-
CCC (high)	Caa1	CCC+	CCC
CCC	Caa2	CCC	
CCC (low)	Caa3	CCC-	
CC	Ca	CC	
		C	
D	C	D	D

"Fitch" means Fitch Ratings Limited;
and

"S&P" means Standard & Poor's Rating Services, a division of Standard & Poor's Credit Market Services Europe Limited.

(d) A Long-Term DBRS Rating of at least "BBB".

Subject to the terms of the Interest Rate Swap Agreement, the consequence of breach is that the Interest Rate Swap Counterparty will be obliged to: (a) post or continue to post collateral; and also to (b) use commercially reasonable efforts to take one of the following actions: (i) to procure a transfer to an eligible replacement of its obligations under the Interest Rate Swap Agreement; (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Swap Agreement; or (iii) take such other action as required to maintain or restore the rating of the Class A Notes by DBRS.

**Account Bank
Minimum
Required Ratings:**

Ratings of at least (i) a COR of at least A(high) by DBRS, or if a COR from DBRS is not available, a long-term, senior, unsecured debt rating of A by DBRS(either by way of a public rating or, in its absence, by way of a private rating supplied by DBRS), provided that if the Account Bank is not rated by DBRS, a DBRS Equivalent Rating at least equal to A by DBRS; and (ii) (i)(x) long term bank deposit rating of at least A2 by Moody's; or, failing which, in each case, such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then rating of the Class A Notes.

The consequences of breach are that the Account Bank's appointment may be terminated by the Issuer (such termination being effective on a replacement account bank being appointed by the Issuer)

The Cash Manager and the Issuer shall within thirty (30) calendar days of the downgrade of the Account Bank below the minimum ratings required to be an Eligible Bank use commercially reasonable efforts to appoint a replacement financial institution or institutions which is an Eligible Bank as Account Bank.

"DBRS Equivalent Rating" means with respect to any issuer rating or senior unsecured debt rating (or other

rating equivalent), (a) if public ratings by Fitch, Moody's and S&P are all available, (i) the remaining rating (upon conversion on the basis of the DBRS Equivalent Rating Table) once the highest and the lowest rating have been excluded or (ii) in the case of two or more same ratings, any of such ratings (upon conversion on the basis of the DBRS Equivalent Rating Table); (b) if the DBRS Equivalent Rating cannot be determined under paragraph (a) 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 Rating Table); and (c) if the DBRS Equivalent Rating cannot be determined under paragraph (a) or paragraph (b) 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 Rating Table).

"DBRS Equivalent Rating Table" means:

DBRS Equivalent Rating	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

The consequences of the relevant

triggers being breached are set out in more detail in " Description of Certain Transaction Documents".

REGULATORY REQUIREMENTS

General

LPUK, as originator will retain a material net economic interest of not less than 5% in the securitisation as required by Article 6(1) of the UK Securitisation Regulation and Article 5(1)(d) of the EU Securitisation Regulation (which does not take into account any relevant national measures). As at the Closing Date and while any of the Notes remain outstanding, such interest will be comprised of an interest in the Class B Note in accordance with Article 6(3)(d) of the UK Securitisation Regulation. Any change to the manner in which such interest is held will be notified to Noteholders.

LPUK has provided a corresponding undertaking with respect to the interest to be retained by it to the Joint Lead Managers in the Subscription Agreement.

Lease Receivables, RV Claims and Final Balloon Payment Receivables have not been selected to be sold to the Issuer with the aim of rendering losses on the Lease Receivables, RV Claims and Final Balloon Payment Receivables sold to the Issuer, measured over a period of 4 years, higher than the losses over the same period on comparable assets held on the balance sheet of LPUK.

The Lease Receivables, RV Claims and/or Final Balloon Payment Receivables in the Portfolio are homogeneous for purposes of Article 20(8) of the UK Securitisation Regulation and the Technical Standards (Securitisation Regulation) (EU Exit) Instrument (No 2) 2020 (FCA 2020/54), on the basis that all Lease Receivables, RV Claims and/or Final Balloon Payment Receivables in the Portfolio: (i) have been underwritten by LPUK in accordance with similar underwriting standards applying similar approaches with respect to the assessment of a potential Lessee's credit risk; (ii) are auto leases entered into substantially on the terms of similar standard documentation; (iii) are serviced by the Servicer pursuant to the servicing agreement in accordance with similar servicing procedures with respect to monitoring, collections and administration of cash receivables generated from the leases; and (iv) form one asset category, namely auto leases originated in England and/or Wales.

LPUK confirms that it has applied to the Lease Receivables, RV Claims and Final Balloon Payment Receivables which will be transferred by it to the Issuer the same sound and well-defined criteria for credit-granting in accordance with Article 9(1) of the UK Securitisation Regulation which it applies to non-securitised Receivables, RV Claims and Final Balloon Payment Receivables. In particular, LPUK has:

- (a) applied the same clearly established processes for approving and, where relevant, amending, renewing and refinancing the Receivables; and
- (b) effective systems in place to apply those criteria and processes in order to ensure that credit granting is based on a thorough assessment of the Lessee's creditworthiness taking appropriate account of factors relevant to verifying the prospect of the Lessee meeting his obligations under the Lease Agreement.

Any material change to the Credit Policy after the date of this Prospectus which would affect the homogeneity (as determined in accordance with Article 20(8) of the UK Securitisation Regulation) of the Lease Receivables comprising the Portfolio or which would materially affect the overall credit risk or the expected average performance of the Portfolio will (to the extent such change affects the Lease Receivables included in the Portfolio) be disclosed (along with explanation of the rationale for such changes being made) to investors by the Seller without undue delay.

The Seller's rights and obligations to sell Lease Receivables, RV Claims and/or Final Balloon Payment Receivables to the Issuer and/or repurchase Lease Receivables, RV Claims and/or Final Balloon Payment Receivables from the Issuer pursuant to the Purchase Agreement, do not constitute active portfolio management for purposes of Article 20(7) of the UK Securitisation Regulation.

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 the due diligence requirements of Article 5 of the UK Securitisation Regulation and Article 5 of the EU Securitisation Regulation and any national measures which may be relevant and none of the Issuer, LPUK

(in its capacity as the Seller) nor the Arranger or any Joint Lead Manager makes any representation that the information described above or in the Prospectus is sufficient in all circumstances for such purposes.

For further information on the requirements referred to above and below in this section "Regulatory Requirements" and the corresponding risks, please refer to the Risk Factors entitled "Regulatory treatment of ABS (including Basel III and risk retention)" and "Securitisation Regulation Risk Factor".

Reporting

Designation

For the purposes of Article 7(2) of the UK Securitisation Regulation, LPUK (as originator) has been designated as the entity responsible for compliance with the requirements of Article 7 UK Securitisation Regulation, the UK Article 7 Technical Standards and applicable national implementing measures and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf. LPUK (as originator) shall comply with the disclosure obligations imposed on originators under Article 7 of the UK Securitisation Regulation provided that LPUK will not be in breach of such undertaking if it fails to so comply due to events, actions or circumstances beyond its control after having used reasonable efforts to comply with the relevant requirements applicable to it under the UK Securitisation Regulation.

Reporting under the Securitisation Regulation

The Reporting Entity (as originator) will procure that the Reporting Agent shall:

- (a) publish a monthly investor report as required by and in accordance with Article 7(1)(e) of the UK Securitisation Regulation and the UK Article 7 Technical Standards no later than one month following the due date for the payment of interest, which shall be provided and contain the information required by Annex XII of the UK Article 7 Technical Standards (the "**Investor Report**") and simultaneously with the publication of the information under paragraph (b) below. For the avoidance of doubt, such reporting shall include any change in the Priority of Payment which will materially affect the repayment of the Notes without undue delay;
- (b) publish on a monthly basis certain loan-by-loan information in relation to the Portfolio in respect of the relevant Monthly Collection Period as required by and in accordance with Article 7(1)(a) of the UK Securitisation Regulation and the UK Article 7 Technical Standards no later than one month following the due date for the payment of interest and simultaneously with the publication of the report under paragraph (a) above, which shall be provided in the form of the standardised template set out in Annex V of the UK Article 7 Technical Standards;
- (c) publish any information required to be reported pursuant to Articles 7(1)(f) or 7(1)(g) (as applicable) of the UK Securitisation Regulation without delay, which shall be provided in the form of the standardised template set out in the UK Article 7 Technical Standards; and
- (d) before pricing of the Notes (in at least draft or initial form) and within 15 days of the issuance of the Notes (in final form), make available copies of the UK STS Notification (and prepared in accordance with the UK STS Notification Technical Standards), the Transaction Documents and this Prospectus.

The Reporting Entity undertakes that it will procure that the information referred to above is made available to the Noteholders, the FCA, the Bank of England, the PRA and/or the Pensions Regulator and, upon request, to potential investors in the Notes on the website of European Data Warehouse at <https://editor.eurodw.co.uk> and that the private securitisation notification is made, if applicable, to the FCA, the Bank of England, the PRA and/or the Pensions Regulator.

Separately, it should be noted that the information required under Article 7(1)(a) of the UK Securitisation Regulation shall be made available to potential Noteholders before pricing upon request. For the avoidance of doubt, such website and the contents thereof do not form part of this Prospectus.

The above undertakings are subject always to any requirement of law, and provided that: (i) the Reporting Entity will not be in breach of such undertaking if the Reporting Entity fails to so comply, having used its

reasonable efforts, due to events, actions or circumstances beyond the Reporting Entity's control; and (ii) the Reporting Entity is only required to do so to the extent that the disclosure requirements under Article 7 of the UK Securitisation Regulation remain in effect.

The Reporting Agent will make the information referred to in this section headed "Regulatory Requirements" available to the holders of any of the Notes, relevant competent authorities and, upon request, to potential investors in the Notes.

In addition to the above, each of the Issuer and Reporting Entity undertakes that it will procure the provision to Noteholders of any reasonable and relevant additional data and information referred to in Article 5 of the UK Securitisation Regulation and Article 5 of the EU Securitisation Regulation (subject to all applicable laws), provided that the Reporting Entity will not be in breach of the requirements of this paragraph if, due to events, actions or circumstances beyond its control, it is not able to comply with such undertakings.

Please also see the sections of this Prospectus entitled "Key Portfolio Characteristics – Verification of Data" and "Key Portfolio Characteristics –

Historical Performance Data"

Monthly reporting

Each of the Realisation Agent, the Sub-Maintenance Coordinator and the Servicer has agreed under the Transaction Documents to provide such information as required by the Servicer, the Originator and/or the Reporting Agent to prepare any Investor Report.

Cashflow model

LPUK (as Originator) shall make available on Moody's Analytics a cash flow model, either directly or indirectly through one or more entities which provide such cash flow models to investors generally. LPUK in its capacity as Originator shall procure that such cash flow model (i) precisely represents the contractual relationship between the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables and the payments flowing between the Seller, investors in the Notes, other third parties and the Issuer, and (ii) is made available to investors in the Notes before pricing of the Notes and on an ongoing basis and to potential investors in the Notes upon request.

Environmental Performance Reporting

For the purpose of compliance with Article 22(4) of the UK Securitisation Regulation, the Servicer confirms, so far as it is aware, information on environmental performance of the Vehicles relating to the Lease Receivables is not available to be reported pursuant to Article 22(4). The Servicer confirms that once information on environmental performance of the Vehicles relating to the Lease Receivables (as defined below) is available and able to be reported, it will make such information available to investors on an ongoing basis in compliance with the requirements of Article 22(4) of the UK Securitisation Regulation.

CONSUMER CREDIT REGULATION IN THE UK

1. Lease Agreements regulated by the Financial Services and Markets Act 2000 and the Consumer Credit Act 1974

A Lease Agreement may be regarded as 'regulated' if it falls within the definition of 'regulated credit agreement' or 'regulated consumer hire agreement' in the Financial Services and Markets Act 2000 ("FSMA") (Regulated Activities) Order 2001 (the "RAO").

A Lease Agreement will be a regulated credit agreement if it is a 'credit agreement' that is not an 'exempt agreement' as described in article 60B of the RAO. A Lease Agreement will be a credit agreement if the Originator provides an individual or relevant recipient of credit with credit of any amount. 'Individual' carries its literal meaning of 'natural person' and 'relevant recipient of credit' extends to partnerships of two to three partners and certain unincorporated associates.

Likewise, a Lease Agreement will be a regulated consumer hire agreement if it is a 'consumer hire agreement' which is not an 'exempt agreement' as described in article 60N of the RAO. A Lease Agreement will be a consumer hire agreement if the Originator hires goods, i.e. a Vehicle, to an individual or relevant recipient of credit so long as the Lease Agreement is not a hire purchase agreement and is capable of subsisting for three months. Hire Purchase Lease Agreements do not fall within the definition of consumer hire agreement but may fall with the definition of a regulated credit agreement.

The FSMA requires a person who carries on certain regulated activities in respect of regulated credit agreements and/or regulated consumer hire agreements to be authorised or properly exempt. LPUK, as the Originator and the Servicer of the Regulated Lease Agreements, holds Part 4A permission from the FCA for its regulated activities relating to the Lease Agreements. A person holding Part 4A permission from the FCA is an FCA authorised person for the purposes described in paragraph (b)(i) below. LPUK successfully applied to convert the interim permission it held from 1 April 2014 when the FCA issued it with full Part 4A permission with effect from 6 September 2016. Before 1 April 2014, LPUK was licensed by the Office of Fair Trading. In addition to its licensing obligations, the FCA has been responsible for supervising the FSMA conduct of business regime for such regulated agreements since it took over from the Office of Fair Trading from 1 April 2014, with various conduct of business rules set out in its Consumer Credit sourcebook ("CONC"). The Consumer Credit Act 1974 (the "CCA") also contains conduct of business rules relating to matters such as prescribed form and content requirements for regulated agreements (also described in more detail below). The regulated agreements referred to in this paragraph are expressly defined by specific reference to the RAO concepts of regulated credit agreement and regulated consumer hire agreement.

The Lease Receivables have been originated by the Originator as a mixture of regulated consumer hire agreements and unregulated hire and hire purchase agreements. Unregulated hire and hire-purchase agreements include hire agreements which are exempt because they are entered into with companies or with individuals or relevant recipients of credit for a business purpose where the total value of hiring payments (or amount of credit) exceeds £25,000. This would include various agreements under which the Lease Receivables are due, including but not limited to, the Finance Lease Agreements as well as some Operating Lease Agreements, amongst others. Many of the Operating Lease Agreements are regulated consumer hire agreements (the "**Regulated Lease Agreements**") while some are exempt consumer hire agreements or not consumer hire agreements at all. None of the Lease Receivables are regulated credit agreements.

The main consequences of a Lease Agreement being a regulated consumer hire agreement and therefore a Regulated Lease Agreement are summarised in paragraphs (a) to (e) below. No Lessee under any Regulated Lease Agreement enjoys a voluntary termination right under section 101 of the CCA because each Regulated Lease Agreement is either (i) entered into by the Lessee in the course of a business; or (ii) provides for the Lessee to make payments which in total (and without breach of the agreement) exceed £1,500 in any year.

(a) **Regulated Lease Agreements might be cancellable agreements**

A Regulated Lease Agreement may be cancellable under section 67 of the CCA where pre-contract discussions include oral representations made when in the physical presence of the Lessee by a person acting as, or on behalf of, the "negotiator" as defined in the CCA, and the Lessee signed the agreement away from certain business premises. The Lessee may send notice of cancellation under the CCA at any time during the five days starting with the day after he or she received the last notice of cancellation rights when properly given. If the Lessee cancels a Regulated Lease Agreement under the CCA, then he is entitled to recover his past payments. A Lease Agreement entered into with a consumer might also be subject to cancellation rights provided under other European Directives implemented in the UK such as those described in paragraph 3(c) below.

(b) Regulated Lease Agreements might be unenforceable

Any Regulated Lease Agreement has to comply with requirements under the CCA or FSMA (as applicable) as to authorisation of the Originator and broker, documentation and procedures of agreements and (in so far as applicable) pre-contract disclosure. If it does not comply with those requirements, then to the extent that the agreement is regulated by the CCA or treated as such, it is unenforceable against the Lessee:

- (i) without an order of the FCA ((in relation to regulated credit agreements) or the court (in relation to regulated consumer hire agreements), if the Originator or any dealer or other credit broker does not hold the required authorisation/ Part 4A permission at the relevant time;
- (ii) totally, if the agreement was made before 6 April 2007 and if the form to be signed by the Lessee was not signed by the Lessee personally or omits or misstates a "prescribed term" (although all Regulated Lease Agreements in the pool were executed after 6 April 2007); or
- (iii) without a court order in other cases and, in exercising its discretion whether to make the order, the court would take into account any prejudice suffered by the Lessee and any culpability of the Originator.

Any Lease Agreement intended to be unregulated might instead be wholly or partly a Regulated Lease Agreement or treated as such because of technical rules on determining (a) whether the Lessee includes an "individual" within the CCA, (b) whether the Terms and Conditions of the Notes for a hire agreement within the CCA are met, and (c) whether the agreement is an exempt agreement under the CCA and (d) the effect of changes to agreements.

Under sections 76, 86A, 86B, 86D-F, 87, 109, 110 and 130 of the CCA, the Originator is required to provide certain information and documents to the Lessee. A consumer hire agreement regulated by the CCA is unenforceable for any period when the lender or lessor fails to comply with requirements as to default notices. In addition, the agreement is also unenforceable for any period when the Originator failed to comply with further requirements as to arrears notices. Further, the Lessee would not be liable to pay interest or, in certain cases, default fees for any period where the Originator fails to comply with these further requirements as to post contract disclosure of arrears notices.

Court decisions have been made on technical rules under the CCA, but such decisions are rare and are generally county court decisions which are not binding on other courts. Where agreements are unenforceable without a court order due to minor documentary defects, owners have historically pursued such debts as though they are simply enforceable, until such time as those defects were raised by the Lessee and/or the court in any claim. To mitigate the risks associated with this approach, owners currently rely on the decision in *McGuffick v Royal Bank of Scotland* [2010] 1 All ER 634, in which the High Court ruled that, in relation to agreements which were unenforceable by reason of failures to provide copies under section 77 and 78 of the CCA, steps which

fell short of obtaining a court judgment against the borrower were not "enforcement" within the meaning of the CCA.

In addition, now that Regulated Lease Agreements are subject to the FSMA regulatory regime supervised by the FCA, breaches of FCA rules are also relevant. A Lessee who is a private person may be entitled to claim damages for loss suffered as a result of any contravention by the Originator of a rule under FSMA. From 1 April 2014, such rules include CONC, which transposes certain requirements previously made under the CCA and in OFT guidance. The Lessee may attempt to set off the amount of any claim for contravention of CONC against the amount owing by the Lessee under his or her Regulated Lease Agreement or any other hire or credit agreement he has taken out with the Originator (or exercise analogous rights in Scotland or Northern Ireland).

The Financial Services Act 2012 contains provisions which enabled the transfer of consumer hire regulation from the OFT to the FCA. The related secondary legislation was enacted in 2013 to 2014 and the transfer occurred on 1 April 2014. Under the Financial Services Act 2012: (a) carrying on certain credit-related regulated activities in relation to servicing otherwise than in accordance with permission from the FCA will render the credit agreement unenforceable; and (b) the FCA has power to render unenforceable contracts made in contravention of any rules which it may make on cost and duration of agreements or in contravention of its product intervention rules. The Financial Services Act 2012 also provides for formalised cooperation to exist between the FCA and the Financial Ombudsman Service (the "**Ombudsman**"), particularly where issues identified potentially have wider implications, with a view to the FCA requiring affected firms to operate consumer redress schemes.

An alternative dispute resolution scheme for CCA matters is run by the Ombudsman. The scheme is mandatory for all businesses authorised by the FCA to carry on regulated activities in respect of regulated credit and consumer hire agreements. The Ombudsman is required to make decisions on the basis of what, in the Ombudsman's opinion, would be fair and reasonable in all circumstances of the case, taking into account, among other things, law and guidance, and with reference to the particular facts of any individual case. Each case would first be adjudicated by an adjudicator. Either party to the case may appeal against the adjudication. In the event of an appeal, the case proceeds to a final decision by the Ombudsman.

(c) **Termination by Originator**

The Originator has the right to terminate the Regulated Lease Agreement in the event of an unremedied breach of agreement by the Lessee. In such cases the Originator is entitled to repossess the Leased Vehicle. The Originator remains free to exercise its contractual right to repossess the Vehicles. It may also recover them by applying to court for an order for delivery of the goods. Under the Torts (Interference with Goods) Act 1977, the court has discretion as to whether to make an order for delivery of the Vehicles without giving the Lessee the option to pay their value. Further, the court may impose conditions.

If the Originator was to repossess a Vehicle or to obtain an order for its delivery, there remains a risk that the court would exercise its power under section 132 of the CCA (as set out under risk factor "Lease Agreements regulated by the Financial Services and Markets Act 2000 ("**FSMA**") and the Consumer Credit Act 1974 (as amended) ("**CCA**") and within scope of consumer legislation" above). Further the court has an inherent equitable jurisdiction to grant the Lessee relief against forfeiture. This applies in cases where it would be harsh and unconscionable for the owner to refuse the Lessee an opportunity to tender late performance. The Lessee would have to apply promptly for relief and prove that he can within a reasonable time discharge arrears and remedy other breaches.

As set out in paragraph 1 above no Lessee under any Regulated Lease Agreement enjoys any voluntary termination rights under section 101 of the CCA.

(d) **Time Orders**

If, with regards to a Regulated Lease Agreement, certain default or enforcement proceedings are taken or notice of early termination is served on a Lessee, the Lessee can apply to the court for a time order to change the timing of payments under his Regulated Lease Agreement or to repay the outstanding sum by lower instalments than provided for in his Regulated Lease Agreement. Under the provisions of the CCA the court has a wide discretion to make an order incorporating such amendments to the relevant Regulated Lease Agreement as it considers fit, in order to achieve the objectives of the time order.

(e) **Unfair relationships**

Sections 140A to 140C of the CCA have contained an "unfair relationship" test, from 6 April 2007 for new credit agreements, and from 6 April 2008 with retrospective effect for existing credit agreements. The unfair relationship test explicitly imposes liability to repay amounts received from a debtor on both the originator and any assignee (such as the Issuer) if an unfair relationship is established. Importantly, although the unfair relationships provisions do not apply to consumer hire agreements and therefore do not apply to any of the Regulated Lease Agreements, the unfair relationship provisions do apply to most exempt credit agreements, for example, hire-purchase agreements for business purposes where the borrowers are individuals or relevant recipients of credit and the amount payable exceeds £25,000.

The court has power to determine that the relationship between the lender and the customer arising out of the credit agreement (whether alone or with any related agreement) is unfair to the customer. If the court makes the determination, then it may make an order, among other things, requiring the Originator, or any assignee such as the Issuer, to repay any sum paid by the customer.

In applying the unfair relationship test, and deciding whether to make the determination, the court is required to have regard to all matters it thinks relevant, including the lender's conduct before and after making the credit agreement, and may make the determination even after the relationship has ended. There is no statutory definition of "unfair" as the intention is for the test to be flexible and subject to judicial discretion. The courts may look to the CCA for guidance.

Plevin v Paragon Personal Finance Limited [2014] UKSC 61, a November 2014 Supreme Court judgment, has clarified that compliance with the relevant regulatory rules by the creditor (or a person acting on behalf of the creditor) does not preclude a finding of unfairness, as a wider range of considerations may be relevant to the fairness of the relationship than those which would be relevant to the application of the rules. Where add-on products such as GAP insurance are sold and are subject to significant commission payments, it is possible that the non-disclosure of commission by the lender is a factor that could form part of a finding of unfair relationship. In November 2015, the FCA published its Consultation Paper CP 15/39 entitled "Rules and guidance on payment protection insurance complaints". On 2 August 2016, the FCA published feedback to CP 15/39, together with a further consultation paper, Consultation Paper CP 16/20, on changes to the proposed rules and guidance concerning the handling of PPI complaints in light of Plevin. The results of the consultation and the final rules and guidance, Policy Statement PS 17/3, were published on 3 March 2017 and although PPI complaints are not relevant here, the final rules may result in an increase in the volume of 'Plevin-based' unfair relationship claims brought against the lenders who failed to disclose significant PPI commissions when entering into credit agreements. A key aspect of the FCA's final rules is a PPI complaints deadline falling two years from 29 August 2017 when the proposed rules come into force – hence PPI consumers would have until 29 August 2019 to complain to the firm or to the Ombudsman.

Although the FCA told firms to be aware of Plevin and its impact on lenders' failures to disclose commissions during its GAP insurance consultation CP 14/29 in the Spring of 2015, the FCA did not address Plevin when it published its policy statement PS 15/13 in

June last year and PS 17/3 does not extend the Plevin PPI complaints rules and guidance specifically to undisclosed commissions in relation to GAP insurance.

2. **Liability for dealer's statements and breach of contract**

(a) **Regulated Lease Agreements**

Under section 56 of the CCA, a Lessee in relation to a Regulated Lease Agreement may make a claim against the Originator for any pre contractual statement made to the Lessee by the Originator or its agent in relation to the making of the Regulated Lease Agreement. If any such statement made by a person other than the Originator arises, the Originator would ordinarily seek to be indemnified by that person.

(b) **All Lease Agreements including Regulated Lease Agreements**

Under various Acts on sale or supply of goods, including the Consumer Rights Act 2015 which was applied to Lease Agreements entered into on or after 1 October 2015 (the "CRA"), a Lessee may also make a claim for misrepresentation and/or breach of contract against the Originator if the relevant Leased Vehicle that is the subject of the Lease Agreement is not of satisfactory quality or fit for its intended purpose. Under the terms of each Lease Agreement, the Originator excludes liability for breach of any condition or warranty as to the quality, condition, performance or fitness for purpose of the relevant Leased Vehicle. Where the Lessee makes the contract other than in the course of a business this exclusion does not affect the Lessee's statutory rights that the goods be of satisfactory quality and fit for their intended purpose. Where the Lessee makes the contract in the course of a business the exclusion of liability will only be binding if it meets a statutory test of reasonableness. Whenever this test is not satisfied the Originator will seek to rely on its right to be reimbursed by the dealer (described above).

The Lessee may set off the amount of any claim he has against the Originator against the amount owing by the Lessee under the Lease Agreement or under any other Lease Agreement (or exercise analogous rights in Scotland).

3. **Other risks resulting from consumer legislation**

The Lessee is a "**consumer**" as defined in the relevant consumer legislation, i.e. an individual acting for purposes outside his own business.

(a) **Unfair Terms in Consumer Contracts Regulations 1999**

The UTCCR apply to business-to-consumer contracts entered into prior to 1 October 2015. For business-to-consumer contracts entered into on or after the CRA Commencement Date, see "Consumer Rights Act 2015" below). The UTCCR are not restricted in application to Regulated Lease Agreements and may apply to any Lease Agreement where the Lessee is a consumer.

Where the UTCCR apply (see the above paragraph), the UTCCR render unenforceable unfair terms in business-to-consumer contracts (subject to certain exceptions). The UTCCR provide that: (a) a consumer may challenge a standard term in a contract on the basis that it is unfair and not binding on the consumer (although the rest of the contract continues to bind the parties if it is capable of continuing in existence without the unfair term); and (b) the appropriate regulator and any qualifying body (such as local trading standards authorities) may seek to enjoin (or in Scotland interdict) a business from relying on unfair terms.

The UTCCR do not generally affect terms that define the main subject matter of the contract or price terms, such as the consumer's obligation to repay the fixed monthly repayments (provided that these terms are written in plain, intelligible language and are drawn adequately to the consumer's attention), but may affect terms that are not considered to define the main subject matter of the contract or to be price terms, such as terms imposing default fees.

The FCA addresses unfair terms in its regulation of consumer finance. The OFT (who regulated unfair terms in relation to consumer finance prior to 1 April 2014) has previously carried out an investigation into credit card default fees and on 5 April 2006 issued a statement of its view of the principles that credit card issuers should follow in setting default fees, and that the principles are likely to apply to analogous default fees in other contracts. The principles are in essence that terms imposing default fees should not have the object of raising more in revenue than is reasonably expected to be necessary to recover certain limited administrative costs incurred as a result of the consumer's default. This guidance now forms part of CONC, specifically CONC 7.7.5R, which provides that "a firm must not impose charges on customers in default or arrears difficulties unless the charges are no higher than necessary to cover the reasonable costs of the firm".

In March 2013, the Law Commission and the Scottish Law Commission (together, the "**Commissions**") published advice to the UK Government on reforming the UTCCR. The Commissions recommended, among other things, that no assessment of fairness should be made of a term that specifies the main subject matter of the contract, or of a price term, provided that the term in question is transparent and prominent. The Commissions also recommended that the UTCCR should expressly provide that, in proceedings by consumers, the court is required to consider the fairness of a term, even if the consumer has not raised the issue, where the court has available to it the legal and factual elements necessary for that task. Such reforms are included in the CRA (see "Consumer Rights Act 2015" below) and came into force on the CRA Commencement Date.

As noted above, on 1 April 2014, the OFT's responsibilities for consumer credit, including enforcement of the UTCCR, transferred to the FCA (which also has responsibility for enforcement of the UTCCR in relation to financial services contracts for carrying on a regulated activity under the FSMA) and the OFT ceased to exist. Therefore, guidance issued by the FCA in relation to the UTCCR as well as guidance previously issued by the OFT and FSA may apply to the relevant Lease Agreements from 1 April 2014. It should be noted, however, that the guidance issued by the FSA and OFT (and, as of 1 April 2014, the FCA) has changed over time: on 2 March 2015, the FCA removed certain guidance and other material on the UTCCR from its website because they no longer reflect the FCA's current view on unfair contract terms pending new guidance on the Consumer Rights Bill (which was passing through UK Parliament at the time and has since received Royal Assent (see "Consumer Rights Act 2015" below)) and in light of wider legal developments. The FCA has not indicated how it considers the material it has removed to be inconsistent with its current views, and it is not clear when the FCA expects to be in a position to update the withdrawn material, although the FCA website was updated in January 2016 to refer to the Competition and Markets Authority's ("CMA") guidance consultation as the latest development in guidance on unfair contract terms. This guidance makes it clear that the CRA generally carries forward rather than changes the substance of the protections provided to consumers under earlier legislation and guidance. As such, even with the changes in regulatory structure in the UK that came into effect on 1 April 2013, in respect of the relevant Lease Agreements originated before the CRA Commencement Date, the guidance issued by the FSA previously remains the most specific and relevant guidance on this topic; this is likely to continue to be the case as the FCA has confirmed that it does not intend to issue further guidance on unfair contract terms.

The CMA is the UK's national competition and consumer authority, which took over the role of principal enforcer of the UTCCR from the OFT in relation to unfair contract terms in April 2014. On 26 January 2015, the CMA published a guidance consultation on the unfair contract terms provisions in the Consumer Rights Bill (which has been enacted as the CRA). These guidelines, which were finalised as of 31 July 2015 (reference CMA37), are intended to support the CRA. The CRA consolidates and repeals the UTCCR and parts of the Unfair Contract Terms Act 1977 ("UCTA") (see "Consumer Rights Act 2015" below). However, as noted above, despite its revocation, the UTCCR will continue to apply to contracts entered into prior to the CRA Commencement Date.

The Unfair Contract Terms Regulatory Guide ("UNFCOG") in the FCA Handbook explains the FCA's policy on how it uses its formal powers under the UTCCR, although comprehensive guidance on the UTCCR themselves is not provided. The UNFCOG was updated on 1 October 2015 following the coming into force of the CRA but the updated version (the Unfair Contract Terms & Consumer Notices Regulatory Guide) applies only to contracts entered into on or after the CRA Commencement Date. The UNFCOG (in the form it was in on 30 September 2015) continues to apply to contracts entered into before the CRA Commencement Date.

The broad and general wording of the UTCCR (and the CRA (see "Consumer Rights Act 2015" below)) makes any assessment of the fairness of terms largely subjective and makes it difficult to predict whether or not a court would find a term to be unfair.

(b) **Consumer Rights Act 2015**

The CRA reforms and consolidates consumer law in the UK. The CRA involves the creation of a single regime for unfair contract terms out of UCTA (which essentially deals with attempts to limit liability for breach of contract) and the UTCCR. On the CRA Commencement Date, certain sections of the CRA revoked the UTCCR, amended certain consumer protection legislation in the UK which applied rights in favour of consumer hire agreements and certain consumer credit agreements (for example, hire purchase agreements) (i.e. much of this legislation no longer applies to business-to-consumer contracts) and introduced a new regime for dealing with unfair contractual terms with respect to contracts entered into on or after the CRA Commencement Date. The UTCCR and other consumer protection legislation such as the Sale of Goods Act 1979, the Supply of Goods and Services Act 1984 and the Supply of Goods (Implied Terms) Act 1973) will continue to apply to contracts entered into prior to the CRA Commencement Date as described above. The CRA is not restricted in application to Regulated Lease Agreements and may apply to any Lease Agreement where the Lessee is a consumer.

Under Part 2 of the CRA an unfair term of a consumer contract (a contract between a trader and a consumer) is not binding on a consumer (a term which has been revised to mean an individual acting for purposes that are wholly or mainly outside that individual's trade, business, craft or profession). In an additional change from the old regime, from the CRA Commencement Date, an unfair consumer notice will also not be binding on a consumer, although a consumer may rely on the term or notice if the consumer chooses to do so. A term will be unfair where, contrary to the requirement of good faith, it causes significant imbalance in the parties' rights and obligations under the contract to the detriment of the consumer. In determining whether a term is fair it is necessary to: (i) take into account the nature of the subject matter of the contract; (ii) refer to all the circumstances existing when the term was agreed; and (iii) refer to all of the other terms of the contract or any other contract on which it depends. The CRA also applies substantially the same test of fairness to consumer notices and generally refers to term and notices interchangeably.

Schedule 2 contains an indicative and non-exhaustive "grey list" of terms of consumer contracts that may be regarded as unfair. Notably, paragraph 11 lists "a term which has the object or effect of enabling the trader to alter the terms of the contract unilaterally without a valid reason which is specified in the contract". Although paragraph 21 provides that this does not include a term by which a supplier of financial services reserves the right to alter the rate of interest payable by or due to the consumer, or the amount of other charges for financial services without notice where there is a valid reason if the supplier is required to inform the consumer of the alteration at the earliest opportunity and the consumer is free to dissolve the contract immediately.

On 19 December 2018, the FCA published finalised guidance outlining factors the FCA considers firms should have regard to when drafting and reviewing variation terms in consumer contracts (FG18/7). The finalised guidance relates to all financial services consumer contracts entered into since 1 July 1995. The FCA states that all authorised

firms should consider both this guidance and any other rules that apply when they draft and use variation terms in their consumer contracts.

In view of the Covid-19 pandemic, the CMA published a statement on 30 April 2020, setting out its general views about how the law operates in relation to cancellation and refunds, noting that ultimately the position will be determined by the courts. On 28 August 2020 the CMA updated this statement to provide that where lockdown laws mean the service which can be provided is radically different to what was agreed the consumer would normally be able to cancel and receive a full refund but if the differences are only minor a consumer should be able to choose between cancelling on the trader's standard terms (provided these are fair) or going ahead and receiving a proportionate discount. Further, where compliance with Covid-19 restrictions imposed as a matter of government guidance (rather than legislation) would prevent a consumer receiving a service, the consumer would have to cancel on the trader's standard terms, provided these are fair. This is mainly relevant to unregulated consumer credit or hire agreements. The guidance clarifies consumers' rights and could result in greater number of cancelled agreements.

On 22 July 2019, the European Commission issued guidance notice on the interpretation of the Unfair Contract Terms Directive 93/13/EEC ("UCTD") (implemented in the UK through the CRA). This guidance aims to present, in a structured way, the case law of the Court of Justice of the European Union, in order to facilitate effective application of the UCTD in the EU and EEA member states. This guidance may be taken into account by the courts in the UK when determining if a term is unfair.

A consumer contract may not be assessed for fairness to the extent that: (i) it specifies the main subject matter of the contract; and/or (ii) the assessment is of the appropriateness of the price payable under the contract by comparison with the goods, digital content or services supplied under it, unless it appears on the "grey list" referenced above. A trader must ensure that a written term of a consumer contract, or a consumer notice in writing, is transparent i.e. that it is expressed in plain and intelligible language and is legible. Where a term of a consumer contract is "unfair" it will not bind the consumer. However, the remainder of the contract, will, so far as practicable, continue to have effect in every other respect.

Where a term in a consumer contract is susceptible of multiple different meanings, the meaning most favourable to the consumer will prevail. In a shift from the old regime, under the CRA it is the duty of the court to consider the fairness of any given term. This can be done even where neither of the parties to proceedings has explicitly raised the issue of fairness.

The provisions in the CRA governing unfair contractual terms and implied terms as to title, description and quality or fitness of the goods apply in respect of contracts entered into on or after the CRA Commencement Date. As stated above, the UCTA, UTCCR and other consumer protection legislation continue to apply to contracts entered into prior to the CRA Commencement Date. The new CRA regime does not seem to be significantly different from the regime under the UTCCR, UCTA or other consumer protection legislation. However, this area of law is rapidly developing and new regulatory guidance and case law as a result of this new legislation can be expected.

During a Commons debate on 11 February 2020, the Parliamentary Under-Secretary of State of the Department for Business, Energy & Industrial Strategy ("**BEIS**"), announced that that BEIS will publish a consumer and competition Command Paper in spring 2020 (not yet published) and carry out a five-year review of the Consumer Rights Act 2015 later in the year. The Command Paper was not published in spring 2020, and the status of the Command Paper and the CRA review is unknown.

(c) **Financial Services (Distance Marketing) Regulations 2004**

The "DMRs apply to financial services consumer agreements made with consumers on or after 31 October 2004 by means of distance communication (i.e. without any substantive simultaneous physical presence of the consumer and the trader or intermediary) ("**DMR Agreements**"). The DMRs generally prescribe pre-contract information, and a right to cancel. Likewise, the Information Regulations provide for consumers to receive pre-Contract information and enjoy cancellation rights in respect of certain non-financial services contracts (such as Regulated Lease Agreements) which are executed at a distance or off-premises. Both the DMRs and the Information Regulations provide for the consumer to send notice of cancellation under the DMR at any time during the 14 days starting with the day after the agreement is made or, if later, the consumer received the last of the prescribed information. These cancellation rights are not restricted in application to Regulated Lease Agreements and may apply to any Lease Agreement where the Lessee is a consumer. However, the DMRs are restricted in application to financial services contracts whereas the Information Regulations apply to non-financial services contracts.

If the Lessee cancels the Lease Agreement under the DMRs, or the Information Regulations then he is entitled to recover his past payments under the agreement, and is liable to pay charges if proportionate and disclosed as payable for a cancelled agreement, and if with the Lessee's consent performance started before the cancellation period expired.

(d) **Consumer Protection from Unfair Trading Regulations 2008**

The CPUTR prohibit unfair business-to-consumer commercial practices before, during and after a consumer contract is made. The CPUTR do not currently give any claim, defence or right of set-off to an individual consumer. Breach of the CPUTR does not (of itself) render an agreement void or unenforceable, but the possible liabilities for misrepresentation or breach of contract in relation to agreements may result in irrecoverable losses on amounts to which such agreements apply. The Consumer Protection (Amendment) Regulations 2014 have amended the CPUTR with effect from 1 October 2014 so as to give consumers a right to redress for prohibited practices, including a right to unwind agreements. The CPUTR are not restricted in application to Regulated Lease Agreements and may apply to any Lease Agreement where the Lessee is a consumer.

The CPUTR require the CMA (or prior to 1 April 2014, the OFT) and local trading standards authorities to enforce the CPUTR by prosecution or by seeking an enforcement order to prevent a business from carrying on unfair practices. In addition, the FCA (or prior to 1 April 2014, the OFT) addresses unfair practices in its regulation of consumer finance.

4. **FCA review of the motor finance sector**

The FCA has undertaken a review of the motor finance industry as a result of concerns that there may be a lack of transparency, potential conflicts of interest and irresponsible lending in the industry. The FCA published its final report on 4 March 2019. The FCA refers in particular to 'Increasing Difference in Charges' and 'Reducing Difference in Charges' commission models, which can provide strong incentives for brokers to arrange finance at higher interest rates. With 'Difference in Charges' models, brokers are paid a fee which is linked to the interest rate payable by the customer. The contract between the lender and broker sets a minimum (for Increasing Difference in Charges) or maximum (for Decreasing Difference in Charges) interest rate and the fee is a proportion of the difference in interest charges between the actual interest rate and the minimum/maximum interest rate. Whilst the FCA's review relates to consumer credit lending, and is therefore not relevant to the regulated consumer hire agreements, no assurance can be given that changes will not also be made to the regulatory regime in respect of such agreements in the motor finance industry. In particular, no assurance can be given as to the impact of any possible change to the law (including any change in regulation which may occur without a change in primary legislation) or administrative practice after the date of this prospectus nor can

any assurance be given that any such change will not result in adverse consequences such as a loss on, or early redemption of, the Notes. As a result of its findings the FCA consulted on and published a policy statement PS 20/8 on 28 July 2020 banning commission models that give motor finance brokers/dealers an incentive to raise customers' finance costs and changing some of its rules to make sure credit brokers give consumers more relevant information about commission.

5. **FCA Covid-19 Guidance**

On 24 April 2020, the FCA introduced a package of measures for certain consumer motor finance agreements (hire purchase, personal contract purchase and personal contract hire agreements) to take account of the exceptional circumstances arising out of the Covid-19 pandemic (the "**FCA Covid-19 Guidance**"). This guidance will apply to the Lease Receivables arising out of any regulated consumer hire agreements within the Portfolio.

The FCA Covid-19 Guidance was updated by the FCA on 17 July 2020 and 19 November 2020 and will expire on 31 July 2021. Where a customer has been granted a payment deferral under the FCA Covid-19 Guidance, that customer should not be treated as being in arrears. A request for a full or partial payment deferral, or for a further full or partial payment deferral (provided the total deferral period does not exceed six monthly payments), may be made by a customer at any time until 31 March 2021. No single payment deferral should be granted in respect of more than three monthly payments. However, no payment deferral granted under the FCA Covid-19 Guidance should be capable of extending beyond 31 July 2021.

The package of remedies detailed in the FCA Covid-19 Guidance includes the provision of a payment deferral of up to 3 monthly payments (with the possibility of a further full or partial payment deferral being granted) for those customers who are experiencing, or who may reasonably expect to experience, temporary difficulties because of Covid-19 unless such payment deferral is not in the customer's interests. Where a payment deferral is not considered to be appropriate, then alternative forms of support, including forbearance in accordance with existing FCA rules, must be offered to the customer without delay.

A "**payment deferral**" is defined in the FCA Covid-19 Guidance as an arrangement made on or after 27 April 2020 under which a firm permits the customer to make no payments under their regulated credit agreement for a specified period without being considered to be in arrears. A "**full payment deferral**" means a payment deferral where the firm permits the customer to make no payments (or a token payment not exceeding £1 where firms' systems will not allow a zero payment) and "**partial payment deferral**" means a deferral where the firm permits the customer to make payments above £1 but under the contractual minimum repayment amount. The Originator can choose to make enquiries in order to judge if a payment deferral serves the customer's interests but there is no expectation that the Originator does so.

If, during an interaction between the Originator (or Servicer) and the customer, the customer provides information suggesting that the customer may be experiencing or could reasonably expect to experience payment difficulties as a result of circumstances relating to coronavirus/Covid-19, the Originator (or Servicer as applicable) should ask whether the customer would like a payment deferral. The Originator is not prevented from continuing to charge interest during the payment deferral period. No additional fee or charge (other than accrued interest on the sum temporarily unpaid) may be levied as a result of the payment deferral.

Where a customer has been granted a payment deferral under the FCA Covid-19 Guidance, the Originator should take reasonable steps to (i) contact their customers in good time before the end of the deferral period about resuming payments; and (ii) engage with customers to consider their options when the deferral expires. It should also take reasonable steps to obtain information from customers to help to assess whether the customers are either no longer experiencing or continuing to experience temporary payment difficulties as a result of Covid-19. If the customer does not respond, the Originator may proceed on the basis that the customer is no longer experiencing temporary payment difficulties. However, if such customer then goes on to miss the next payment the FCA expects the Originator to make reasonable attempts to contact the customer. If they fail to respond to such communication then that customer may be treated as

being in arrears. If a customer responds and indicates that it is still experiencing temporary payment difficulties as a result of Covid-19 then the Originator should offer the customer additional support in line with the guidance. This includes offering the customer a further full or partial payment deferral (depending on the customer's circumstances) for three months. If the customer indicates that it is unable to resume payments at the end of the further deferral period it should be offered appropriate forbearance in accordance with existing FCA rules. Where a customer remains unable to pay at the end of the initial or further deferment period, if such a customer is entitled to forbearance under existing FCA rules, the Originator is expected to waive any additional interest accrued during the payment deferral period as soon as reasonably practicable at the end of the deferment period. The effect of this is to ensure that a customer would not, in respect of the deferred payments, be in a worse position in terms of interest, than if it had paid those amounts in full in accordance with the agreement.

The Originator should give customers adequate information to understand the implications of a payment deferral under the FCA Covid-19 Guidance, including the consequences of interest that is accrued during this period and its effect on the balance due under the agreement and on future payments.

Where a payment deferral is granted, the customer should not be treated as being in arrears. Further, the FCA Covid-19 Guidance also provides that where customers are experiencing payment difficulties as a result of Covid-19 but need the use of the vehicle then the Originator should not take steps to terminate the agreement and repossess the vehicle. In addition, the terms of the agreement (for example, any terms relating to the calculation of the residual value to take account of any temporary depreciation in car values) should not be altered in a way which is detrimental to the customer. Finally, where statutory notices and statements are required to be sent under the CCA, the Originator should provide suitable explanations or context within these statutory notices and statements to avoid confusion. Please see paragraph 48(c) above for an explanation of the statutory notices and statements, as well as the consequences of non-compliance with such requirements.

On 30 September 2020 the FCA published draft additional guidance for firms on what should happen at the end of the FCA's existing Covid-19 Guidance which sets out the FCA's expectations on how firms should support customers that have already benefitted from a payment deferral under the FCA Covid-19 Guidance and remain in payment difficulties, and those customers who are not eligible for a payment deferral under the FCA Covid-19 Guidance, or newly affected customers, once the FCA Covid-19 Guidance is no longer in effect. The FCA subsequently updated this guidance on 19 November 2020 which came into effect on 25 November 2020 (the "**Additional FCA Covid-19 Guidance**"). The Additional FCA Covid-19 Guidance confirms that the FCA Covid-19 Guidance will continue to apply to providing support to newly affected customers until 31 March 2021, with consumers able to receive an initial or further 3-month payment deferral until that date which could last until 31 July 2021. However it also sets out the FCA's expectations on how firms should support customers that have already benefitted from the FCA Covid-19 Guidance and remain in payment difficulties, and for newly affected customers, once the guidance is no longer in effect. This includes guidance in relation to:

- dealing with customers at the end of a payment deferral;
- reporting of arrears to credit reference agencies;
- treating customers fairly by delivering tailored and effective forbearance for customers, in accordance with the range of forbearance options available to firms under CONC 7;
- ensuring arrangements put in place to support customers are sustainable –i.e. an arrangement which does not adversely affect the ability of the customer to meet their essential living expenses and priority debts;
- preventing escalating debt once a customer has entered into a forbearance arrangement based on what they can afford to pay;
- customer engagement and communications with customers;

- governance oversight and staff training and competency requirements; and
- signposting and referring customers to appropriate money guidance or self-help tools or debt advice in a timely manner.

In relation to motor finance, the Additional FCA Covid-19 Guidance also requires firms not to, absent exceptional circumstances (e.g. where a customer requests that repossession proceedings continue), terminate the regulated agreement or repossess goods or vehicles under the agreement that the customer needs before 31 January 2021. Firms are permitted to commence or recommence and continue proceedings where a court order is required to recover possession of the goods or vehicles as long as they act in accordance with this guidance, relevant regulatory and legislative requirements and pre-action protocols.

On 27 January 2021, the FCA published finalised guidance to update paragraph 1.2 and section 6 of the Additional FCA Covid-19 Guidance to set out the FCA's expectations and proposed approach to the repossession of goods and vehicles. That finalised guidance provides that firms will be able to repossess such goods and vehicles from 31 January 2021, but this should only be done as a last resort and in accordance with all relevant government public health guidelines (including on social distancing and shielding). The changes to section 6 of the Additional Guidance require firms to be able to evidence that all relevant forbearance options have been appropriately considered before commencing repossession action. Where a customer has an agreed forbearance plan in place (including a payment deferral), repossession action should not be commenced or continued. The FCA also expects firms to exercise particular care when dealing with vulnerable customers and should carefully consider the potential impacts of repossession action on such customers. The FCA acknowledges that there are ongoing uncertainties arising from the impact of the Covid-19 pandemic and as a result, the FCA will, therefore, keep its position under review and provide new guidance, if required.

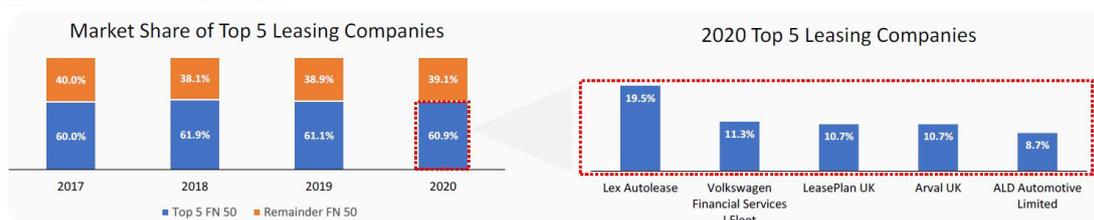
OVERVIEW OF UK VEHICLE LEASE MARKET

In the UK, car sales have shown good strength within a stable and favourable macro-economic climate. Interest rates are low; employment high and wage growth has been strong. These factors combined with consumers' desire to have access to a motor vehicle have led to a very positive outlook on both new and used car sales.

Covid-19 has changed our short-term outlook somewhat, as we anticipate a rise in unemployment, however despite this, we have seen strength in used car sales results. Due to the anticipated low new car registrations in 2020, our longer term used car market forecast is positive with economic measures showing strength combined with lower vehicle supply.

LPUK is the third largest firm within the UK car leasing market.

2020 UK Market Share



(Source: FleetNews – FN50 - Based on Nov '20 figures)

Future UK Leasing Trends

- LPUK sees mobility related solutions as a new market opportunity - targeting employees living / working and travelling in large urban locations and therefore requiring more flexible mobility solutions rather than a permanent vehicle.
- The drive for continued efficiency and reduction in total fleet costs remains a key issue for fleets. Combined with this is the need to keep the driver mobile and therefore performing for their business at a time when new mobility concepts are being introduced that provide further choices for drivers, e.g. car sharing, personal finance products. Fleet strategies will need to consider these options going forward but also focus on the continued drive to reduce total costs. This can be supported by online service tools to help businesses quickly and easily assess the information they need; at a time and place which is convenient to them. Online education, help and management of services for their vehicles, throughout a customer's leasing experience, as a whole, is the answer.

LPUK position in the UK Market

- The top 5 leasing companies account for over 60% of the Fleet News top 50 leasing companies, this percentage has been relatively stable over the past couple of years. The market share of LPUK amounts to 10.7% (Source: FleetNews – FN50 - Based on Nov '20 figures).
- LPUK is a unique player in the UK market having distinct brands that target the principal sectors of the market - corporate, public sector, SME's (both direct and in-direct) and consumers.

CHARACTERISTICS OF THE PORTFOLIO

The descriptions under paragraphs 1 (General) to 5 (Originator's Servicing Procedures) below are based on certain template documents or sample procedures of LPUK. Deviations may be agreed between LPUK and the relevant Lessee. Therefore, no assurance can be given that each Lease Agreement will feature the general characteristics described below.

1. GENERAL

Lease agreements are offered by the Originator in a master hire product permitting multiple Vehicles to be leased under a single set of terms and conditions. Alternatively, a separate lease incorporating the standard terms and conditions may be entered into for each Vehicle. Each Leased Vehicle is subject to a vehicle schedule setting out details of the vehicles leased or supplied thereunder (the "**Vehicle Schedule**").

(a) Lease Rental Structure:

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

LPUK calculates each sub-quota in relation to various internal parameters based on historical data, on the effective costs of providing the contracted services and on LPUK's profitability policies applicable at the time. As a general rule, said calculation methods are not agreed with the customer and therefore are not included in the lease agreement or master lease agreement as the case may be. The significant information for the lessee is the rental which is paid periodically and the services included in that final quota.

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

- **Principal component:**

The part of the lease rental allocated to cover the cost for the lessor of amortising the vehicle to its residual value.

- **Interest component:**

The part of the lease rental allocated to cover the cost for the lessor of financing the vehicle in relation to the period of the lease agreement. The lessor also charges a margin within the interest component.

- **Management fee and administration costs component:**

The part of the lease rental allocated to cover general overhead of LPUK. This fee can also be seen as margin and profitability for LPUK. This component is a constant absolute amount which is added to the services component per vehicle per month.

- **Value Added Tax ("VAT") component:**

The VAT imposed on LPUK by the government in connection with the lease agreement, shall be at the expense of the lessee, subject that in the case of Hire

Purchase Lease Agreements, VAT is not charged to the lessee in respect of the principal component or interest component (but is charged to the lessee in respect of the services component).

- **Services component:**

The part of the lease rental allocated to cover, inter alia, and as agreed in the lease agreement, repair, maintenance and tyres, replacement vehicles, road side assistance, other lease services and road tax or other levies imposed by the government. LPUK's estimate of the costs it will incur for the provision of the various contracted services. The types of services which can be included in the lease agreement are detailed above.

(b) **Calculation of Residual Value:**

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

LPUK calculates the residual value of each leased vehicle on the basis of different conditions agreed with the lessee and depending on factors such as, inter alia, usage, depreciation and possible evolution of the second hand vehicle market.

LPUK uses a data driven approach to the forecasting of the residual values which encompasses an econometric model to estimate the likely impact of supply and demand variables on future used vehicle prices. This is coupled with vehicle specific information which takes factors specific to individual model ranges and other factors such as metallic paint into account.

The residual value can change during the life of a lease agreement due to:

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

2. **LEASE SERVICES RENDERED**

LPUK offers certain of the following Lease Services to the Lessees where such maintenance or other service is selected by a Lessee under a Vehicle Schedule:

(a) **Service Maintenance and Repair**

LPUK can provide for the cost of servicing in line with the relevant Leased Vehicle manufacturer's guidelines and the cost of maintenance and repair arising from wear and tear. The payment for this Lease Service is included in the payments made under the Lease Agreement. LPUK must give its specific authority before any service, maintenance or repair work is carried out and all servicing must be undertaken by an agent authorised by LPUK.

LPUK will not however cover all types of repair. For example, this Lease Service does not cover the Lessee's failure to comply with any of the Lessee's obligations under the relevant Lease Agreement and the cost of repair and maintenance that results, whether directly or indirectly on the part of the Lessee from any negligence, misuse, vandalism or theft of the relevant Leased Vehicle or any accident or impact (whether caused by

another vehicle or otherwise) and does not cover damage to the windscreen or other glass, light lenses or light bulbs. Furthermore, any non-standard accessories or other equipment fitted to the Leased Vehicle at any time (including the addition or removal of artwork or lettering) and any damage caused by frost damage, fuel contamination or any provision of oils or fluids outside of normal servicing fall outside the scope of this Lease Service.

With regards to tyres, LPUK does accept the cost of repair or replacement of any tyre on the Leased Vehicle which becomes unusable by reason of wear and tear or any accidental damage which may occur. However, where the reason for replacement or repair of any tyre is theft, vandalism or misuse the Lessee is under an obligation to reimburse LPUK for a sum proportional to the remaining unused tread depth of the tyre prior to such theft, vandalism or misuse. As with general repairs, LPUK must give its specific authority before any replacement tyre is supplied and fitted or a puncture is repaired. Replacement tyres must be obtained from, and punctures must be repaired by, an agent authorised by LPUK and LPUK reserves the right not to pay for tyres sourced outside its recommended network.

In addition, this Lease Service allows LPUK to cover the cost of any Ministry of Transport ("MOT") or similar test to the Lease Vehicle which is required by law.

Included in the overall costs of the maintenance and repair option, the Lessee is provided with a breakdown service under the "LP Assist" programme as in operation from time to time.

If any servicing, maintenance or repair is necessary when the Leased Vehicle is outside the United Kingdom, LPUK will consider reimbursing all or part of the cost of such necessary work which has been carried out upon receipt of a satisfactory repairer's original invoice, which must include a full description of the work, together with an invoice on the Lessee's headed paper for the equivalent Sterling amount showing full VAT at the prevailing rate. Costs are then reimbursed according to LPUK's existing supplier rates and discounts.

(b) Relief Vehicles

Where the relevant Vehicle Schedule indicates that a relief vehicle is included as part of the Lease Services, LPUK is under an obligation to arrange the supply of a relief vehicle in accordance with the level of entitlement indicated in the relevant Vehicle Schedule. Payment for this Lease Service is also included in the relevant Lease Servicing Component.

Any relief vehicle provided under this Lease Service shall be of such make, model and age as deemed by LPUK as being suitable for use as a relief vehicle. The relief vehicle size is capped at a 2.5 litre vehicle or long wheel base panel van for commercial vehicles dependent on the Leased Vehicle category.

In the event that a relief vehicle is not returned or (at LPUK's option) made available for collection in accordance with the terms of the relevant Lease Agreement, the Lessee will be responsible for payment of all hire charges incurred after the due date for return or collection.

(c) Daily Rental

LPUK can also arrange for the supply on hire to the Lessee of a replacement or additional vehicle where required. This Lease Service is available on a pay-on-use basis only. The Lessee shall be responsible for all costs associated with such vehicle and shall comply with all terms and conditions of the daily rental supplier relating to the vehicle and its use. If the Lessee does not use the daily rental supplier's insurance scheme then the Lessee is responsible for arranging comprehensive insurance of the daily rental vehicle.

(d) **Accident Management**

Where selected as a Lease Service under the relevant Lease, LPUK can provide an accident management service to the relevant Lessee either on a pay-on-use basis or the Lessee can make payment under the Lease Agreement and receive the Lease Service when required. This Lease Service will provide for the recovery of the Lessee's Leased Vehicle and the administration of the claim relating to the repair of damage to a Leased Vehicle sustained as a result of an accident. This Lease Service will not cover mechanical failure or breakdown which does not arise as a result of an accident.

(e) **LP Assist**

Where selected as a Lease Service, LPUK can arrange for the relevant Leased Vehicle to be covered by "LP Assist", a vehicle breakdown and roadside recovery service provided by a service provider of LPUK's choice. The terms and conditions upon which LP Assist is provided will be advised by LPUK and/or the relevant service provider from time to time.

(f) **Fleet Administration**

Where selected as a Lease Service, LPUK can provide the administration of: fuel card services through a nominated fuel agency; administration of fines imposed by the police or any statutory bodies on the Lessee; administration of the annual MOT tests; the provision of a software database programme to be accessible by the Lessee in order for the Lessee to input and manage driver, vehicle and other data concerning their employers duty of care; and the provision of in-car, in-house and online driver training and assessments.

(g) **Reporting**

Where selected as a Lease Service, the provision of reports relating to the Leased Vehicles and ancillary items to the Lessees to the extent required in the relevant Lease Agreements.

(h) **Account Management**

Where selected as a Lease Service, the provision of an Account Manager available for regular meetings at the Lessee's place of business and able to discuss and report on Lease Services provided.

(i) **Logistic Services**

Where selected as a Lease Service, the provision of vehicle movement, storage and vehicle reallocation solutions including cleaning and maintenance of Leased Vehicles during storage.

(j) **PayRoll Management**

Where selected as a Lease Service, based on information received from the Lessee and the vehicle/driver data, the production of reports of deductions and adjustments to be made from the salary of employees of the Lessee.

(k) **General Vehicle Administration**

Where selected as a Lease Service: the administration of vehicle repairs at approved garages in order to minimise the time Leased Vehicles are off road for repair; the checking of driver licence details of all persons driving a Leased Vehicle; the administration of all correspondence received from all local or statutory bodies in respect of the Leased Vehicles; the giving of permission for the use of a Leased Vehicle by a Lessee for foreign travel purposes; and the adding or removing vehicles from Lessee's Transport for London account as required under the relevant Lease Agreement.

3. **GENERAL PROVISIONS APPLICABLE TO THE LEASE SERVICES**

3.1 **General**

The Lessee requests that LPUK sends a quote for the supply of a new Vehicle for the lease either by post, fax, email or by using the on-line quotation tool, with each such quotation remaining valid for the period stated in the relevant quotation.

Upon receipt of a request to lease a Vehicle, and following acceptance by LPUK of such request, LPUK will place an order with a supplier. The supplier will contact the Lessee to arrange direct delivery of the new Vehicle.

The Lessee must check that the Vehicle delivered is in accordance with the Lessee's agreed specification and must sign a delivery satisfaction notice declaring that the Lessee is satisfied with the relevant Vehicle.

By placing an order, the Lessee agrees with LPUK the Lease Services to be provided, the anticipated annual mileage and the period of operation of the respective Vehicle.

Based on this data, LPUK calculates a rental price, including any charges for the Lease Services, which is to be paid monthly and in advance. During the term of the Vehicle Schedule, but only for certain contract types as detailed below and only after consultation with the Lessee, LPUK is entitled to adjust the rental price, if the costs change by more than a certain threshold as compared to the costs at the time the Vehicle Schedule was executed. In addition, LPUK is entitled to make adjustments, should there be a change in the direct or indirect Vehicle-related taxes or the value-added tax rate.

LPUK is entitled to terminate without notice the Lease Agreement and the related Vehicle Schedules upon the filing of an application or commencement of insolvency proceedings against the assets of the Lessee or if the Lessee is in breach of the Lease Agreement and the breach is not remedied following service of the notice to the Lessee.

4. **CONTRACT TYPES**

4.1 The Originator offers the following contract types:

Contract Hire

Operating Lease

Finance Lease

Hire Purchase

Contract Purchase

Lease Purchase

4.2 **Contract Hire – Operating Lease**

Under Operating Lease Agreements the Originator accepts responsibility, in exchange for a fixed fee, for the depreciation of the Vehicle, funding costs, administrative costs and, in most cases, the provision of maintenance services. No Final Balloon Payments are payable under an Operating Lease Agreement. Title in the Leased Vehicle will remain with the Originator. Operating Lease Agreements are offered as both Open Calculation Contract Hire Lease Agreements and Closed Calculation Contract Hire Lease Agreements.

4.3 **Contract Hire – Finance Lease**

Finance Lease Agreements are substantially similar to the Operating Lease Agreements with the main difference being that the Lessee bears the residual value risk on the relevant Vehicle. The

Finance Lease Agreement contains a final payment due at the end of the term of the relevant Finance Lease Agreement which is substantially higher than the normal monthly rental due under the Finance Lease Agreement (the "**Final Payment**"). The Originator retains the title to the vehicle but the Lessee is granted the right to sell the Leased Vehicle to a third party as the Originator's agent. If all payments under the Lease have been made the Originator will credit 98% of the sales proceeds to the Lessee.

4.4 **Hire Purchase – Contract Purchase**

Open Calculation Contract Purchase Lease Agreements are a type of hire purchase arrangement offered by the Originator. They are substantially similar to the Open Calculation Contract Hire Lease Agreements with respect to their operation during the contractual term. However for Contract Purchase Lease Agreements, the Lessee may bear the residual value risk on the relevant Vehicle save where the Lessee exercises the right to return the vehicle, in which case the Originator bears the residual value risk.

At the end of the term of the relevant Contract Purchase Lease Agreement, the Lessee may choose to pay a Final Balloon Payment to purchase the relevant Vehicle. The amount of such Final Balloon Payment is agreed with the Lessee at the time the relevant Lease Agreement is signed. Upon payment in full of the Final Balloon Payment, title to the relevant Leased Vehicle is then transferred to the Lessee. Instead of making the Final Balloon Payment, the Lessee may return the relevant Leased Vehicle to the Originator and title to such Leased Vehicle will remain with the Originator.

4.5 **Hire purchase – Lease Purchase**

Unlike a Contract Purchase Lease Agreement, the Lessee cannot return the Leased Vehicle in satisfaction of the Final Balloon Payment at the end of the relevant term of a Lease Purchase Lease Agreement and must purchase the relevant Vehicle. In order to obtain title to the Leased Vehicle the Lessee must pay the Final Balloon Payment, whereupon title to the relevant Leased Vehicle will transfer to the Lessee. The RV Risk is on the Lessee.

4.6 **Hire Purchase Accounting Treatment**

From an accounting perspective, all Contract Purchase Lease Agreements and Lease Purchase Lease Agreements are classified as finance leases and are reflected as such in the relevant data.

5. **ORIGINATOR'S SERVICING PROCEDURES**

5.1 **Origination and Underwriting**

The Originator's client base consists of natural and legal persons located in the United Kingdom, corporate and public sector entities or small and medium enterprises or partnerships conducting a profession or an enterprise located in the United Kingdom or abroad. The product is sold through a direct sales force or via certain franchisees with active account management to encourage existing clients to order new vehicles for their fleet with the Originator.

The Originator's credit risk policy contains the internal guidelines in respect of the acceptance of clients and suppliers. The Originator's credit risk policy is set by the local credit committee. All finalised credit proposals are summarised in a monthly report.

The credit proposals are initiated by either the Originator's sales department, an intermediary of the network or occasionally the credit department.

For Lease Agreements entered into with corporate and public sector entities when a credit proposal has been finalised, it will be sent to the Originator's credit department, which will prepare a risk evaluation and subsequently a recommendation. The risk evaluation includes the following:

- (a) the exposure (number of vehicles, amount);

- (b) the maximum risk involved;
- (c) the key ratios of the company;
- (d) the payment behaviour (existing clients only);
- (e) examination of LeasePlan's credit watch list;
- (f) the DBRS, Fitch, S&P or or Moody's ratings, if applicable; and
- (g) the Originator rating, being the Group's internally developed rating model that is used to assess creditworthiness of corporate and public sector clients and predict a client's probability of default.

Depending on the exposure, the proposal will be approved or declined by two to three members of the Originator's corporate credit risk team and/or local credit committee. Should the requested exposure exceed the number of vehicles of 250 or the average investment of a vehicle fleet of £7.5 million, the proposal also has to be approved or declined by the Originator's ultimate parent, LPC. All limits of the approved proposals are registered in the lease administration system and a copy of the final decision is filed in the archive of the Global Credit Risk Management System ("GCRMS").

In certain cases, an additional security (such as a guarantee – either bank or parent guarantee or deposit, a down payment or a letter of comfort) will be required. When all necessary approvals and requirements are received, a contract will be prepared pursuant to which further new vehicles can be ordered under the prevailing Master Agreement.

In 2014 the LeasePlan Group implemented the latest LeasePlan rating system, which replaced the former LeasePlan system.

The LeasePlan rating methodology assigns a rating to clients on a scale from 1 to 7. To add more granularity clients in rating classes 2 to 7 are additionally assigned rating modifiers A, B or C. Internal rating classes 7A to 7C are defined as a defaulted company and rating 1 is defined a prime client with low credit risk.

Small and medium enterprise ("SME") and retail Lease Agreements are proposed via NeMO, a proposal management system, and evaluated through CERNO, which is an automated scorecard system that has been reviewed and approved for use by LPC. This system checks that the business of an applicant is not prohibited by LPUK policies, all compliance requirements are met and that the applicant is not on any credit watch lists. CERNO verifies the supplied data through a credit bureau check and returns all bureau information for assessment. CERNO also checks the payment performance of the relevant existing Lessees under the Lease Agreements.

For SME and retail Lease Agreements entered into with an SME, a credit proposal will be generated by the Originator using NeMO. NeMO will pass the application data to CERNO which will prepare a risk evaluation and subsequently a recommendation and/or decision. CERNO will set a policy decision based upon the policy rules held. The scorecard initial decision and policy decision are combined for a final decision.

The assessment and risk evaluation will assess the application through one of six scorecards. The scorecard used is determined by the entity type (incorporated, unincorporated or consumer) and some of the attributes of that customer (accounts filed, no accounts filed and level of personal indebtedness).

The risk evaluation includes:

- the exposure (number of vehicles, amount);
- the maximum risk involved;
- the key financial data of the company (if the applicant is incorporated);

- the key personal credit information. This information is derived from credit bureaus and will include credit searches, live and settled credit facilities, payment performance with other funders, balance of active credit facilities, electoral role information and public registered information;
- the payment behaviour under Lease Agreements (existing clients only);
- examination of LeasePlan's credit watch list; and
- the Originator rating, being the Originator's internally developed rating model that is used to assess creditworthiness of retail and SME Lessees and predict a client's probability of default.

The LeasePlan rating methodology for SME and retail clients assigns a score to these clients. The score determines the probability of default for each client.

If an applicant fails to meet all criteria (including a scorecard exposure ceiling), then CERNO either declines the Lease or refers the decision-making to the underwriting team. Referred applications will follow the scorecard recommendation if the underwriting team member (subject to the appropriate discretions) agrees the decision; however, two underwriters are required to agree a decision if the scorecard recommendation is overturned.

Where the application value is greater than EUR1 million (or its equivalent), the application must be scored using the corporate rating model in addition to the SME scorecard and manual assessment. All final decisions are user, time and date stamped in NeMO. Additional information pertinent to the credit decision is filed in the archive of the CERNO credit system and in the archive of GCRMS as applicable.

In certain cases, an additional security (such as a guarantee – either personal or parent guarantee or an enhanced deposit) will be required. These will be received and checked prior to pay out or setting any objects live. On all non-limited approvals, additional Know Your Customer (KYC) checks are carried out to verify the applicant. When all necessary approvals and requirements are received, a contract will be prepared, always one contract per vehicle.

The assessment of a lessee's creditworthiness is conducted in accordance with LPUK's credit policy and, where appropriate, shall meet the requirements set out in article 8 of Directive 2008/48/EC or, where applicable, equivalent requirements in third countries.

Please refer to the section entitled "LeasePlan UK Limited – General" for more details.

5.2 Collections

Collection of Lease Receivables by LPUK

All collection activity is configured and supported in LPUK's 'Tallyman' collection tool. The application is a rules based engine and is configured to manage collections activity and workflow.

Tallyman holds all accounts in the LPUK customer portfolio.

Collection of arrears – corporate customers

LPUK's in-house collection department works in partnership with the commercial and account management teams when dealing with corporate customer collections. The collections management team proactively makes calls to customers to deal with any queries and also to ascertain the value of the next payment.

The collections and commercial teams meet on a (at least) monthly basis in order to discuss and resolve any issues which may arise and further monthly meetings are held with the relevant departments/management to discuss and review any overdue debts. Members of both teams can

also combine for a customer site visit to resolve a specific issue, reconcile transactions and agree on the settlement of overdue debt.

Corporate and public sector clients are defaulted (subject to any local judgement rules) if the Servicer has determined that there is no reasonable chance that the client is able to pay and that the outstanding amounts will be collected.

Where LPUK receives verifiable notification that a customer or relevant legal entity has entered the insolvency process, default termination takes place as soon as possible.

Early Collections Arrears – SME/Retail Lessees

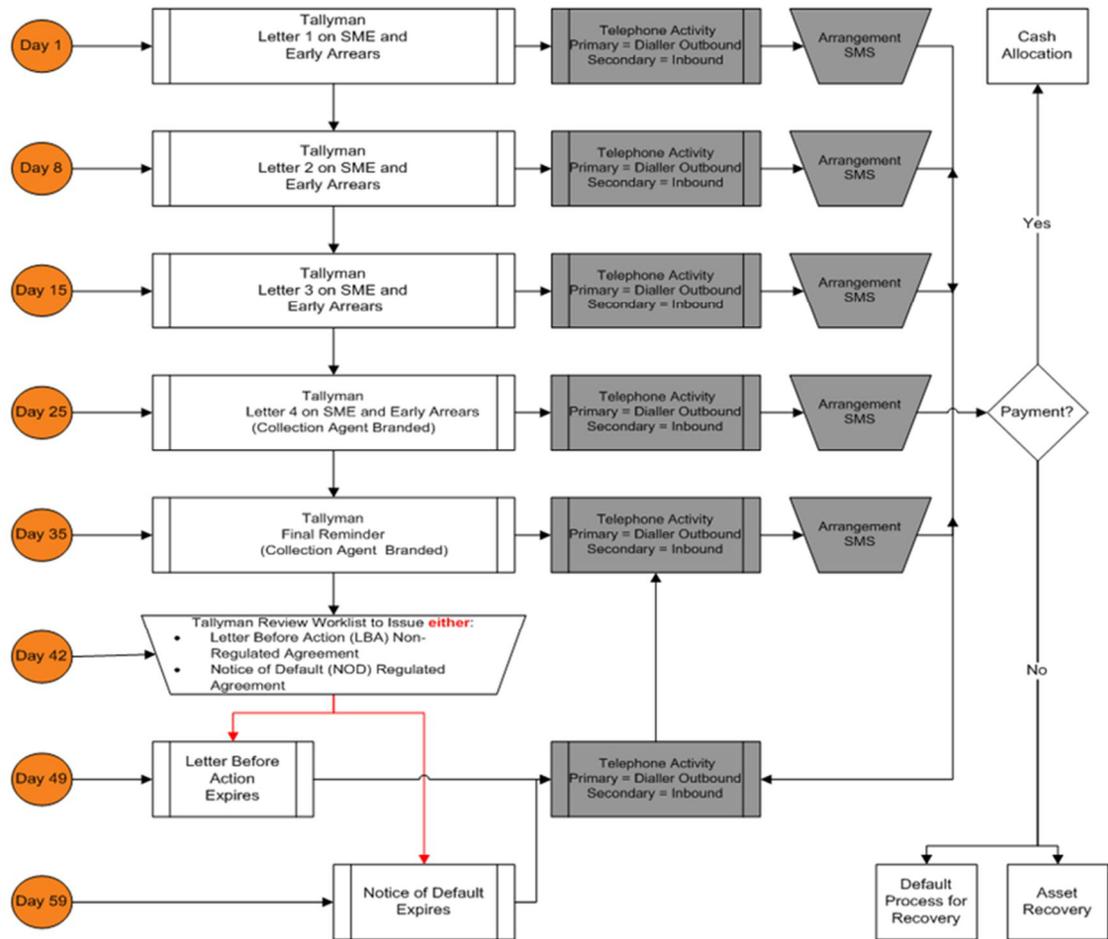
SME and retail collections are outsourced by LPUK to an outsourcing partner ("**Collection Agent**"). Currently LPUK uses the Collection Agent Bluestone Credit Management (formerly Close Credit Management) ("**BCM**"). A supply of services agreement exists between LPUK and BCM. This relationship has existed for over ten years. A general indication of the scope of services includes management of the collections activity cycle and the default process for recovery related to the lease agreements. Mature process activities include early collections, payment processing, dunning support, cash allocation as well as termination strategies. The scope also includes customer service management comprising, amongst other activities, query resolution, complaints handling and direct debit conversions.

An in-house LPUK collection support team operates as compliance and process controls function and provides governance of the Collection Agent's performance and other aspects of contractual delivery. Governance methodology is applied to achieve targets and manage the Collection Agent through a structured package of site visits, process audit, key performance indicators and regular operational and performance review meetings.

Pricing of the supply of services agreement is structured as a combination of contingency fee and performance related bonus to positively encourage the Collection Agent's regular achievement of target performance.

The LPUK Collection Agent is a user of Tallyman. The application is configured to drive the most efficient strategies for the collection of all invoices which are outstanding at the close of business on the previous day. Any accounts flagged for direct debit collection are not included in these strategies until a direct debit claim fails and so qualifies for a given outbound collection strategy. In order to establish contact with every customer with an outstanding invoice as soon as possible, dunning letters are sent requesting repayment of the arrears and these are followed up by phone calls.

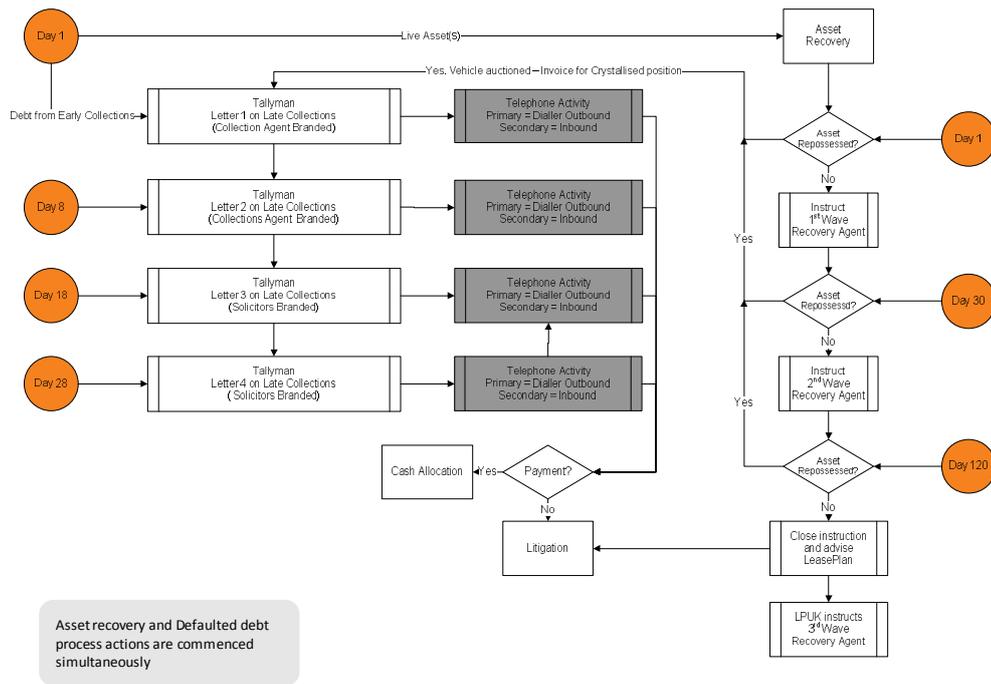
Detail of a typical strategy is provided in the figure below.



Default and recovery process – SME/Retail Lessees

Where the collection of arrears activities detailed above are unsuccessful a default termination letter, either a Letter Before Action or a Notice of Default, is issued advising the customer that they are in default of the contract and the whole balance of the contract is immediately due and payable. A Notice of Sums In Arrears letter is a regulatory requirement, which LPUK sends prior to any Notice of Default being issued or escalated through to termination and asset recovery.

Following the sending of such letters both asset recovery and arrears recovery actions are taken in parallel by LPUK. The parallel collection strategies are detailed in the figure below.



The timely recovery of defaulted assets is achieved by way of a three-wave strategy. The three distinct strategies reflect the various levels of difficulty that might exist to achieve a successful recovery of the asset. Wave 1 and wave 2 are managed by the LPUK Recoveries Team using an automated approach through Tallyman i.e. Tallyman sends all repossession instructions via secure file transfer and received automated updates back via secure file transfer. Wave 3 asset recovery is managed in-house by LPUK and reflects the need to provide a specialist service for any specific asset that has evaded prior collection. Where qualifying criteria are met the team can action a wave 3 recovery request through a strict compliance process to place the asset on the UK's Police National Computer.

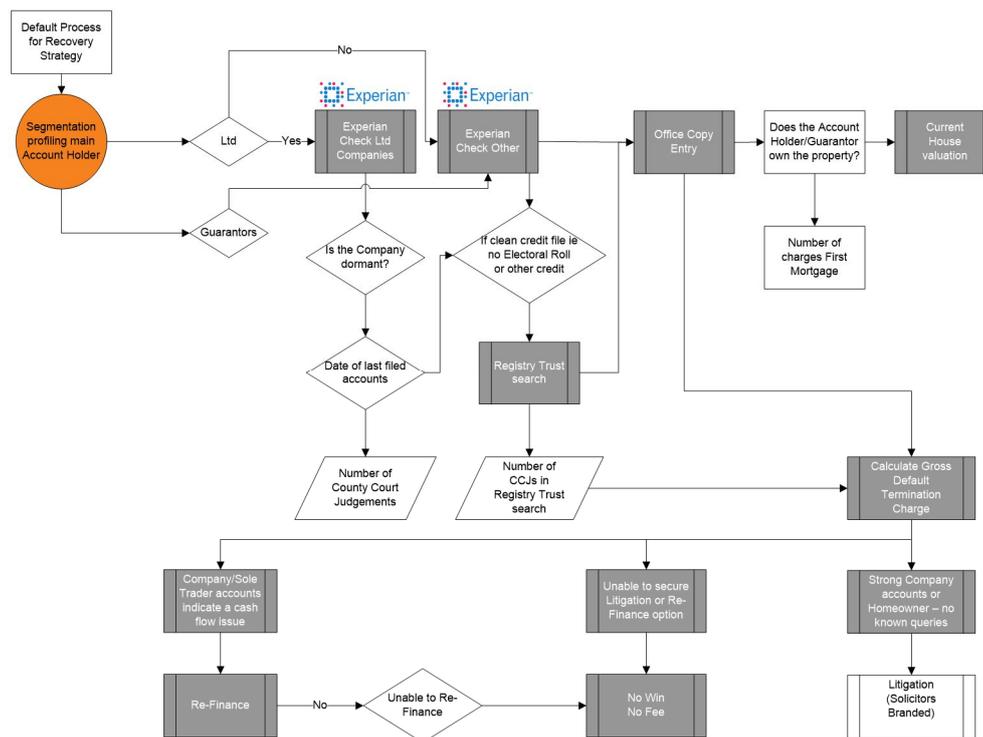
The LPUK in-house collection support and governance team works in partnership with the Collection Agent to recover the assets through a network of independently contracted recovery agents.

Recovered assets are sold at auction and the customer is invoiced with the subsequent value of shortfall debt and is then subject to late collection activity for the settlement of the total overdue debt.

All customers to whom default termination letters have been issued are tagged as a default on the Tallyman system. For SME and retail lessees a file extract is sent on a monthly basis to Experian, a UK credit reference agency. This information is registered on the customer's respective credit files with the credit reference agency.

Where LPUK receives verifiable notification that an individual customer or legal entity has entered the insolvency process, default termination procedures takes place as soon as possible.

The table below provides indication of the rules based recovery and litigation process that exists to ensure further integrity in the default process for recovery and LPUK's requirement to return greatest value from a range of debt recovery tools services and process.



LPUK writes off accounts upon the completion of all collection and recovery policies and procedures. The correct authorisation procedure must be followed before any write-offs can occur. Once authorised the outstanding account balance is reduced to zero. Any amounts received after any write-offs are credited back to the account as they arise.

5.3 Residual Value Realisation

Upon the termination of a Lease Agreement, the Lessee must notify the Originator's collection agent when and where the Vehicle will be available for collection. When the Originator's collection agent takes possession of the Vehicle it must be in a safe condition and in good and substantial repair (fair wear and tear are taken into account based upon the relevant Vehicle's age and mileage ("**Fair Wear and Tear**"). The Vehicle will be inspected or appraised by the Originator's collection agent at the time of collection and a vehicle collection inspection or appraisal report will be completed by the collection agent. The Lessee will be required to agree and sign the vehicle collection inspection report. The Vehicle will then be taken to one of the Originator's de-fleet centres where the vehicle will undergo an in-depth inspection completed by an independent inspection agent.

The Lessee will pay the Originator a sum which equals in aggregate the costs of repair or any loss or damage to the Vehicle which in the independent inspection agent's opinion is in excess of Fair Wear and Tear. The Originator will generally waive costs less than £150 but amounts above £150 are charged in full unless there is a specific exception in the Lease Agreement or the damage is not documented on the original collection report.

If the Originator decides for any reason not to undertake any such repair or replacement, the Originator shall be entitled to claim from the Lessee a sum equivalent to the estimated cost of such repair or replacement.

As of 1st January 2021 LPUK have entered an exclusive outsourced remarketing arrangement with a long-term partner.

Whilst the opportunity to sell vehicles on a B2C basis (to drivers or their associates) remains and continues to be developed, any vehicles returned at end of contract will be processed by our partner. All but specific and limited exceptions will be covered by this arrangement which dictates a predetermined sale calculation for each vehicle.

This mechanism provides several benefits to LPUK, when measured as an average over a full year period.

- Improved and guaranteed days to payment
- Improved value generated from vehicle sale (formula considered previous performance)
- Reduced administrative/operational costs
- Simplified processes and reduced supplier arrangements
- Reduced effect from volatility within marketplace

In addition a small percentage of vehicles are sold directly to the customer or driver at the end of lease. This is the most effective method of resale as there are no transport costs, stocking costs or selling fees and the customer or driver in general is prepared to pay a better price than standard trade buyers via auction.

5.4 **Recalculation**

Recalculations of the monthly lease instalment and residual value can be performed for Operating Lease Agreements and the Lease Purchase Lease Agreements where the standard terms include a provision allowing for this process. The object is to align the vehicle usage estimated at the beginning of the Lease Agreement with the actual usage of the Vehicle. LPUK may compare the actual mileage of the Vehicle with the annual mileage on the original Vehicle Schedule. If the actual mileage exceeds or is less than the pro rata annual mileage by 10% or more, the Originator may, at intervals of no less than six months, recalculate the rental price based on the actual mileage.

Where the relevant Lessee requests that the term of the relevant Vehicle Schedule is changed and the Originator agrees, the Originator shall recalculate the rental price as described above.

Any over- or under-payment of the rental price as at the date of the recalculation arising from that recalculation shall be credited to the Lessee by the Originator or paid by the Lessee to the Originator on demand.

The Originator will provide notice to the Lessee in writing in the form of a schedule update detailing any such recalculation. The schedule update will supersede any previous Vehicle Schedule or schedule update.

The Originator may choose to consider any request from a Lessee to recalculate the relevant rental price on its merits where the relevant Lease Agreement does not include a contractual term dealing with recalculations.

5.5 **Extension of Lease Agreements**

Some Lease Agreement types approaching the end of their contracted life can either be terminated or, at the request of the Lessee and with the approval of the Originator, extended. Contract extensions take place in two forms, contracted extensions and silent extensions.

Near the end of the relevant Lease Agreement, the Originator will notify the relevant Lessee. The Lessee must notify the Originator with a date and location as to when and where the Vehicle can be collected.

If a Lessee requests to extend its current leasing contract for a certain period, the Originator will review whether it is economically viable to extend the relevant Lease Agreement. If an extension is acceptable to the Originator the relevant Lease Agreement will be amended to adjust the rental price and to take into account the recalculated residual value and service maintenance and repair value.

A Lease Agreement may also be extended through a silent extension whereby a Lessee fails to notify the Originator of the location and time for the collection of the Vehicle or the Lessee indicates that it wants to continue using the Vehicle for a short period of time. In these situations, the relevant Lease Agreement will continue at the same rental price. LPUK may decide at any time to terminate the Lease Agreement that is at or past its contracted maturity date, for example, where extensive maintenance is required on the Leased Vehicle.

6. **POOL SIZE AND CHARACTERISTICS**

The following tables set out the Aggregate Discounted Balance based on the payments (Lease Interest Component and Lease Principal Component and the Final Balloon Payments & Estimated Residual Value (although it should be noted that the value attributed to the column "Residual Value" in the following tables excludes, in respect of Finance Lease Agreements only, any final payments due at the end of the term of the relevant Finance Lease Agreement)) under all Lease Agreements and Vehicles which, as at the date of this Prospectus, are included in the Initial Portfolio on the Initial Cut-Off Date as well as the total number of such Lease Agreements and relating Vehicles together with information as to their distribution (by Lessees) across various industries, geographic location, legal form and concentration together with other characteristics. The Lease Agreements and the relevant Vehicles used for the purposes of the tables below were selected on the Initial Cut-Off Date and based on information available as of such date. The information contained in these tables has not been updated to reflect the composition of the pool on the Closing Date.

Furthermore, it should be noted that a discount rate of 5 per cent per annum was used for the calculation of the Aggregate Discounted Balance as of the Initial Cut-Off Date. The scheduled payment amounts are calculated on the basis of cash flows under the Lease Agreements and the relevant Estimated Residual Value and Final Balloon Payments occurring after, and being discounted to, the relevant Cut-Off Date.

After the Closing Date, the characteristics of the pool of Lease Agreements may change as a result of the acquisition of Additional Portfolios during the Revolving Period, Lease Agreements becoming Defaulted Lease Agreements or as a result of a prepayment of Lease Receivables or the payment of amounts due under lease agreements.

KEY PORTFOLIO CHARACTERISTICS

PRODUCT

Product Type	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	Discounted Balance Residual Values	Discounted Balance Balloon Payments
Operating lease	27,134	79.72%	458,027,916	83.28%	212,839,827	245,188,090	0
Finance lease	6,203	18.22%	81,792,860	14.87%	45,783,852	0	36,009,009
Contract purchase	451	1.33%	7,157,876	1.30%	3,320,757	2,310,639	1,526,480
Lease purchase	248	0.73%	3,019,796	0.55%	2,262,257	0	757,539
Total	34,036	100.00%	549,998,448	100.00%	264,206,692	247,498,729	38,293,028

BUSINESS SECTOR

Business Sector	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	Discounted Balance Residual Values	Discounted Balance Balloon Payments
SME/Retail	23,785	69.88%	376,954,505	68.54%	169,550,454	172,372,196	35,031,855
Corporate	9,925	29.16%	166,922,269	30.35%	89,806,810	73,873,763	3,241,696
Public Sector	326	0.96%	6,121,674	1.11%	4,849,428	1,252,769	19,477
Total	34,036	100.00%	549,998,448	100.00%	264,206,692	247,498,729	38,293,028

VEHICLE TYPE

Vehicle Type	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	Discounted Balance Residual Values	Discounted Balance Balloon Payments
Car	17,627	51.79%	329,530,670	59.91%	146,142,973	179,393,349	3,994,348
Light Commercial Vehicle (LCV)	16,378	48.12%	219,899,331	39.98%	117,739,047	67,888,524	34,271,761
Heavy Goods Vehicle (HGV)	31	0.09%	568,447	0.10%	324,672	216,856	26,919
Total	34,036	100.00%	549,998,448	100.00%	264,206,692	247,498,729	38,293,028

VEHICLE MAKE - TOP 10

Vehicle Make - Top 10	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	Discounted Balance Residual Values	Discounted Balance Balloon Payments
FORD	8,445	24.81%	112,538,641	20.46%	53,611,687	38,366,155	20,560,799
MERCEDES-BENZ	3,339	9.81%	67,868,800	12.34%	34,471,192	31,003,440	2,394,167
Tesla	1,308	3.84%	45,453,558	8.26%	20,452,235	24,346,663	654,661
BMW	1,907	5.60%	38,559,137	7.01%	18,351,779	20,034,934	172,424
VOLKSWAGEN	2,513	7.38%	36,782,568	6.69%	17,825,751	16,797,013	2,159,803
PEUGEOT	2,332	6.85%	27,841,666	5.06%	13,591,920	12,271,960	1,977,786
VAUXHALL	2,426	7.13%	26,863,800	4.88%	13,199,029	11,222,811	2,441,959
CITROEN	2,340	6.88%	24,168,802	4.39%	13,272,201	8,262,008	2,634,593
LAND ROVER	673	1.98%	22,062,480	4.01%	9,303,073	11,911,553	847,854
AUDI	1,013	2.98%	21,403,834	3.89%	9,383,876	11,700,626	319,332
Total	26,296	77.26%	423,543,286	77.01%	203,462,743	185,917,164	34,163,379

LIST PRICE

List Price (>= - <)	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	Discounted Balance Residual Values	Discounted Balance Balloon Payments
0-10,000	71	0.21%	394,088	0.07%	158,920	218,237	16,931
10,000-20,000	6,380	18.74%	60,539,415	11.01%	28,427,094	28,908,166	3,204,155
20,000-30,000	18,554	54.51%	263,274,933	47.87%	122,760,447	114,469,401	26,045,084
30,000-40,000	6,529	19.18%	135,241,240	24.59%	70,377,103	58,076,843	6,787,294
40,000-50,000	1,829	5.37%	59,700,803	10.85%	25,956,974	32,940,007	803,822
>=50,000	673	1.98%	30,847,971	5.61%	16,526,155	12,886,075	1,435,741
Total	34,036	100.00%	549,998,448	100.00%	264,206,692	247,498,729	38,293,028

DISCOUNTED BALANCE - LEASE BY LEASE

Discounted Balance - Lease by Lease (>= - <)	Number of Lease	% of Lease Agreements	Discounted Balance	% of Discounted	Discounted Balance	Discounted Balance	Discounted Balance
---	------------------------	------------------------------	---------------------------	------------------------	---------------------------	---------------------------	---------------------------

	Agreements		Balance	Lease Receivables	Residual Values	Balloon Payments
0-5,000	724	2.13%	2,486,904	0.45%	1,466,492	461,108
5,000-10,000	6,506	19.12%	53,803,664	9.78%	21,142,210	11,764,745
10,000-15,000	10,478	30.79%	131,525,530	23.91%	59,781,681	11,346,349
15,000-20,000	8,634	25.37%	149,261,669	27.14%	73,732,781	7,601,722
20,000-25,000	4,008	11.78%	88,646,892	16.12%	47,185,701	3,775,568
25,000-30,000	1,426	4.19%	38,614,432	7.02%	19,274,376	992,591
30,000-35,000	1,037	3.05%	33,772,867	6.14%	15,257,661	459,127
35,000-40,000	723	2.12%	26,734,887	4.86%	14,233,323	698,211
>=40,000	500	1.47%	25,151,604	4.57%	12,132,468	1,193,605
Total	34,036	100.00%	549,998,448	100.00%	264,206,692	247,498,729

INTEREST RATE

Interest Rate	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	Discounted Balance Residual Values	Discounted Balance Balloon Payments
0%-1%	49	0.14%	1,164,364	0.21%	460,504	703,860	0
1%-2%	293	0.86%	4,995,868	0.91%	2,412,436	2,583,432	0
2%-3%	2,227	6.54%	39,855,905	7.25%	23,324,024	15,501,780	1,030,101
3%-4%	7,440	21.86%	126,418,458	22.99%	68,299,180	56,704,927	1,414,351
4%-5%	5,495	16.14%	100,855,834	18.34%	44,548,569	55,231,486	1,075,780
5%-6%	6,093	17.90%	102,583,830	18.65%	43,254,529	54,692,104	4,637,197
6%-7%	5,255	15.44%	79,098,862	14.38%	35,522,711	32,404,922	11,171,229
7%-8%	3,482	10.23%	47,497,767	8.64%	22,201,456	15,087,742	10,208,569
8%-9%	1,782	5.24%	22,436,160	4.08%	10,931,595	6,708,688	4,795,877
9%-10%	825	2.42%	10,280,402	1.87%	4,998,719	3,430,313	1,851,370
>=10%	1,095	3.22%	14,810,998	2.69%	8,252,969	4,449,475	2,108,555
Total	34,036	100.00%	549,998,448	100.00%	264,206,692	247,498,729	38,293,028

ORIGINAL TERM

Original Term	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease	Discounted Balance Residual	Discounted Balance Balloon
---------------	----------------------------------	--------------------------	-----------------------	-------------------------------	--------------------------------	-----------------------------------	----------------------------------

					Receivables	Values	Payments
12-24	26	0.08%	156,462	0.03%	87,131	69,331	0
24-36	479	1.41%	7,493,083	1.36%	3,097,341	4,239,876	155,867
36-48	12,847	37.75%	228,617,731	41.57%	94,204,412	130,922,106	3,491,213
48-60	13,682	40.20%	217,893,585	39.62%	109,178,233	97,469,010	11,246,342
>=60	7,002	20.57%	95,837,587	17.43%	57,639,575	14,798,406	23,399,606
Total	34,036	100.00%	549,998,448	100.00%	264,206,692	247,498,729	38,293,028

REMAINING TERM

Remaining Term	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	Discounted Balance Residual Values	Discounted Balance Balloon Payments
0-12	2,204	6.48%	16,846,732	3.06%	3,878,715	3,979,847	8,988,170
12-24	9,393	27.60%	128,609,662	23.38%	49,802,702	70,117,705	8,689,255
24-36	13,793	40.52%	240,100,049	43.65%	107,931,753	125,999,341	6,168,955
36-48	6,400	18.80%	118,294,418	21.51%	67,730,760	43,845,549	6,718,109
48-60	2,165	6.36%	44,592,618	8.11%	33,519,813	3,344,267	7,728,538
>=60	81	0.24%	1,554,970	0.28%	1,342,950	212,020	0
Total	34,036	100.00%	549,998,448	100.00%	264,206,692	247,498,729	38,293,028

SEASONING

Seasoning	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	Discounted Balance Residual Values	Discounted Balance Balloon Payments
0-12	14,833	43.58%	288,935,391	52.53%	151,864,903	122,837,437	14,233,051
12-24	12,768	37.51%	200,463,472	36.45%	90,131,365	104,776,176	5,555,931
24-36	2,181	6.41%	24,561,604	4.47%	10,162,497	11,293,397	3,105,711
36-48	3,315	9.74%	29,310,601	5.33%	10,600,527	7,788,174	10,921,901
48-60	938	2.76%	6,723,317	1.22%	1,444,230	802,652	4,476,435
>=60	1	0.00%	4,063	0.00%	3,170	893	0
Total	34,036	100.00%	549,998,448	100.00%	264,206,692	247,498,729	38,293,028

GEOGRAPHIC REGION

Geographic Region	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	Discounted Balance Residual Values	Discounted Balance Balloon Payments
SOUTH EAST	9,379	27.56%	143,349,879	26.06%	67,955,148	63,437,798	11,956,933
NORTH WEST	4,666	13.71%	76,469,033	13.90%	37,235,059	35,581,836	3,652,139
WEST MIDLANDS	4,239	12.45%	75,295,027	13.69%	37,390,696	35,018,339	2,885,993
SOUTH WEST	4,190	12.31%	63,781,996	11.60%	31,189,442	26,653,707	5,938,847
LONDON	3,533	10.38%	59,249,805	10.77%	29,328,013	26,260,986	3,660,806
EAST MIDLANDS	2,700	7.93%	42,942,230	7.81%	20,570,091	19,192,033	3,180,106
YORKSHIRE & HUMBERSIDE	2,646	7.77%	42,663,164	7.76%	20,199,127	19,002,748	3,461,288
NORTH EAST	1,208	3.55%	23,084,527	4.20%	9,653,721	12,152,759	1,278,046
WALES	1,019	2.99%	16,153,976	2.94%	7,534,364	6,951,677	1,667,935
EAST ANGLIA	456	1.34%	7,008,812	1.27%	3,151,031	3,246,846	610,935
Total	34,036	100.00%	549,998,448	100.00%	264,206,692	247,498,729	38,293,028

CONTRACT START YEAR

Contract Start Year	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	Discounted Balance Residual Values	Discounted Balance Balloon Payments
2015	1	0.00%	4,063	0.00%	3,170	893	0
2016	852	2.50%	6,033,178	1.10%	1,255,187	730,631	4,047,361
2017	3,144	9.24%	27,540,080	5.01%	9,837,215	7,022,892	10,679,973
2018	2,135	6.27%	23,034,023	4.19%	9,358,486	10,222,461	3,453,075
2019	11,994	35.24%	185,697,117	33.76%	82,993,188	96,998,510	5,705,420
2020	15,726	46.20%	303,899,471	55.25%	158,081,550	132,342,871	13,475,050
2021	184	0.54%	3,790,516	0.69%	2,677,895	180,471	932,149
Total	34,036	100.00%	549,998,448	100.00%	264,206,692	247,498,729	38,293,028

CONTRACT END YEAR

Contract End Year	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease	Discounted Balance Residual	Discounted Balance Balloon
--------------------------	-----------------------------------	------------------------------	---------------------------	--------------------------------	---------------------------------	------------------------------------	-----------------------------------

					Receivables	Values	Payments
2021	1,901	5.59%	14,034,271	2.55%	3,063,216	2,722,742	8,248,313
2022	8,795	25.84%	117,348,509	21.34%	44,708,404	63,735,850	8,904,254
2023	14,163	41.61%	245,146,513	44.57%	109,068,517	129,859,922	6,218,074
2024	6,823	20.05%	125,242,577	22.77%	71,075,127	47,312,935	6,854,514
2025	2,148	6.31%	44,027,922	8.01%	32,974,627	3,519,518	7,533,777
2026	199	0.58%	4,033,905	0.73%	3,177,423	322,387	534,095
2027	7	0.02%	164,751	0.03%	139,377	25,374	0
Total	34,036	100.00%	549,998,448	100.00%	264,206,692	247,498,729	38,293,028

INDUSTRIAL SECTOR

Industrial Sector (NACE Rev. 2)	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	Discounted Balance Residual Values	Discounted Balance Balloon Payments
A AGRICULTURE FORESTRY AND FISHING	664	1.95%	12,793,718	2.33%	8,295,139	3,972,372	526,207
B MINING AND QUARRYING	207	0.61%	4,576,329	0.83%	2,614,384	1,941,108	20,836
C MANUFACTURING	4,160	12.22%	71,246,660	12.95%	35,996,199	33,174,068	2,076,392
D ELECTRICITY GAS STEAM AND AIR CONDITIONING SUPPLY	806	2.37%	14,916,041	2.71%	6,110,965	8,744,919	60,157
E WATER SUPPLY SEWERAGE WASTE MANAGEMENT AND REMEDIA	76	0.22%	1,281,502	0.23%	723,927	551,046	6,530
F CONSTRUCTION	8,091	23.77%	109,985,100	20.00%	52,652,605	33,291,038	24,041,458
G WHOLESALE AND RETAIL TRADE REPAIR OF MOTOR VEHICLES	3,119	9.16%	55,194,381	10.04%	27,896,712	25,216,016	2,081,652
H TRANSPORTATION AND STORAGE	852	2.50%	17,070,208	3.10%	11,861,820	3,403,839	1,804,550
I ACCOMMODATION AND FOOD SERVICE ACTIVITIES	207	0.61%	3,428,427	0.62%	1,530,817	1,588,168	309,442
J INFORMATION AND COMMUNICATION	4,114	12.09%	65,509,381	11.91%	31,689,301	30,159,354	3,660,726
K FINANCIAL AND INSURANCE ACTIVITIES	481	1.41%	9,441,485	1.72%	4,327,490	4,892,875	221,119
L REAL ESTATE ACTIVITIES	451	1.33%	7,562,747	1.38%	3,225,630	3,944,675	392,442
M PROFESSIONAL SCIENTIFIC AND TECHNICAL ACTIVITIES	736	2.16%	13,517,220	2.46%	6,187,525	6,645,714	683,982
N ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	1,356	3.98%	20,144,047	3.66%	10,118,186	9,233,565	792,296
O PUBLIC ADMINISTRATION AND DEFENCE COMPULSORY SOCIAL	348	1.02%	6,422,032	1.17%	4,988,401	1,408,307	25,324

P EDUCATION	950	2.79%	14,327,201	2.60%	7,378,958	5,895,371	1,052,872
Q HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	891	2.62%	18,156,333	3.30%	6,964,870	10,947,392	244,071
R ARTS ENTERTAINMENT AND RECREATION	21	0.06%	414,352	0.08%	184,735	191,307	38,309
S OTHER SERVICE ACTIVITIES	182	0.53%	2,775,134	0.50%	1,242,995	1,277,476	254,662
T ACTIVITIES OF HOUSEHOLDS AS EMPLOYERS UNDIFFERENTIA	6,324	18.58%	101,236,151	18.41%	40,216,032	61,020,119	0
Total	34,036	100.00%	549,998,448	100.00%	264,206,692	247,498,729	38,293,028

EXPECTED RESIDUAL VALUE (NOMINAL)

Expected Residual Value (Nominal) (>= - <)	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	Discounted Balance Residual Values	Discounted Balance Balloon Payments
0-2,500	6,896	20.26%	89,272,478	16.23%	50,460,887	518,563	38,293,028
2,500-5,000	2,355	6.92%	24,265,600	4.41%	15,714,168	8,551,432	0
5,000-7,500	6,900	20.27%	82,201,957	14.95%	43,394,863	38,807,094	0
7,500-10,000	6,724	19.76%	97,830,593	17.79%	46,300,003	51,530,590	0
10,000-12,500	4,600	13.52%	80,643,641	14.66%	35,447,326	45,196,315	0
12,500-15,000	2,786	8.19%	57,189,736	10.40%	23,765,378	33,424,358	0
15,000-17,500	1,322	3.88%	32,724,297	5.95%	13,843,130	18,881,167	0
17,500-20,000	714	2.10%	20,270,357	3.69%	8,538,587	11,731,769	0
>=20000	1,739	5.11%	65,599,791	11.93%	26,742,350	38,857,441	0
Total	34,036	100.00%	549,998,448	100.00%	264,206,692	247,498,729	38,293,028

EXPECTED RESIDUAL VALUE (DISCOUNTED)

Expected Residual Value (Discounted) (>= - <)	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	Discounted Balance Residual Values	Discounted Balance Balloon Payments
0-2,500	7,023	20.63%	91,018,853	16.55%	51,914,642	811,182	38,293,028
2,500-5,000	3,749	11.01%	41,007,495	7.46%	25,633,594	15,373,900	0
5,000-7,500	8,342	24.51%	105,561,980	19.19%	53,147,894	52,414,086	0
7,500-10,000	6,480	19.04%	103,213,510	18.77%	47,016,973	56,196,536	0
10,000-12,500	3,944	11.59%	75,388,016	13.71%	31,523,237	43,864,779	0

12,500-15,000	1,853	5.44%	43,319,218	7.88%	18,019,984	25,299,234	0
15,000-17,500	872	2.56%	24,303,380	4.42%	10,261,155	14,042,225	0
17,500-20,000	647	1.90%	20,918,251	3.80%	8,799,619	12,118,632	0
>=20000	1,126	3.31%	45,267,746	8.23%	17,889,593	27,378,153	0
Total	34,036	100.00%	549,998,448	100.00%	264,206,692	247,498,729	38,293,028

LEASE INSTALMENTS, DEPRECIATION AND INTEREST

Lease Instalments, Depreciation and Interest (>= - <)	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	Discounted Balance Residual Values	Discounted Balance Balloon Payments
0-250	15,677	46.06%	182,476,279	33.18%	79,072,053	80,344,667	23,059,559
250-500	14,719	43.25%	261,685,012	47.58%	129,961,425	118,958,900	12,764,687
500-750	2,399	7.05%	71,242,528	12.95%	37,831,003	31,718,059	1,693,466
750-1,000	294	0.86%	10,803,997	1.96%	5,835,790	4,493,817	474,390
1,000-1,250	91	0.27%	4,895,567	0.89%	2,592,115	2,059,122	244,330
1,250-1,500	48	0.14%	1,707,651	0.31%	944,993	735,332	27,325
>=1500	808	2.37%	17,187,416	3.12%	7,969,313	9,188,831	29,272
Total	34,036	100.00%	549,998,448	100.00%	264,206,692	247,498,729	38,293,028

LP INTERNAL RATING (EXCLUDING SME/RETAIL)

LP Internal Rating (excluding SME/RETAIL)	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	Discounted Balance Residual Values	Discounted Balance Balloon Payments
1-Prime	968	2.84%	18,004,899	3.27%	11,934,797	6,070,102	0
2A-Very strong	930	2.73%	17,061,572	3.10%	11,058,143	6,003,429	0
2B-Strong	1,509	4.43%	29,115,595	5.29%	18,353,543	9,212,723	1,549,329
2C-Relatively strong	2,577	7.57%	37,919,922	6.89%	18,488,466	17,786,162	1,645,294
3A-Very acceptable	1,493	4.39%	31,194,870	5.67%	14,978,854	16,216,016	0
3B-Acceptable	844	2.48%	12,837,540	2.33%	6,550,545	6,286,995	0
3C-Relatively acceptable	1,500	4.41%	20,550,281	3.74%	10,255,909	10,294,372	0
4A-Very sufficient	277	0.81%	4,039,770	0.73%	1,866,406	2,173,364	0
4B-Sufficient	65	0.19%	856,601	0.16%	357,717	498,884	0
4C-Relatively sufficient	30	0.09%	289,277	0.05%	137,701	151,576	0

NR-No Rating	58	0.17%	1,173,617	0.21%	674,159	432,908	66,550
Total	10,251	30.12%	173,043,944	31.46%	94,656,238	75,126,532	3,261,173

FUEL TYPE

Fuel type	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	Discounted Balance Residual Values	Discounted Balance Balloon Payments
Diesel	20,933	61.50%	294,349,035	53.52%	149,080,714	109,548,994	35,719,327
EV	2,183	6.41%	71,438,219	12.99%	34,605,484	35,309,553	1,523,182
Hybrid	3,904	11.47%	84,483,836	15.36%	39,192,748	44,819,295	471,793
Petrol	7,016	20.61%	99,727,358	18.13%	41,327,747	57,820,886	578,725
Total	34,036	100.00%	549,998,448	100.00%	264,206,692	247,498,729	38,293,028

EU NORM

Eu norm	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	Discounted Balance Residual Values	Discounted Balance Balloon Payments
EU5	777	2.28%	4,450,642	0.81%	1,892,884	508,644	2,049,115
EU6	31,074	91.30%	472,559,474	85.92%	227,242,126	210,476,212	34,841,137
Not applicable	2,185	6.42%	72,988,332	13.27%	35,071,683	36,513,873	1,402,776
Total	34,036	100.00%	549,998,448	100.00%	264,206,692	247,498,729	38,293,028

TOP 50 CLIENTS

Top 50 Clients	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	Discounted Balance Residual Values	Discounted Balance Balloon Payments
1	402	1.18%	10,998,675	2.00%	9,449,347	0	1,549,329
2	1,024	3.01%	10,996,043	2.00%	5,167,097	4,183,652	1,645,294
3	374	1.10%	9,357,442	1.70%	3,275,322	6,082,120	0
4	606	1.78%	8,248,454	1.50%	4,133,105	4,115,349	0

5	384	1.13%	8,110,034	1.47%	3,170,852	4,939,182	0
6	331	0.97%	7,143,679	1.30%	5,647,361	1,496,318	0
7	353	1.04%	5,977,158	1.09%	3,858,025	2,119,132	0
8	374	1.10%	5,132,641	0.93%	2,173,728	2,958,913	0
9	256	0.75%	4,940,113	0.90%	2,894,189	2,045,924	0
10	169	0.50%	3,974,850	0.72%	2,265,972	1,708,878	0
11	160	0.47%	3,650,110	0.66%	2,145,934	1,504,176	0
12	167	0.49%	3,472,171	0.63%	1,408,083	2,064,088	0
13	248	0.73%	3,458,209	0.63%	1,687,824	1,770,385	0
14	202	0.59%	3,360,873	0.61%	1,930,507	1,430,366	0
15	130	0.38%	3,308,420	0.60%	1,860,280	1,448,140	0
16	145	0.43%	2,749,713	0.50%	2,284,251	465,462	0
17	179	0.53%	2,745,801	0.50%	1,803,991	941,811	0
18	151	0.44%	2,734,532	0.50%	1,477,071	1,257,461	0
19	213	0.63%	2,674,132	0.49%	1,254,025	1,420,107	0
20	176	0.52%	2,626,321	0.48%	1,240,347	1,385,973	0
21	141	0.41%	2,165,012	0.39%	1,091,371	1,073,640	0
22	101	0.30%	1,901,440	0.35%	1,438,711	462,729	0
23	99	0.29%	1,841,881	0.33%	1,478,264	363,616	0
24	84	0.25%	1,693,564	0.31%	924,566	768,998	0
25	111	0.33%	1,495,185	0.27%	735,389	759,797	0
26	73	0.21%	1,488,607	0.27%	748,758	739,849	0
27	110	0.32%	1,457,663	0.27%	797,308	660,354	0
28	105	0.31%	1,413,095	0.26%	737,081	676,014	0
29	61	0.18%	1,385,170	0.25%	787,692	597,478	0
30	100	0.29%	1,370,618	0.25%	534,042	836,576	0
31	90	0.26%	1,344,978	0.24%	723,058	621,920	0
32	78	0.23%	1,295,673	0.24%	743,361	552,312	0
33	83	0.24%	1,274,580	0.23%	698,574	576,007	0
34	58	0.17%	1,250,290	0.23%	997,646	252,645	0
35	56	0.16%	1,247,070	0.23%	502,447	744,623	0
36	53	0.16%	1,167,971	0.21%	541,572	626,399	0
37	60	0.18%	1,093,835	0.20%	630,084	463,751	0
38	112	0.33%	1,069,969	0.19%	298,934	771,035	0
39	63	0.19%	1,046,367	0.19%	578,887	467,480	0
40	46	0.14%	1,010,582	0.18%	681,957	328,625	0
41	72	0.21%	997,394	0.18%	516,323	481,071	0
42	53	0.16%	980,420	0.18%	568,322	412,098	0

43	36	0.11%	977,400	0.18%	607,620	369,780	0
44	54	0.16%	972,276	0.18%	453,411	518,866	0
45	48	0.14%	955,037	0.17%	484,929	470,108	0
46	124	0.36%	949,143	0.17%	486,429	462,714	0
47	49	0.14%	941,529	0.17%	359,154	582,375	0
48	55	0.16%	937,889	0.17%	570,576	367,313	0
49	40	0.12%	934,565	0.17%	542,208	392,356	0
50	97	0.28%	924,659	0.17%	449,876	474,783	0
Total	8,356	24.55%	143,243,233	26.04%	79,835,861	60,212,749	3,194,623

Verification of Data

A representative sample of the provisional portfolio of lease receivables in existence as of 31 December 2020 has been subject to external verification, applying a confidence level of at least 95 per cent. prior to the issuance of the Notes by an appropriate and independent party, and in particular (i) verification of the compliance of the provisional portfolio with the Eligibility Criteria that were able to be tested prior to issuance of the Notes and (ii) verification that the data in respect of stratification tables disclosed in respect of the underlying exposures are accurate. 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 Seller confirms that no significant adverse findings have been found.

Historical Performance Data.

Static and dynamic historical performance data in relation to leases originated by LPUK will be made available on the website of European DataWarehouse at <https://editor.eurodw.co.uk>. Such information will cover the period from at least 5 years.

The leases which are included in such data are originated under and serviced in accordance with substantially the same policies and procedures as the leases comprising the Portfolio and, as such, it is expected that the performance of such leases, over a period of 4 years, would not be significantly different to the performance of the leases in the Portfolio.

DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS

The following is a description of the principal terms of the Purchase Agreement, the Servicing Agreement, the Realisation Agency Agreement, the Sub-Maintenance Coordinator Agreement, the Trust Deed, the Issuer Deed of Charge, the LPUK Deed of Charge, the Reserve Loan Agreement, the Cash Management Agreement, the Corporate Services Agreement, the Bank Account Agreement, the Agency Agreement and the Interest Rate Swap Agreement, and is qualified in its entirety by the actual terms of such Transaction Documents. It does not purport to be complete and investors should read the full terms of such Transaction Documents for a better understanding of its contents. Copies of the other Transaction Documents are available at the specified offices of the Principal Paying Agent during normal business hours.

1. PURCHASE AGREEMENT

General

On or prior to the Closing Date, LPUK, the Issuer and the Issuer Security Trustee will enter into a purchase agreement (the "**Purchase Agreement**") pursuant to which, on the Closing Date and on each Additional Portfolio Purchase Date, the Issuer will purchase Lease Receivables, the RV Claims and the Final Balloon Payment Receivables from the Seller.

Title in the Leased Vehicles will be retained by the Seller. The Lease Receivables, RV Claims and Final Balloon Payment Receivables to be purchased by the Issuer will be selected by the Seller.

If any of the Lease Receivables, RV Claims or Final Balloon Payment Receivables do not satisfy the Eligibility Criteria, the Lease Warranties and/or the Replenishment Criteria, as applicable, the Seller is required to repurchase such Lease Receivable together with the relevant RV Claim or Final Balloon Payment Receivables against payment of the Repurchase Price (see further "Repurchase" below).

In connection with each sale and transfer, the Seller will provide the Issuer and the Servicer and (once appointed, the Back-Up Servicer and the Back-Up Realisation Agent) with certain relevant information for the purpose of identifying the Lease Receivables, RV Claims and Final Balloon Payment Receivables forming part of the Portfolio and (following a Lessee Notification Event) for the purpose of notifying the Lessees of the assignment of the Lease Receivables, RV Claims and Final Balloon Payment Receivables. The relevant information shall be provided in encrypted form (the "**Data File**"). The Seller will, on the Closing Date, also provide the Issuer Security Trustee with a Decryption Key which will enable a third party to unlock the Data File. Following a Lessee Notification Event, the Issuer Security Trustee will make the Decryption Key available to the Issuer, the Servicer, the Realisation Agent, the Back-Up Servicer and the Back-Up Realisation Agent. If the Servicer does not notify the Lessees then the Issuer or Back-Up Servicer (or a third party acting on its behalf) may decrypt the Data File and notify the Lessees using such decrypted information.

The Seller will additionally be obliged to repurchase the Lease Receivables and (in each case if applicable) the RV Claims and the Final Balloon Payment Receivables in the specific circumstances set out in the Purchase Agreement, as to which see "Repurchase" below.

Consideration

The consideration for the sale of the Initial Portfolio will be the Issuer paying to the Seller an amount equal to the Initial Purchase Price on the Closing Date and Deferred Purchase Price (subject to any restriction on the payment of such amounts as described in the section above entitled "Absence of Calculations by the Servicer" in "Credit Structure and Cashflow").

The consideration for the sale of any Additional Portfolio will be the Issuer paying to the Seller an amount equal to the Additional Portfolio Purchase Price on the relevant Additional Portfolio Purchase Date and Deferred Purchase Price.

During the Revolving Period, the Seller may (but is not obliged to) sell Lease Receivables, RV Claims and Final Balloon Payment Receivables constituting Additional Portfolios to the Issuer.

The Issuer shall fund the purchase of Additional Portfolios on the relevant Additional Portfolio Purchase Date through (i) Available Distribution Amounts (if the Additional Portfolio Purchase Date is on an Interest Payment Date) or (ii) amounts standing to the credit of the Replenishment Ledger (if the Additional Portfolio Purchase Date is on any Business Day other than an Interest Payment Date), provided that the Additional Portfolio Purchase Price payable in respect of such Additional Portfolios shall not be greater than (a) (if the relevant Additional Portfolio Purchase Date is on any Business Day other than an Interest Payment Date) the amount standing to the credit of the Replenishment Ledger or (b) (if the relevant Additional Portfolio Purchase Date is also on Interest Payment Date) the amount of Available Distribution Amounts available pursuant to the Revolving Period Priority of Payments.

Revised Purchase Date

If the amount standing to the credit of the Replenishment Ledger or, as the case may be, the amount of Available Distribution Amounts available to the Issuer to make such payment pursuant to the Revolving Period Priority of Payments (in both cases as notified to the Seller and Servicer by the Issuer or the Cash Manager on its behalf) is less than the amount required to pay the full Additional Portfolio Purchase Price of such Additional Portfolio, the Issuer will, not later than the Additional Portfolio Purchase Date, advise the Seller that the Issuer intends to accept and purchase only a part of or none of such Additional Portfolio (if purchasing only a part, in an amount equal to the amount standing to the credit of the Replenishment Ledger or, as the case may be, the amount of Available Distribution Amounts available to the Issuer to make such payment pursuant to the Revolving Period Priority of Payments) on the Additional Portfolio Purchase Date.

If the Issuer, or the Servicer on its behalf, advises the Seller, in accordance with the above paragraph, that the Issuer does not intend to purchase the entire proposed Additional Portfolio offered under a Transfer Notice, but confirms that it will purchase from the Seller an Additional Portfolio with a smaller Aggregate Discounted Balance, the Seller may, on such Purchase Date or, as applicable, on or prior to any Revised Purchase Date deliver a revised Transfer Notice (specifying the Revised Purchase Date (if applicable)) for the purpose of making a new offer to the Issuer.

Where the Seller proposes a Revised Purchase Date for the acquisition of part or all of an Additional Portfolio, the sale of such Additional Portfolio will take place on such Revised Purchase Date and the amounts to be used to purchase such Additional Portfolios on such Revised Purchase Date will be (if the original Additional Portfolio Purchase Date was an Interest Payment Date) or will remain (if the original Additional Portfolio Purchase Date was any Business Day other than an Interest Payment Date) credited to the Replenishment Ledger until such Revised Purchase Date.

Lease Agreement Recalculations

In the event that the Lease Agreement Recalculations for all Lease Agreements which have been recalculated during a Monthly Collection Period result in an increase in the Aggregate Discounted Balance as of the end of the Monthly Collection Period, an amount equal to the increase in the Aggregate Discounted Balance resulting from such Lease Agreement Recalculation during such Monthly Collection Period (the "**Aggregate Discounted Balance Increase Amount**") will be paid to the Seller by means of Junior Deferred Purchase Price on the following Interest Payment Date according to the applicable Priority of Payments.

In the event that the Lease Agreement Recalculations for all Lease Agreements which have been recalculated during a Monthly Collection Period result in a reduction in the Aggregate Discounted Balance as of the end of the Monthly Collection Period, the Purchaser shall demand from the Seller by way of a rebate of part of the purchase price an amount equal to the reduction of the Aggregate Discounted Balance resulting from such Lease Agreement Recalculations during such Monthly Collection Period (the "**Aggregate Discounted Balance Reduction**").

Amount"). The Aggregate Discounted Balance Reduction Amount to be paid by the Seller to the Purchaser will be a Deemed Collection.

Following notice from the Servicer that a reduction in the Aggregate Discounted Balance has occurred following a Lease Agreement Recalculation, the Seller shall on the immediately following Interest Payment Date (i) pay to the Issuer an amount equal to the Aggregate Discounted Balance Reduction Amount as a Deemed Collection and (ii) provide the Issuer and the Servicer with a list of recalculation of Lease Receivables, RV Claims and Final Balloon Payment Receivables.

Following notice from the Servicer that an increase of the Aggregate Discounted Balance has occurred following a Lease Agreement Recalculation an amount equal to the Aggregate Discounted Balance Increase Amount will be paid to the Seller by means of Junior Deferred Purchase Price on the following Interest Payment Date according to the applicable Priority of Payments.

Certain conditions apply in respect of the undertaking and implementation of Lease Agreement Recalculations (see "Servicing Agreement – Lease Agreement Recalculation" below).

Conditions to sale

The sale of the Initial Portfolio and any Additional Portfolio to the Issuer will in all cases also be subject to certain conditions as at the Closing Date and the relevant Additional Portfolio Purchase Date. The conditions include that:

- (a) the Issuer pays the Initial Purchase Price or the Additional Portfolio Purchase Price, as applicable;
- (b) a Transfer Notice attaching the relevant Portfolio Schedule certified by an authorised signatory of the Seller to be true and accurate in all material respects is delivered from the Seller to the Issuer, the Issuer Security Trustee and the Cash Manager; and
- (c) no Revolving Period Termination Event has occurred as of the Purchase Date.

Lease Representations and Warranties

Pursuant to the Purchase Agreement, the Seller will make the following representations and warranties to the Issuer and the Issuer Security Trustee on the Closing Date and on each Additional Portfolio Purchase Date with reference to the facts and circumstances then subsisting as at the immediately preceding relevant Cut-Off Date:

- (a) the particulars of the Portfolio which are the subject of the offer are true and accurate as of the Cut-Off Date in all material respects and the identifying numbers stated therein enable each Lease Agreement to be identified in the Records of the Seller;
- (b) it is the sole legal and beneficial owner of the Lease Receivables, RV Claims and Final Balloon Payment Receivables to be transferred on that Purchase Date;
- (c) each of the Lease Agreements, Lease Receivables, RV Claims and Final Balloon Payment Receivables meet the Eligibility Criteria as of the respective Cut-Off Date;
- (d) the Portfolio, including the Additional Portfolio, satisfies the Replenishment Criteria;
- (e) prior to entering into each Lease Agreement, the Seller (as Originator) carried out all investigations, searches and other actions, and made such enquiries as to the status and creditworthiness of each Lessee and each guarantor (if any) thereunder as described in its Credit Policy as amended from time to time;
- (f) it has not altered any of the Lease Receivables' RV Claims' and/or Final Balloon Payment Receivables' legal existence or otherwise waived, altered or modified any provision in relation to any Lease Receivable, RV Claim and/or Final Balloon Payment

Receivable, in particular, it has not extinguished or affected any of the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables by challenge, termination, set-off or any other means, unless in accordance with the provisions of the Servicing Agreement and such alteration would, (i) not result in the relevant Lease Receivable, RV Claim and/or Final Balloon Payment Receivable failing to comply with the Lease Warranties or (ii) not have a material adverse effect on the enforceability (or otherwise the rights to repayment) or the value of the relevant Lease Receivable, RV Claim and/or the Final Balloon Payment Receivable ((i) and (ii) being a "**Lease Receivable Material Adverse Effect**");

- (g) all Lease Receivables, RV Claims and Final Balloon Payment Receivables are separately identifiable on the Seller's systems or (in relation to Ancillary Rights) Records by way of "flagging" or otherwise to unambiguously indicate that each Lease Receivable, RV Claim and Final Balloon Payment Receivable assigned to the Issuer on such Purchase Date has been assigned to the Issuer;
- (h) it has maintained and is in possession of all Records in respect of the Portfolio and the corresponding Lease Agreements and such Records are accurate and complete in all material respects and, to the best of its knowledge, information and belief, are sufficient to enable each Lease Agreement to be enforced against the relevant Lessee and, as the case may be, guarantor thereunder;
- (i) it is the sole legal and beneficial owner of the relevant Leased Vehicle which is hired under a Lease Agreement to a Lessee and any such Leased Vehicle is free of any encumbrances and not subject to any retention of title arrangement or any option to acquire on, over or affecting such Leased Vehicle, other than any Permitted Encumbrance;
- (j) the assignment of the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables pursuant to the Purchase Agreement will be effective to assign full, unencumbered beneficial title to the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables to the Issuer and no further act, condition or thing will be required to be done in connection with such assignment in order to enable the Issuer to require payment of the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables to the Issuer, or to enforce any such right in court, other than the delivery to each relevant obligor of a notification;
- (k) it has performed in all material respects all its obligations which have fallen due under or in connection with the Lease Agreements and, so far as it is aware, no Lessee has threatened or commenced any legal action which has not been resolved against it for any failure on the part of it to perform any such obligation;
- (l) no Lease Agreement and no Lease Receivables, RV Claims and/or Final Balloon Payment Receivables contravene in any material respect English law or any rules or regulations applicable to such Lease Agreement and Lease Receivables, RV Claims and/or Final Balloon Payment Receivables;
- (m) as of the relevant Cut-Off Date, no Lease Agreement has been terminated, repudiated or rescinded by it or any relevant Lessee;
- (n) since entering into the Lease Agreements, it has administered the Lease Agreements in accordance with the Credit and Collection Processing Procedures;
- (o) no litigation, dispute resolution, arbitration or administrative proceedings or regulatory investigation of, or before, any court, dispute resolution body, arbitral body or regulatory agency which would (if being contested) be reasonably likely to be adversely determined and, if adversely determined, be reasonably likely to have a material adverse effect on its ability to assign the Lease Receivables, RV Claims and Final Balloon Payment Receivables to the Issuer have (to the best of its knowledge and belief) been started or threatened against it;

- (p) no litigation, dispute resolution, arbitration or administrative proceedings of or before any court, dispute resolution body, arbitral body, tribunal or governmental body have been commenced or are pending or threatened against it or any of its assets or revenues which may have a material adverse effect on any Lease Receivables, RV Claims and/or Final Balloon Payment Receivables to be assigned to the Issuer;
- (q) no deposit has been made by a Lessee to LPUK in respect of any Lease Agreement in the Portfolio;
- (r) in respect of each Lease Agreement (other than any Regulated Lease Agreement in respect of which the relevant Lessee is an individual who is (i) using the relevant Leased Vehicle for personal use and (ii) acting for purposes outside his own business), the relevant Lessee has entered into such Lease Agreement in the course of a business and for a purpose which is within his trade or profession (if such Lessee is an individual) or in the ordinary course of its business (if such Lessee is a body corporate); and
- (s) the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables do not include transferable securities, as defined in point (24) of Article 2(1) of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012, derivatives instruments or securitisation positions,

(together the "**Lease Warranties**").

Corporate Representations and Warranties

Pursuant to the terms of the Purchase Agreement, the Seller will further make the following representations and warranties to the Issuer and the Issuer Security Trustee on the Closing Date, each Additional Portfolio Purchase Date and on each Interest Payment Date with reference to the facts and circumstances then subsisting:

- (a) it is duly incorporated and validly existing under the law of England and Wales;
- (b) it has full power and authority to own its property and assets and conduct its business as currently conducted by it to the extent necessary to permit it to enter into the Transaction Documents and to perform its obligations thereunder, save where a failure to do so would not reasonably be expected to have a Material Adverse Effect;
- (c) it has the power, authority and capacity to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery, of the relevant Transaction Documents, as well as the transactions contemplated thereunder;
- (d) no Insolvency Event has occurred in respect of it;
- (e) it has its centre of main interests, as that term is used in Article 3(1) of the EU Insolvency Regulation and UK Insolvency Regulation, in England and has no establishment outside England and Wales;
- (f) the obligations expressed to be assumed by it in the relevant Transaction Documents are legal, valid, binding and enforceable obligations, subject to any laws from time to time in effect relating to bankruptcy, insolvency, reorganisation or any other laws or procedures affecting generally the enforcement of creditors' rights and by the general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law, and are enforceable against it in accordance with their respective terms;
- (g) it has obtained and maintains in effect all relevant authorisations, approvals, licences and consents required in connection with its business to originate and manage contracts of the type eligible to be sold to the Issuer under the Transaction Documents pursuant to

any requirement of law and any regulatory direction applicable to it in the United Kingdom;

- (h) the entry into, performance by it of, and the transactions contemplated by the relevant Transaction Documents do not and will not conflict in any material respect with, or result in any breach of any of the terms and provisions of, or constitute (with or without notice or lapse of time) a default under:
 - (i) any existing law, court order or regulation applicable to it;
 - (ii) its constitutional documents; or
 - (iii) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument;
- (i) it has entered into the relevant Transaction Documents in good faith for its benefit and on arms' length commercial terms;
- (j) the relevant Transaction Documents to which it is a party have been duly executed by it;
- (k) it has complied in all material respects with the terms of the Transaction Documents to which it is a party;
- (l) it is a company which is and has, since incorporation, been resident for tax purposes solely in the United Kingdom and will not be treated as resident outside the United Kingdom for the purposes of any double tax treaty to which the United Kingdom is party;
- (m) it is not and will not be a financial institution for the purposes of section 564B Income Tax Act 2007;
- (n) its most recent audited financial statements delivered in accordance with the Purchase Agreement: (i) were prepared in accordance with the laws of the UK and the accounting principles applicable in the UK were consistently applied; (ii) disclosed all liabilities (contingent or otherwise) and all its unrealised or anticipated losses required (in each case) to be disclosed in accordance with the accounting principles applicable in the United Kingdom; and (iii) save as disclosed therein, give a true and fair view of its assets and liabilities and results of operation as of the date of which they were drawn up; and
- (o) since the later of: (i) the Closing Date; and (ii) the date of its most recent audited financial statements, there has been no material adverse change in its financial position or prospects which might reasonably be expected to have a Material Adverse Effect,

(together the "**Corporate Warranties**").

Eligibility Criteria

As noted above, pursuant to the terms of the Purchase Agreement, the Seller will represent and warrant on each Purchase Date that the Lease Agreements, Lease Receivables, the related RV Claims and/or, as applicable, the related Final Balloon Payment Receivables satisfy certain criteria (collectively the "**Eligibility Criteria**") at the Cut-Off Date preceding the relevant Purchase Date. The Eligibility Criteria are set out in the Purchase Agreement and state that:

- (a) the purchase price (including any part thereof which represents VAT) for the Leased Vehicle has been paid in full to the relevant supplier;
- (b) the underlying Lease Agreement (i) has been duly executed by it, (ii) is legal, valid, binding and enforceable save that a Lease Agreement will only be determined not to be

enforceable by reason of a breach of the CCA at such time as a court delivers a judgment with respect to such specific lease and (iii) is governed by and subject to the laws of England and Wales;

- (c) the underlying Lease Agreement has been entered into in the ordinary course of business of the Originator and on arms' length commercial terms pursuant to underwriting standards that are no less stringent than those the Originator applied at the time of origination to similar exposures that are not included in the Portfolio;
- (d) the related Lease Agreement is not a regulated credit agreement;
- (e) each Lease Agreement that is a regulated consumer hire agreement is either (i) entered into by the hirer in the course of a business or (ii) provides for the hirer to make payments which in total (and without breach of the agreement) exceed £1,500 in any year;
- (f) the relevant Lease Receivables (including any Ancillary Rights), the RV Claims and the Final Balloon Payment Receivables are assignable, that the Seller can dispose of the Lease Receivables, RV Claims and Final Balloon Payment Receivables free from third party rights and that the relevant Lease Agreement does not contain (i) any restriction on assignment (or where there is a restriction, consent to assignment has been obtained) and (ii) any confidentiality provisions that will prevent disclosure of information about such Lease Agreement and the relevant Lessee to the Issuer Security Trustee, any Back-Up Servicer, Back-Up Realisation Agent or Back-Up Sub-Maintenance Coordinator or the delivery to these entities of a copy of such Lease Agreement (or where there is a restriction, consent to disclosure has been obtained);
- (g) the Leased Vehicle being the subject of the corresponding Lease Agreement is existing and is in good and substantial repair and condition and complies with the provisions of the Road Traffic Act 1988, as amended;
- (h) at least one Lease Instalment has been paid in respect of the underlying Lease Agreement;
- (i) there is no material breach, default or violation of any obligation under the associated Lease Agreement (for this purpose a lease shall be deemed to be in material default where any amount (other than in respect of any maintenance charges, services or fees) due under the Lease Agreement is in arrear for more than 31 calendar days and for an amount exceeding £1,000 if the Lease Agreement is classified as a Corporate Lease Agreement or Public Sector Lease Agreement and £100 if the Lessee is classified as an SME/Retail Lessee);
- (j) the Lease Receivables, RV Claims and Final Balloon Payment Receivables are free and clear of any Encumbrances other than any Permitted Encumbrances;
- (k) the relevant Lessee is not part of the LeasePlan Group;
- (l) the relevant Lessee is not an employee of any companies within the LeasePlan Group;
- (m) the Lessee is obliged under the terms of the Lease Agreement to take out third party liability insurance in respect of the Leased Vehicle;
- (n) the related Lease Agreement is not a Defaulted Lease Agreement;
- (o) the Remaining Maturity of the related Lease Agreement is not shorter than one month;
- (p) the Lease Receivables, RV Claims and Final Balloon Payment Receivables are denominated in Sterling;

- (q) the Lessee is not entitled to (and has not exercised) any right of rescission, counterclaim, contest, challenge or other defence (deriving from the Lease Agreement) in respect of such Lease Receivable;
- (r) to the best of the Seller's knowledge, the related Lease Agreement is not void or voidable at the instance of the Lessee by reason of fraud, undue influence, duress, misrepresentation or for any other reason;
- (s) the Lease Agreement gives rise to monthly, quarterly, semi-annual or annual instalments;
- (t) the Leased Vehicle under the Lease Agreement has an initial price (excluding VAT) below or equal to £200,000;
- (u) the Lease Agreement does not need to be filed, recorded or enrolled with any court and no stamp, registration or similar tax is required to be paid;
- (v) the Lease Agreement does not permit the Lessee to terminate in the event of the insolvency of the Originator;
- (w) at origination of the Lease Agreement, the relevant Lessee, in the case of an individual, an unincorporated association, or a charity, is resident or, in the case of a body corporate, incorporated in England and/or Wales;
- (x) the relevant Lessee is a natural person, public body or company with full legal capacity;
- (y) the Lease Agreement does not contain restrictions on delegation of any of the Lease Services rendered by it in connection with the Lease Agreement;
- (z) the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables have been originated by the Originator;
- (aa) if originated after the Closing Date, the Lease Agreement has been entered into with and originated solely by it;
- (bb) the Lessee has not withheld or deducted any amount for or on account of tax from any payment made pursuant to the Lease Agreement;
- (cc) the title to the Vehicles, which are the subject of the Lease Agreement, is held by the Originator;
- (dd) the Lease Agreement relates to a Vehicle;
- (ee) to the best of the knowledge and belief of the Originator, the relevant Lessee is not insolvent or bankrupt (as applicable) or subject to insolvency or bankruptcy proceedings (as applicable);
- (ff) the Lease Agreement does not include any "stock" or "marketable securities" within the meaning of Section 125 of the Finance Act 2003, "chargeable securities" for the purposes of section 99 of the Finance Act 1986 or a "chargeable interest" for the purposes of section 48 of the Finance Act 2000;
- (gg) to the best of the knowledge and belief of the Originator, each Lease Agreement has been originated in compliance with all applicable UK consumer protection legislation (including, but not limited to, the CCA) to the extent that failure to comply would have a material adverse effect on the enforceability or collectability of any such Lease Agreement;
- (hh) the Lessee does not have a credit assessment indicating, based on the Originator's underwriting policy, a significant risk that contractually agreed payments will not be made;

- (ii) the Originator has not been granted a right of enforcement or material damages by a court as a result of a missed payment within three years prior to the date of origination of the Lease Agreement in relation to a relevant Lessee;
- (jj) to the best of the Seller's knowledge, no Lessee:
 - (i) has been declared insolvent or had a court grant their 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 their non-performing exposures within three years prior to the relevant Purchase Date, except if:
 - (A) a restructured underlying exposure has not presented new arrears since the date of the restructuring, which took place at least one year prior to the relevant Purchase Date; and
 - (B) the information provided by the LPUK (as originator) in accordance with points (a) and (e)(i) of the first subparagraph of Article 7(1) of the UK Securitisation Regulation explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;
 - (ii) was, at the time of origination of the relevant Lease Receivable, where applicable, on a public credit registry of persons with adverse credit history or, where there is no such public credit registry, another credit register that is available to the Seller; or
 - (iii) had 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 included in the Portfolio;
- (kk) the Seller has full recourse to the Lessee and any guarantor of the Lessee under the relevant Lease Agreement; and
- (ll) the Lessee is not currently subject to a Covid-19 Payment Holiday.

Replenishment Criteria

Under the Purchase Agreement, the Seller will represent on each relevant Purchase Date that the Lease Receivables, the related RV Claims and the related Final Balloon Payment Receivables satisfy certain criteria (the "**Replenishment Criteria**") calculated on a portfolio basis throughout the Revolving Period (including on the Closing Date) and, for the avoidance of doubt, calculated by taking into account the Additional Portfolio to be purchased on such Purchase Date:

- (a) Each of the top 1 to 3 Lessees measured in relation to the respective contribution to the Aggregate Discounted Balance as at the immediately preceding Cut-Off Date does not account for more than 2% of the Aggregate Discounted Balance as at the immediately preceding Cut-Off Date;
- (b) Each of the top 4 to 5 Lessees measured in relation to the respective contribution to the Aggregate Discounted Balance as at the immediately preceding Cut-Off Date does not account for more than 1.5% of the Aggregate Discounted Balance as at the immediately preceding Cut-Off Date;
- (c) Each of the top 6 to 10 Lessees measured in relation to the respective contribution to the Aggregate Discounted Balance as at the immediately preceding Cut-Off Date does not account for more than 1.3% of the Aggregate Discounted Balance as at the immediately preceding Cut-Off Date;

- (d) Each of the top 11 to 15 Lessees measured in relation to the respective contribution to the Aggregate Discounted Balance as at the immediately preceding Cut-Off Date does not account for more than 0.85% of the Aggregate Discounted Balance as at the immediately preceding Cut-Off Date;
- (e) Each Lessee, other than the top 15 Lessees measured in relation to the respective contribution to the Aggregate Discounted Balance as at the immediately preceding Cut-Off Date, does not account for more than 0.50% of the Aggregate Discounted Balance as at the immediately preceding Cut-Off Date;
- (f) The Portfolio average of the contractually agreed residual value set at contract origination does not correspond to more than 50% of the list price of the Vehicles;
- (g) The Aggregate Discounted Balance as at the immediately preceding Cut-Off Date of Lease Agreements in the same Specific Industry Group does not account for more than 20% of the Aggregate Discounted Balance as at the immediately preceding Cut-Off Date;
- (h) The Aggregate Discounted Balance as at the immediately preceding Cut-Off Date resulting from Lease Agreements with a remaining term of more than 48 months is not larger than 10% of the Aggregate Discounted Balance as at the immediately preceding Cut-Off Date;
- (i) The Aggregate Discounted Balance as at the immediately preceding Cut-Off Date resulting from Lease Agreements that are SME/Retail Lease Agreements is not larger than 69% of the Aggregate Discounted Balance as at the immediately preceding Cut-Off Date; and
- (j) The Non-RV Receivable Percentage as at the immediately preceding Cut-Off Date will not be less than the Non-RV Receivable Percentage as at the Initial Cut-Off Date.

"Non-RV Receivables Percentage" means, on any relevant day, expressed and rounded down to the nearest whole percentage:

- (i) the Aggregate Discounted Balance of Lease Receivables plus the Aggregate Discounted Balance of Final Balloon Payment Receivables; divided by
- (ii) the Aggregate Principal Amount Outstanding of the Class A Notes.

Repurchase

Pursuant to the terms of the Purchase Agreement, the Seller will be required to repurchase the Lease Receivables and (in each case if applicable) the RV Claims and the Final Balloon Payment Receivables in the circumstances set out below:

Repurchase obligation due to breach of the Lease Warranties

The Seller will be required to repurchase the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables sold to the Issuer pursuant to the Purchase Agreement if any breach of a Lease Warranty made by the Seller in relation to that Lease Receivable, RV Claim and/or Final Balloon Payment Receivable, by reference to the facts and circumstances then subsisting at the relevant Cut-Off Date in respect of which such Lease Warranty was given, which has, as determined by the Servicer in accordance with the Servicing Agreement, a Lease Receivable Material Adverse Effect in relation to the Lease Receivable, RV Claim and/or Final Balloon Payment Receivable, and that breach has not been cured in all material respects within 20 Business Days after the date on which the Seller became aware or (if earlier) was notified by the Servicer or the Issuer of the relevant breach of the Lease Warranties. Following expiration of such 20 Business Days the relevant Lease Receivables, RV Claims and/or Final Balloon Payment Receivables must be repurchased by the Seller on the next following Interest Payment Date.

Where a Lease Receivable, RV Claim and/or Final Balloon Payment Receivable is found to be in breach of the Replenishment Criteria, the Seller shall only be required to repurchase those Lease Receivables, RV Claims and/or Final Balloon Payment Receivables that would ensure the satisfaction of the Replenishment Criteria as at the next following Interest Payment Date taking into account any Lease Receivables, RV Claims and Final Balloon Payment Receivables to be sold and assigned to the Issuer on such Interest Payment Date.

However, where a breach of the Lease Warranties or any of them (including the Eligibility Criteria) occurs by reason of the Lease Agreement (or part thereof) being determined illegal, invalid, non-binding or unenforceable under the CCA, the Seller will not be obliged to repurchase the relevant Lease Receivables, RV Claims and/or Final Balloon Payment Receivables, but will on or before the next following Interest Payment Date pay an amount, calculated by the Servicer in accordance with the Servicing Agreement, required to compensate the Issuer for any loss suffered by the Issuer as a result of such breach.

If a Lease Receivable, RV Claim and/or Final Balloon Payment Receivable has never existed, or has ceased to exist, such that it is not outstanding on the date on which it is otherwise due to be repurchased pursuant to the Purchase Agreement, the Seller shall not be obliged to repurchase the Issuer's rights, title, interest and benefit in, to and under such Lease Receivable, RV Claim and/or Final Balloon Payment Receivable but shall instead indemnify the Issuer and the Issuer Security Trustee against any loss and all liabilities suffered by reason of any warranty or representation relating to or otherwise affecting such Lease Receivable, RV Claim and/or Final Balloon Payment Receivable being untrue or incorrect by reference to the facts subsisting at the date on which the relevant warranty or representation was given provided that the amount of such indemnity shall not exceed the Aggregate Discounted Balance of such Lease Receivables, RV Claims and/or Final Balloon Payment Receivables (calculated as at the Cut-Off Date immediately prior to the date on which such Lease Receivables, RV Claims and/or Final Balloon Payment Receivable were due to be repurchased) had the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables existed on the relevant repurchase date and complied with each of the Lease Warranties in relation to such Lease Receivables, RV Claims and/or Final Balloon Payment Receivables as at the relevant date. Payments in respect of such indemnity shall be made by the Seller on the date occurring not later than the next following Interest Payment Date immediately after the Seller has become aware of the relevant breach.

Repurchase obligation of the Lease Receivable, RV Claim and Final Balloon Payment Receivable due to a Lease Agreement Early Termination

On the occurrence of a Lease Agreement Early Termination the Seller will, pursuant to the Purchase Agreement, be required on or prior to the day falling ten Business Days after the Lease Agreement Early Termination Date to repurchase the Lease Receivable, RV Claim and/or Final Balloon Payment Receivable against a payment of the Repurchase Price (payable on the Interest Payment Date immediately following such repurchase.)

In addition, if at any time after the Cut-Off Date immediately preceding the date of repurchase of the relevant Lease Receivables, RV Claims and/or Final Balloon Payment Receivables following a Lease Agreement Early Termination as described above, the Issuer holds, or there is held to its order, or it receives, or there is received to its order, any early termination payment or any other payment or amount relating to such Lease Receivables, RV Claims and/or Final Balloon Payment Receivables repurchased by the Seller:

- (a) the Issuer undertakes to the Seller that it will remit, assign, re-assign or transfer the same to the Seller, as the case may require; and
- (b) until it does so or to the extent that the Issuer is unable to effect such remittance, assignment, re-assignment or transfer, the Issuer undertakes to hold such property, interests, rights or benefits and/or the proceeds thereof upon trust for the Seller as the beneficial owner thereof.

The Seller will only be obliged to repurchase the RV Claims and/or the Final Balloon Payment Receivables if the Lease Agreement Early Termination does not relate to a Defaulted Lease Agreement.

Repurchase obligation of the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables on the Lease Maturity Date

Repurchase of Hire Purchase Lease Agreements on the Lease Maturity Date where the Lessees pay the Final Balloon Payment.

The Seller will be required in respect of Lease Receivables, RV Claims and/or Final Balloon Payment Receivables relating to Hire Purchase Lease Agreements, to repurchase such Lease Receivables, RV Claims and/or Final Balloon Payment Receivables on the relevant Lease Maturity Date in accordance with the Purchase Agreement for the Repurchase Price calculated in accordance with Clause 7.7 of the Purchase Agreement (each such Lease Receivable, RV Claim and/or Final Balloon Payment Receivable, "**Repurchased Hire Purchase Lease Agreements**") (payable on the Interest Payment Date immediately following such repurchase) provided always that such repurchase shall not take effect if (a) on or prior to such Lease Maturity Date a Lease Maturity Extension occurs in respect of such Hire Purchase Lease Agreements; or (b) the Lessee does not pay the relevant Final Balloon Payment.

The Seller will not be obliged to repurchase the Lease Receivables, RV Claim and/or Final Balloon Payment Receivables if the relevant Lease Agreement is a Defaulted Lease Agreement.

Repurchase of Hire Purchase Lease Agreements on or prior to the day falling ten Business Days after the Lease Maturity Date where the Lessees do not pay the Final Balloon Payment.

In respect of any Hire Purchase Lease Agreement for which the Lessee does not pay the relevant Final Balloon Payment and consequently the repurchase of such Hire Purchase Lease Agreement does not take effect on the Lease Maturity Date (and no Lease Maturity Extension has occurred in respect of such Lease Agreement on or prior to such Lease Maturity Date), the Seller will be required on or prior to the day falling ten Business Days after the Lease Maturity Date to repurchase the RV Claims, the Final Balloon Payment Receivables and the Lease Receivables (if any) from the Issuer against payment of the Repurchase Price (payable on the Interest Payment Date immediately following such repurchase).

The Seller will not be obliged to repurchase the RV Claim and Lease Receivables in these circumstances if the relevant Lease Agreement is a Defaulted Lease Agreement.

Repurchase of Lease Agreements other than Hire Purchase Lease Agreements on or prior to the day falling ten Business Days after the Lease Maturity Date.

In respect of Lease Agreements other than Hire Purchase Lease Agreements (other than where on or prior to such Lease Maturity Date, a Lease Maturity Extension occurs in respect of such Lease Agreement) the Seller will be required on or prior to the day falling ten Business Days after the Lease Maturity Date to repurchase the RV Claims and the Lease Receivables (if any) from the Issuer against payment of the Repurchase Price (payable on the Interest Payment Date immediately following such repurchase).

The Seller will not be obliged to repurchase the RV Claim and Lease Receivables if the relevant Lease Agreement is a Defaulted Lease Agreement.

Repurchase obligation of the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables on the Lease Maturity Date in the event of Lease Agreement Silent Extension

In the case of Lease Agreements that are subject to a Lease Agreement Silent Extension, the Seller will be required on or prior to the day falling ten Business Days after the original Lease Maturity Date to repurchase the RV Claims, the Final Balloon Payment Receivables and/or the Lease Receivables from the Issuer against payment of the Repurchase Price (payable on the Interest Payment Date immediately following such repurchase).

The Seller will only be obliged to repurchase the Lease Receivables, the RV Claims and/or the Final Balloon Payment Receivables, if the relevant Lease Agreement is not a Defaulted Lease Agreement.

Repurchase obligation of the Lease Receivables, RV Claims and/or the Final Balloon Payment Receivables on the Lease Maturity Extension Date

In accordance with the relevant Lease Agreement and the Servicing Agreement, the Lease Maturity Date may be extended up to a maximum duration of 18 months after the Lease Maturity Date applicable at the time the relevant Lease Receivable, RV Claim and/or Final Balloon Payment Receivable was transferred to the Issuer, such extension being a Permitted Lease Maturity Extension.

The Seller will be required:

- (a) in the case of a Permitted Lease Maturity Extension, on or prior to the date falling ten Business Days after the Lease Maturity Extension Date; or
- (b) in the case of a Prohibited Lease Maturity Extension in respect of any Lease Agreement, on or prior to the date falling ten Business Days after the last day of the Monthly Collection Period in which such Prohibited Lease Maturity Extension is agreed,

to repurchase the RV Claim and (in each case if applicable) any Lease Receivables and any Final Balloon Payment Receivables against payment of the Repurchase Price (payable on the Interest Payment Date immediately following such repurchase).

The Seller will not be obliged to repurchase the relevant RV Claim and (in each case if applicable) the Lease Receivables and the Final Balloon Payment Receivables, if the relevant Lease Agreement is a Defaulted Lease Agreement.

As security for its obligation to repurchase the Lease Receivables and (in each case if applicable) the RV Claims and the Final Balloon Payment Receivables from the Purchaser the Seller will grant floating security over title to the Leased Vehicles pursuant to the terms of the LPUK Deed of Charge (as to which see further below).

Repurchase Price

On repurchase of the Lease Receivables and (in each case if applicable) the RV Claims and the Final Balloon Payment Receivables, the Seller will pay to the Issuer the Repurchase Price. The "**Repurchase Price**" will be an amount equal to the Aggregate Discounted Balance (calculated, in the case of any Lease Receivables, RV Claims and/or Final Balloon Payment Receivables which are to be repurchased due to breach of Lease Warranties and which relate to Defaulted Lease Agreements, as if such Lease Receivables, RV Claims and/or Final Balloon Payment Receivables are Performing Lease Receivables, Performing RV Claims and/or Performing Final Balloon Payment Receivables respectively) of the Lease Receivables, the RV Claims and/or the Final Balloon Payment Receivables to be repurchased by the Seller as of the Cut-Off Date immediately preceding the date of such repurchase.

Completion of any repurchase shall take place (i) in respect of any Repurchased Hire Purchase Lease Agreements, on the relevant Lease Maturity Date immediately prior to the application of the amounts received from a Lessee (including the Final Balloon Payment) towards discharge of the Lessee's obligations under the relevant Repurchased Hire Purchase Lease Agreements so that as between the Issuer and the Seller, the Seller shall receive such amounts or (if such amounts have been paid by the Lessee prior to repurchase by the Seller) be entitled to receive such amounts paid to the issuer, and (ii) in all other cases on the earlier of the date on which the Repurchase Price is paid to the Issuer or on the date on which the related Leased Vehicle is sold or otherwise dealt with by the Seller (including any re-leasing by the Seller), provided that in respect of (i) and (ii) following an Automatic Crystallisation Event the completion can only occur on payment of the Repurchase Price.

Clean-up Call

The Seller will have the right at its option to exercise a clean-up call (the "**Clean-up Call**") and to offer to repurchase all of the Lease Receivables, the RV Claims and the Final Balloon

Payment Receivables from the Issuer on any Interest Payment Date (i) when the Aggregate Discounted Balance as of the immediately preceding Cut-Off Date is less than 10% of the Aggregate Discounted Balance as of the Initial Cut-Off Date provided that the conditions set out in Condition 6.2 (Optional redemption in whole for taxation or other reasons) for redemption of the Notes are fulfilled; or (ii) upon the redemption in full of Class A.

The Repurchase Price payable by the Seller on exercise of the Clean-up Call shall be an amount equal to the higher of:

- (a) the Aggregate Discounted Balance of the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables; and
- (b) the sum of the Principal Amount Outstanding of the Class A Notes and all accrued interest thereon, the principal amount outstanding of the Reserve Loan, together with interest accrued on the Reserve Loan plus any payments in the applicable Priority of Payments ranking in priority to payments of interest and principal under the Reserve Loan.

Lessee Notification Event

At any time after the occurrence of a Lessee Notification Event, the Servicer on behalf of the Issuer (in order to perfect its title to the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables) or, following the occurrence of an Issuer Event of Default, on behalf of the Issuer may (and shall if instructed to do so by the Issuer and/or the Issuer Security Trustee, on the Issuer's behalf):

- (a) give notice in the Seller's name to all or any of the Lessees of the sale and assignment of all or any of the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables; and/or
- (b) direct all or any of the Lessees and any relevant third parties to pay amounts outstanding in respect of Lease Receivables, RV Claims and/or Final Balloon Payment Receivables directly to the Issuer, into the Issuer Transaction Account or any other account which is specified by the Issuer; and/or
- (c) give instructions to immediately transfer any Collections standing to the credit of the Seller Collection Accounts to the Issuer Transaction Account; and/or
- (d) take such other action as it reasonably considers to be necessary, appropriate or desirable in order to recover any amount outstanding in respect of Lease Receivables, RV Claims and/or Final Balloon Payment Receivables or to improve, protect, preserve or enforce their rights against the Lessees in respect of the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables.

If the Servicer does not comply with its duty to notify the Lessees, the Issuer or Back-Up Servicer (or a third party acting on its behalf) may notify the Lessees. Costs in connection with a notification of the Lessees shall be borne by the Servicer. In order to facilitate such notification and the enforcement of the Issuer's rights in relation to the Lease Receivables, RV Claims and Final Balloon Payment Receivables on the Closing Date the Seller will deliver the Decryption Key to the Issuer Security Trustee. Following the occurrence of a Lessee Notification Event, the Issuer Security Trustee will make the Decryption Key available to the Issuer, the Servicer, the Realisation Agent, the Back-Up Servicer and the Back-Up Realisation Agent. The Servicer (on the Issuer's behalf) will be authorised to use the Decryption Key to decrypt the relevant Records and other relevant information and, if the Servicer does not notify the Lessees, then the Issuer or Back-Up Servicer (or a third party acting on its behalf) may, decrypt the Data File and notify the Lessees using such decrypted information. For more information in relation to Lessee Notification Events see further the section entitled "Servicing Agreement" below.

Appointment of Maintenance Coordinator

Pursuant to the terms of the Purchase Agreement and in furtherance of the Issuer's interest in the Lease Receivables, RV Claims and Final Balloon Payment Receivables, LPUK (i) will appoint the Issuer to select one or more agents to perform the Lease Services as applicable to the relevant Leased Vehicles and (ii) agree to execute a power of attorney in favour of the Issuer and to perform any acts necessary in connection with the Lease Services. On the Closing Date, the Issuer will appoint LPUK to carry out the Lease Services on its behalf pursuant to the terms of a sub-maintenance coordinator agreement entered into between, inter alia, the Issuer, LPUK and the Issuer Security Trustee (the "**Sub-Maintenance Coordinator Agreement**"). See further description in the section entitled "Sub-Maintenance Coordinator Agreement" below.

In consideration for the services provided by the Issuer as Maintenance Coordinator, LPUK will pay to the Maintenance Coordinator the Maintenance Coordinator Fee on each Interest Payment Date.

Pursuant to the Purchase Agreement, the Maintenance Coordinator shall, on receipt of any invoice (the "**Corresponding Sub-Maintenance Invoice**") from LPUK in respect of any services supplied by LPUK to the Maintenance Coordinator pursuant to the Sub-Maintenance Coordinator Agreement, issue an invoice (the "**Maintenance Invoice**") to LPUK in respect of Lease Services on the same date, showing the same amounts as the Corresponding Sub-Maintenance Invoice. LPUK agrees to pay the Maintenance Coordinator Fee set out in the Maintenance Invoice on the Interest Payment Date relating to the Corresponding Sub-Maintenance Invoice.

Applicable law and jurisdiction

The Purchase Agreement and any non-contractual obligations arising out of or in connection with it will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Purchase Agreement.

2. SERVICING AGREEMENT

General

On or prior to the Closing Date the Issuer, the Note Trustee, the Issuer Security Trustee, the Reporting Agent and LPUK will enter into a servicing agreement (the "**Servicing Agreement**") pursuant to which LPUK will be instructed to act as Servicer and to carry out certain management, collection and recovery activities in relation to the Portfolio transferred to the Issuer pursuant to the Purchase Agreement in accordance with the credit and collection processing procedures of LPUK as amended from time to time in accordance with the terms and conditions of the Servicing Agreement (the "**Credit and Collection Processing Procedures**").

Description of Servicing Functions

The duties of the Servicer will be set out in the Servicing Agreement and the Servicer will agree, amongst other things, to:

- (a) administer the Lease Agreements and in particular collect all Collections and Vehicle Realisation Proceeds unless such Vehicle Realisation Proceeds relate to the disposal of a Leased Vehicle by the Realisation Agent;
- (b) procure the payment of Collections as described in the section entitled "Collections and distribution" below;
- (c) administer early repayments;
- (d) (re)calculate the Estimated Residual Value and/or Lease Receivables in accordance with the Servicer's Credit and Collection Processing Procedures and subject to the terms of the relevant Lease Agreement;

- (e) keep and maintain records with respect to each Lease Agreement comprised in a Portfolio for the purposes of identifying amounts paid by each Lessee, any amount due from a Lessee and the balance from time to time outstanding with respect to each such Lease Agreement;
- (f) maintain records in respect of amounts recognised as having been lost or irrecoverable in relation to Defaulted Lease Agreements and amounts recovered in relation to Defaulted Lease Agreements which have previously been recognised as having been lost or irrecoverable in accordance with the requirements of the Servicing Agreement and the Credit and Collection Processing Procedures;
- (g) keep and maintain the Records on a Lease Receivable by Lease Receivable, RV Claim by RV Claim and Final Balloon Payment Receivable by Final Balloon Payment Receivable basis, in whatever medium or media may be expedient showing clearly all transactions and proceedings relating to the Servicing Agreement and to the relevant Lessees (including their correspondence details), the Lease Receivables, RV Claims and Final Balloon Payment Receivables and in an adequate form as is necessary to enforce each Lease Receivable;
- (h) ensure that the Records in respect of the Lease Receivables, RV Claims and Final Balloon Payment Receivables and the relevant Lease Agreements are kept in good order, in safe custody in fireproof and flood-proof storage in such manner so that they are identifiable and distinguishable from the records and other documents which relate to other agreements which are held by or on behalf of the Servicer or any other person and so that the relevant Lease Agreements and Records are uniquely, unequivocally and physically identifiable from data contained in the Initial Portfolio Schedule or the relevant Additional Portfolio Schedule;
- (i) take all actions on behalf and in the name of LPUK to repossess and return or transfer the relevant Leased Vehicles to the Realisation Agent (i) in respect of any Defaulted Lease Agreements; (ii) where LPUK has failed to repurchase the Lease Receivable and (in each case if applicable) RV Claim and/or Final Balloon Payment Receivable in accordance with the Purchase Agreement; or (iii) where the relevant Lessee is obliged to and has failed to return the relevant Leased Vehicle to LPUK in accordance with the terms of the relevant Lease Agreement;
- (j) upon the occurrence of an Insolvency Event with respect to LPUK, negotiate the variable component of the Administrator Incentive Recovery Fee with LPUK's Insolvency Official with a view to maximising the recoveries of the RV Claims and the Final Balloon Payment Receivables by the Issuer where the Insolvency Official disposes of, arranges for the disposal of or otherwise assists with the disposal of the relevant Leased Vehicles;
- (k) give access to its records to the Issuer or the Issuer Security Trustee (or any agent) upon request;
- (l) determine, as required, any Lease Agreement Recalculations and notify the Issuer, the Seller, the Cash Manager and following an Issuer Event of Default, the Issuer Security Trustee of any Aggregate Discounted Balance Increase Amount or Aggregate Discounted Balance Reduction Amount resulting from such recalculation;
- (m) deal with (and, if necessary repossess and return) any Defaulted Lease Agreements in accordance with the terms of the Servicing Agreement, including notifying the Realisation Agent of any Lease Agreements that have become Defaulted Lease Agreements; and
- (n) perform other tasks incidental to the above.

In consideration of these duties, the Servicer will receive the Servicer Fee to be paid by the Purchaser according to the applicable Priority of Payments.

Description of Servicing Standard

In accordance with the terms of the Servicing Agreement, the Servicer shall:

- (a) comply with the Servicer's Credit and Collection Processing Procedures; and
- (b) at all times devote or procure that there is devoted to the performance of its obligations, exercise of its discretions and its exercise of the rights of the Issuer and where so permitted the Issuer Security Trustee in respect of the Lease Receivables, RV Claims and Final Balloon Payment Receivables at least (i) the same amount of time and attention, (ii) the same level of skill, care and diligence in the performance of those obligations and discretions as it would if it were administering receivables which it beneficially owned and, in any event, will devote all due skill, care and diligence to the performance of its obligations and the exercise of its discretions under the Servicing Agreement and consider the interests of the Issuer and the Issuer Security Trustee (acting on behalf of the Issuer Secured Creditors) at all times whilst carrying out the services under the Servicing Agreement but the Servicer shall not be required to do or cause to be done anything which it is prevented from doing by any regulatory direction or any requirement of law.

In addition, the Servicer shall service and administer the assets forming part of the Portfolio in compliance with the Lease Agreements, the Purchase Agreement and certain general covenants of the Servicer (including covenants as to the compliance with any applicable laws in rendering the services owed by the Servicer).

Collections and distribution

Under the Servicing Agreement the Servicer will procure that:

- (a) all Collections in respect of the Lease Receivables or Final Balloon Payments and all Vehicle Realisation Proceeds in respect of the RV Claims collected at any time during the immediately preceding Monthly Collection Period (unless such Vehicle Realisation Proceeds relate to a disposal of a Leased Vehicle by the Realisation Agent); and
- (b) upon the occurrence of a Reserves Trigger Event and as long as a Reserves Trigger Event is continuing, the sum of:
 - (i) all Collections in respect of the Lease Receivables or Final Balloon Payments, and all Vehicle Realisation Proceeds in respect of the RV Claims expected to be received at any time during the Monthly Collection Period which falls in the calendar month following an Interest Payment Date (unless such Vehicle Realisation Proceeds relate to a disposal of Leased Vehicles by the Realisation Agent); and
 - (ii) the higher of:
 - (A) (I) the actual Collections in respect of the Lease Receivables or Final Balloon Payments and all Vehicle Realisation Proceeds in respect of the RV Claims received during the Monthly Collection Period which falls in the calendar month immediately preceding such Interest Payment Date (unless such Vehicle Realisation Proceeds relate to a disposal of a Leased Vehicle by the Realisation Agent); minus
 - (II) the expected Collections in respect of the Lease Receivables or Final Balloon Payments and all Vehicle Realisation Proceeds (unless such Vehicle Realisation Proceeds relate to a disposal of a Leased Vehicle by the Realisation Agent) in respect of the RV Claims that were paid directly into the Issuer Transaction Account on the immediately preceding such Interest Payment Date; and

(B) zero,

are paid into the Issuer Transaction Account on each Interest Payment Date.

On each Interest Payment Date following the occurrence of a Reserves Trigger Event and as long as a Reserves Trigger Event is continuing, the amount equal to the excess of:

- (a) the expected Collections in respect of the Lease Receivables or Final Balloon Payments and all Vehicle Realisation Proceeds (unless such Vehicle Realisation Proceeds relate to a disposal of a Leased Vehicle by the Realisation Agent) in respect of the RV Claims that were paid directly into the Issuer Transaction Account on the immediately preceding Interest Payment Date; *over*
- (b) the actual Collections in respect of the Lease Receivables or Final Balloon Payments and all Vehicle Realisation Proceeds (unless such Vehicle Realisation Proceeds relate to a disposal of a Leased Vehicle by the Realisation Agent) in respect of the RV Claims received during the Monthly Collection Period immediately preceding the relevant Interest Payment Date,

shall not form part of Available Distribution Amounts and shall be paid to the Seller Collection Account on such Interest Payment Date if and to the extent the Servicer has complied with its obligation to advance the Expected Collections relevant to such Interest Payment Date (or netted therewith).

Lease Agreement Recalculation

During each Monthly Collection Period, the Servicer will determine on or prior to the date falling three Business Days prior to each Calculation Date the Lease Agreement Recalculations with respect to each Lease Agreement in accordance with the Credit and Collection Processing Procedures of LPUK, which will have the effect that the Lease Receivables and the Estimated Residual Value with respect to such Lease Agreement in the Portfolio during the immediately preceding calendar month will be changed, provided that:

- (a) if, in relation to any Lease Agreement, the relevant Lease Agreement Recalculation would result in a net payment to the Lessee, the Servicer will not undertake and implement that Lease Agreement Recalculation unless it is satisfied that the Seller will make (or, failing which, the Servicer will make) such payment to the relevant Lessee within 30 days following the date of that Lease Agreement Recalculation; and
- (b) following an Insolvency Event in respect of the Seller, the Servicer or, where relevant, the Back-Up Servicer shall not undertake and implement Lease Agreement Recalculations the aggregate effect of which would be to cause to subsist, on any Interest Payment Date, an Aggregate Discounted Balance Reduction Amount.

This Lease Agreement Recalculation might then lead to an increase in the Aggregate Discounted Balance on the following Cut-Off Date relating to this Lease Agreement using a discount rate equal to the Discount Rate.

Or, as the case may be, a Lease Agreement Recalculation might lead to a decrease of the Aggregate Discounted Balance on the following Cut-Off Date relating to another Lease Agreement using the Discount Rate.

The Servicer will notify the Issuer, the Seller and the Cash Manager on the Calculation Date of any Aggregate Discounted Balance Increase Amount or Aggregate Discounted Balance Reduction Amount resulting from such Lease Agreement Recalculation.

Performance by Third Parties

The Servicer may at any time without the prior consent of the Issuer, the Issuer Security Trustee or any other party to the Transaction Documents, sub-delegate all or any part of its duties under

the Servicing Agreement provided that the Servicer remains responsible for the functions so delegated.

Allocation of Collections

Subject, where applicable, to the provisions of and the operation of the CCA which require a contrary treatment as to apportionment to be applied, the Servicer will, if a person owing a payment obligation in respect of a Lease Agreement makes a general payment to the Servicer on account both of a Lease Receivable or Final Balloon Payment and of any other monies due for any reason whatsoever to LPUK (including in relation to a Lease Agreement not included in the Portfolio) and makes no apportionment between them, treat such payment in the following manner:

- (a) firstly, to the applicable invoice relating to such payment;
- (b) secondly, where payments are not identified as relating to a specific invoice, and after notification to the Lessee, to the relevant invoice at the direction of the Lessee;
- (c) thirdly, where no such allocation is provided by the relevant Lessee within ten Business Days, to the oldest invoice then outstanding until the outstanding balance of such invoice has been reduced to zero and thereafter to the next oldest invoices in order until the outstanding balance of such invoices has been reduced to zero; and
- (d) fourthly, in all other cases *pari passu* and *pro rata* between all outstanding invoices of the Lessee relating to Lease Receivables.

Additionally, the *pro rata* share of the collections received and allocated to the Lease Agreements included in the Portfolio should first be applied and allocated (i) *pro rata* and *pari passu* between VAT Collections and Non VAT Collections and (ii) thereafter, Non VAT Collections, will be allocated to Lease Interest Collections, then to Lease Principal Collections and thereafter to Lease Servicing Collections.

Investor Reports and information

For further details about Investor Reports and information, please refer to the section entitled "Regulatory Requirements".

Servicer Fee

In consideration of its duties pursuant to the Servicing Agreement, the Servicer will receive the Servicer Fee to be paid by the Purchaser subject to and in accordance with the applicable Priority of Payments.

Appointment of Back-Up Servicer

LPUK shall procure within 120 calendar days from the occurrence of an Appointment Trigger that a Suitable Entity (selected in good faith and in accordance with standard of care set out in the Servicing Agreement) acts as Back-Up Servicer pursuant to the terms of a back-up servicer agreement (the "**Back-Up Servicing Agreement**"). The Back-Up Servicer will have to satisfy and meet the requirements and standards as set out in the Servicing Agreement.

If LPUK has not procured that a Suitable Entity is appointed as Back-Up Servicer within 120 calendar days from the occurrence of such Appointment Trigger, the Issuer has agreed to use reasonable endeavours to procure a Suitable Entity to act as Back-Up Servicer.

The Servicer must notify the parties to the Servicing Agreement in writing immediately on the occurrence of an Insolvency Event in relation to the Servicer or the occurrence of a Reserves Trigger Event, a Pre-Crystallisation Trigger Event or a Non-Insolvency Servicer Termination Event.

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

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

As long as the Back-Up Servicer has not taken over the services of the Servicer, the Back-Up Servicer will be entitled to receive the Back-Up Servicer Stand-By Fee (payable in accordance with the Priority of Payments) following its appointment as Back-Up Servicer in such an amount to be agreed between the Issuer, the Back-Up Servicer and (only where such Back-Up Servicer Stand-By Fee is proposed to exceed 0.05% per annum of the Aggregate Discounted Balance of the Portfolio as of the end of the immediately preceding Monthly Collection Period), LPUK.

Neither the LPUK Security Trustee, the Issuer Security Trustee or the Note Trustee shall be obliged to monitor the performance of the Servicer or the Back-Up Servicer nor shall any of them be required to take action to identify any replacement Servicer or Back-Up Servicer or for carrying on any role of the Servicer or Back-Up Servicer following the termination of the Servicer's or Back-Up Servicer's appointment and each of the LPUK Security Trustee, the Issuer Security Trustee and the Note Trustee shall be entitled to assume the Servicer and the Back-Up Servicer is performing its obligations under the Servicing Agreement and/or Back-Up Servicing Agreement.

Termination and Replacement of the Servicer

After the occurrence of a Servicer Termination Event, the Issuer (or the Issuer Security Trustee) is entitled to dismiss the Servicer in writing. Such dismissal and the appointment of a new Servicer shall only become effective after the new Servicer has been appointed on terms substantially similar to the existing Servicing Agreement.

The Servicer may assign all of its rights under the Servicing Agreement to another member of the LeasePlan Group (who shall assume all of the obligations of the Servicer under the Servicing Agreement) without the prior consent of the Issuer and the Issuer Security Trustee provided that certain conditions are satisfied.

Applicable law and jurisdiction

The Servicing Agreement, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Servicing Agreement.

3. REALISATION AGENCY AGREEMENT

General

On or prior to the Closing Date the Issuer, the LPUK Security Trustee, the Issuer Security Trustee and LPUK as Realisation Agent will enter into a realisation agency agreement (the "**Realisation Agency Agreement**") pursuant to which LPUK will agree to act as the Realisation Agent. The Realisation Agent shall be responsible for selling the Leased Vehicles resulting from Defaulted Lease Agreements or where LPUK as Repurchaser has failed to repurchase the Lease Receivables and (in each case if applicable) the RV Claims and the Final Balloon Payment Receivables in accordance with the Purchase Agreement, in each case after the Leased Vehicle has been returned to the Realisation Agent by the Servicer in accordance with the Servicing Agreement. The Realisation Agent shall only sell the related Leased Vehicles at such time as would not result in a breach of the relevant Lease Agreement.

As security for its obligation to repurchase the Lease Receivables and (in each case if applicable) the RV Claims and the Final Balloon Payment Receivables from the Issuer the Repurchaser will grant floating security over title to the Leased Vehicles pursuant to the terms of the LPUK Deed of Charge (as to which see further below).

Realisation Procedure Rules

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

- (a) conduct its realisation activities in accordance with a standard of care such that the Realisation Agent shall devote or procure that there is devoted to the performance of its obligations, exercise of its discretions and its exercise of the rights of the Issuer and where so permitted the Issuer Security Trustee in respect of the Realisation Services at least (i) the same amount of time and attention, (ii) the same level of skill, care and diligence in the performance of those obligations and discretions and the exercise of those rights as it would exercise if it were providing the Realisation Services in respect of Vehicles which it beneficially owned and, in any event, will devote all due skill, care and diligence to the performance of its obligations and the exercise of its discretions hereunder and consider the interests of the Issuer and, following the occurrence of an Issuer Event of Default, the Issuer Security Trustee (acting on behalf of the Issuer Secured Creditors) at all times whilst carrying out the services thereunder but the Realisation Agent shall not be required to do or cause to be done anything which it is prevented from doing by any regulatory direction or any requirement of law;
- (b) consider the interests of the Issuer and, following the occurrence of an Issuer Event of Default, the Issuer Security Trustee (acting on behalf of the Issuer Secured Creditors) at all times whilst carrying out the Realisation Services;
- (c) comply with the Realisation Agent's customary realisation procedures;
- (d) maintain its books and records relating to the Leased Vehicles in accordance with applicable accounting standards in all material respects and to adequately store and preserve the records that are in its possession;
- (e) maintain records in relation to the Leased Vehicles and keep them in such a manner that they are readable by a computer, can be easily distinguished from other similar records, and can be accessed by the Issuer at all reasonable times;
- (f) use commercially reasonable efforts to arrange for the sale of the Leased Vehicles to a third party purchaser in a manner which maximises the sale price thereof (having regard to the then current market value of such Leased Vehicle taking into account the relevant method of sale); and
- (g) not arrange for the sale of a Leased Vehicle to a third party purchaser on credit terms.

Collections and commingling

The Realisation Agent will agree and covenant to the Issuer, the Issuer Security Trustee and the LPUK Security Trustee to pay to the Issuer Transaction Account of the Issuer, the Vehicle Realisation Proceeds related to or received during the immediately preceding Monthly Collection Period on each Interest Payment Date.

Upon the occurrence of Realisation Agent Termination Event, the Issuer agrees and covenants to direct the Realisation Agent to direct the payment of all Vehicle Realisation Proceeds directly into the Issuer Transaction Account.

Realisation Agent Fee

In consideration for its services the Issuer will pay to the Realisation Agent a realisation agent fee equal to £12,000 per annum, which is to be paid monthly (the "**Realisation Agent Fee**"). It shall be payable in accordance with the relevant Priority of Payments.

Performance by Third Parties

The Realisation Agent may at any time without the prior consent of the Issuer, the Issuer Security Trustee or any other party to the Transaction Documents, sub-delegate all or any part of its duties under the Realisation Agency Agreement provided that the Realisation Agent remains responsible for the functions so delegated.

Appointment of Back-Up Realisation Agent and Back-Up Realisation Agent Role

LPUK shall procure within 120 calendar days from the occurrence of an Appointment Trigger that a Suitable Entity (selected in good faith and in accordance with standard of care set out in the Realisation Agency Agreement) acts as Back-Up Realisation Agent and as Trustee Agent. If on the occurrence of a Realisation Agent Termination Event, LPUK has not procured that a Suitable Entity acts as the Back-Up Realisation Agent and/or the Trustee Agent (as applicable), or if LPUK has not procured that a Suitable Entity is appointed as a Back-Up Realisation Agent and/or a Trustee Agent (as applicable) within 120 calendar days from the occurrence of an Appointment Trigger, the Issuer shall use reasonable endeavours to procure a Suitable Entity to act as Back-Up Realisation Agent and/or Trustee Agent (as applicable). The Realisation Agent must notify the parties to the Realisation Agency Agreement in writing immediately on the occurrence of an Insolvency Event in relation to the Realisation Agent or the occurrence of an Appointment Trigger.

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

Prior to the occurrence of a Realisation Agent Termination Event, the Back-Up Realisation Agent will not be required to carry out the Realisation Services and will in consideration for agreeing to provide the Realisation Services on termination of the Realisation Agency Agreement, be paid a Back-Up Realisation Agent Stand-By Fee.

Neither the LPUK Security Trustee, the Issuer Security Trustee or the Note Trustee shall be (i) obliged to monitor the performance of the Realisation Agent, the Back-Up Realisation Agent or the Trustee Agent nor shall any of them be or (ii) required to take action to identify any replacement Realisation Agent or Back-Up Realisation Agent or Trustee Agent or for carrying on any role of the Realisation Agent, the Back-Up-Realisation Agent or the Trustee Agent following the termination of the Realisation Agent's, Back-Up Realisation Agent's or Trustee Agent's appointment (as applicable). Each of the LPUK Security Trustee, the Issuer Security Trustee and the Note Trustee shall be entitled to assume that the Realisation Agent, the Back-Up Realisation Agent and the Trustee Agent is performing its obligations under the Realisation Agency Agreement and Back-Up Realisation Agency Agreement.

Termination and Replacement of the Realisation Agent

After the occurrence of a Realisation Agent Termination Event, the Issuer (or the Issuer Security Trustee) is entitled to notify the Realisation Agent in writing that it is no longer required to act under the Realisation Agency Agreement. The termination and the appointment of a new Realisation Agent shall only become effective after the Back-up Realisation Agent has been appointed on terms substantially similar to the existing Realisation Agency Agreement.

The Realisation Agent may assign all of its rights under the Realisation Agency Agreement to another member of the LeasePlan Group (who shall assume all of the obligations of the Realisation Agent under the Realisation Agency Agreement) without the prior consent of the Issuer and the Issuer Security Trustee provided that certain conditions are satisfied.

Applicable law and jurisdiction

The Realisation Agency Agreement, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Realisation Agency Agreement.

4. SUB-MAINTENANCE COORDINATOR AGREEMENT

General

On the Closing Date the Issuer (in its capacity as Maintenance Coordinator) will appoint LPUK to carry out the Lease Services on its behalf pursuant to the terms of a sub-maintenance coordinator agreement entered into between, inter alia, the Issuer, LPUK (in its capacity as Sub-Maintenance Coordinator) and the Issuer Security Trustee (the "**Sub-Maintenance Coordinator Agreement**").

The Sub-Maintenance Coordinator shall, at all times during the term of the Sub-Maintenance Coordinator Agreement, devote or procure that there is devoted to the performance of its obligations, exercise of its discretions and its exercise of the rights of the Issuer and following the occurrence of an Issuer Event of Default, the Issuer Security Trustee in respect of the Lease Services at least (i) the same amount of time and attention, (ii) the same level of skill, care and diligence in the performance of those obligations and discretions and the exercise of those rights as it would if it were coordinating the Lease Services in respect of motor vehicle lease agreements and/or maintenance and service contracts which it beneficially owned and, in any event, will devote all due skill, care and diligence to the performance of its obligations and the exercise of its discretions hereunder and consider the interest of the Issuer and, following the occurrence of an Issuer Event of Default, the Issuer Security Trustee (acting on behalf of the Issuer Secured Creditors) at all times whilst coordinating the Lease Services under the Sub-Maintenance Coordinator Agreement but the Sub-Maintenance Coordinator shall not be required to do or cause to be done anything which it is prevented from doing by any regulatory direction or any requirement of law.

Performance by Third Parties

The Sub-Maintenance Coordinator may at any time without the prior consent of the Issuer, the Issuer Security Trustee or any other party to the Transaction Documents, sub-delegate all or any part of its duties under the Sub-Maintenance Coordinator Agreement provided that the Sub-Maintenance Coordinator remains responsible for the functions so delegated.

Termination and Replacement of the Sub-Maintenance Coordinator

After the occurrence of a Sub-Maintenance Coordinator Termination Event, the Issuer (or the Issuer Security Trustee) is entitled to dismiss the Sub-Maintenance Coordinator in writing. The dismissal and the appointment of a new Sub-Maintenance Coordinator shall only become effective after the new Sub-Maintenance Coordinator has been appointed on terms substantially similar to the existing Sub-Maintenance Coordinator Agreement.

The Sub-Maintenance Coordinator may assign all of its rights under the Sub-Maintenance Coordinator Agreement to another member of the LeasePlan Group (who shall assume all of the obligations of the Sub-Maintenance Coordinator under the Sub-Maintenance Coordinator Agreement) without the prior consent of the Issuer and the Issuer Security Trustee provided that certain conditions are satisfied.

Appointment of Back-Up Sub-Maintenance Coordinator

LPUK shall procure within 120 calendar days from the earlier of the occurrence of an Appointment Trigger and an Insolvency Event in relation to LPUK that a Suitable Entity (selected in good faith and in accordance with standard of care set out in the Sub-Maintenance Coordinator Agreement) acts as Sub-Maintenance Coordinator pursuant to terms substantially similar to the existing Sub-Maintenance Coordinator Agreement. The Back-Up Sub-Maintenance Coordinator will have to satisfy and meet the requirements and standards as set out in the Sub-Maintenance Coordinator Agreement.

The Sub-Maintenance Coordinator must notify the parties to the Sub-Maintenance Coordinator Agreement in writing immediately on the occurrence of an Insolvency Event in relation to the Sub-Maintenance Coordinator or the occurrence of an Appointment Trigger.

The Back-Up Sub-Maintenance Coordinator will agree that it will receive and store information in respect of the Portfolio including any investor report or loan level data that is published in relation to the Notes, so that it is able, on the occurrence of a Sub-Maintenance Coordinator Termination Event and 15 Business Days written notice from the Issuer or the Issuer Security Trustee to the Back-Up Sub-Maintenance Coordinator that it should commence performance of the Lease Services, to perform the Lease Services described in the Sub-Maintenance Coordinator Agreement (together, the "**Back-Up Sub-Maintenance Coordinator Role**").

Following the occurrence of a Sub-Maintenance Coordinator Termination Event, 15 Business Days written notice from the Issuer or the Issuer Security Trustee to the Back-Up Sub-Maintenance Coordinator that it should commence performance of the Lease Services and termination of the appointment of the Sub-Maintenance Coordinator, the Back-Up Sub-Maintenance Coordinator will take over the services of the Sub-Maintenance Coordinator under the Sub-Maintenance Coordinator Agreement.

As long as the Back-Up Sub-Maintenance Coordinator has not taken over the services of the Sub-Maintenance Coordinator, the Back-Up Sub-Maintenance Coordinator will be entitled to receive the Back-Up Sub-Maintenance Coordinator Stand-By Fee (payable in accordance with the Priority of Payments) following its appointment as Back-Up Sub-Maintenance Coordinator in such an amount to be agreed between the Issuer, the Back-Up Sub-Maintenance Coordinator and (only where such Back-Up Sub-Maintenance Coordinator Stand-By Fee is proposed to exceed 0.05% per annum of the Aggregate Discounted Balance of the Portfolio as of the end of the immediately preceding Monthly Collection Period), LPUK.

Neither the LPUK Security Trustee, the Issuer Security Trustee or the Note Trustee shall be (i) obliged to monitor the performance of the Sub-Maintenance Coordinator or the Back-Up Sub-Maintenance Coordinator or to monitor whether an Appointment Trigger has occurred nor (ii) required to take action to identify any replacement Sub-Maintenance Coordinator or Back-Up Sub-Maintenance Coordinator or for carrying on any role of the Sub-Maintenance Coordinator or Back-Up Sub-Maintenance Coordinator following the termination of the Sub-Maintenance Coordinator's or Back-Up Sub-Maintenance Coordinator's appointment. Each of the LPUK Security Trustee, the Issuer Security Trustee and the Note Trustee shall be entitled to assume that the Sub-Maintenance Coordinator and the Back-Up Sub-Maintenance Coordinator is performing its obligations under the Sub-Maintenance Coordinator Agreement.

Sub-Maintenance Coordinator Fee

In consideration of these duties, LPUK as Sub-Maintenance Coordinator will receive the Sub-Maintenance Coordinator Fee as set out in the VAT invoices issued by the Sub-Maintenance Coordinator from time to time in accordance with the Sub-Maintenance Coordinator Agreement. The Sub-Maintenance Coordinator Fee will be paid by the Issuer according to the applicable Priority of Payments. The payment of the Sub-Maintenance Coordinator Fee will be subject to, and to the extent of, the payment by LPUK to the Issuer as Maintenance Coordinator of the Maintenance Coordinator Fee.

Applicable law and jurisdiction

The Sub-Maintenance Coordinator Agreement, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Sub-Maintenance Coordinator Agreement.

5. **TRUST DEED**

On the Closing Date, the Issuer and the Note Trustee will enter into a trust deed (the "**Trust Deed**") pursuant to which the Issuer and the Note Trustee will agree that the Notes are subject to the provisions in the Trust Deed. The Conditions and the forms of the Notes are set out in the Trust Deed.

The Note Trustee will hold the benefit of the rights, powers and covenants in its favour contained in the Transaction Documents upon trust for itself and the Noteholders, according to its and their respective interests, upon and subject to the terms and conditions of the Trust Deed.

Subject to the provisions of the Trust Deed, the Note Trustee may at its discretion give any directions to (i) the Issuer Security Trustee under or in connection with any Transaction Document (including, but not limited to, the giving of a direction to the Issuer Security Trustee to enforce the Issuer Security after the Issuer Security has become enforceable) and (ii) the LPUK Security Trustee under or in connection with the LPUK Deed of Charge.

In accordance with the terms of the Trust Deed, the Issuer will pay a fee to the Note Trustee for its services under the Trust Deed at the rate and times agreed between the Issuer and the Note Trustee together with payment of any liabilities incurred by the Note Trustee in relation to the Note Trustee's performance of its powers, rights and obligations under the Trust Deed and the other Transaction Documents.

The Trust Deed contains provisions requiring the Note Trustee to have regard to the interests of the Class A Noteholders and the Class B Noteholder equally as regards all rights, powers, trusts, authorities, duties and discretions of the Note Trustee but requiring (except where expressly provided otherwise), the Note Trustee to have regard only to the Class A Noteholders if, in the Note Trustee's opinion, there is a conflict between the interests of such Class and the Class B Noteholder.

In addition, the Note Trustee shall then only be bound to take any action at the direction of the Noteholders or any Class of them if it shall be indemnified and/or secured to its satisfaction against all liabilities to which it may render itself liable or which it may incur by so doing and, for this purpose, the Note Trustee may demand, prior to taking any such action, that there be paid to it in advance such sums as it considers (without prejudice to any further demand) shall be sufficient so to indemnify it.

The Trust Deed contains provisions limiting the powers of the Noteholders of subordinated Classes to request or direct the Note Trustee to take any action or to pass an effective Extraordinary Resolution that may affect the interests of the Noteholders of more senior Classes. Except in certain circumstances the Trust Deed contains no such limitation on the powers of the Noteholders of the Most Senior Class Outstanding to bind Noteholders of subordinated Classes.

The Trust Deed also contains provisions pursuant to which the Note Trustee shall not be bound to give notice to any person of the execution of any documents comprised or referred to in the Trust Deed or any other Transaction Document or to take any steps to ascertain whether any Issuer Event of Default, Issuer Potential Event of Default, Reserves Trigger Event, Automatic Crystallisation Event, Pre-Crystallisation Trigger Event, Non-Insolvency Realisation Agent Termination Event, Non-Insolvency Sub-Maintenance Coordinator Termination Event, Non-Insolvency Servicer Termination Event, Insolvency Event in respect of the Issuer, Seller Event of Default or any event which causes or may cause a right on the part of the Note Trustee, the Issuer Security Trustee or the LPUK Security Trustee under or in relation to any Transaction Document to become exercisable has happened and, until it shall have actual knowledge or express notice pursuant to the Trust Deed to the contrary, the Note Trustee shall be entitled to

assume that no Issuer Event of Default, Issuer Potential Event of Default, Reserves Trigger Event, Automatic Crystallisation Event, Pre-Crystallisation Trigger Event, Non-Insolvency Realisation Agent Termination Event, Non-Insolvency Sub-Maintenance Coordinator Termination Event, Non-Insolvency Servicer Termination Event, Insolvency Event in respect of the Issuer, or any Seller Event of Default or other such event has happened and that the Issuer and each of the other parties are observing and performing all their respective obligations under the Trust Deed and the other Transaction Documents and, if it does have actual knowledge or express notice as aforesaid, the Note Trustee shall not be bound to give notice thereof to the Noteholders or any other party.

Issuer covenants

Pursuant to the terms of the Trust Deed, so long as any of the Notes remains outstanding the Issuer has made certain covenants in favour of the Note Trustee including that it shall notify the Servicer, Note Trustee, the Issuer Security Trustee and the Cash Manager in writing, immediately upon becoming aware thereof of (i) any breach of the warranties or undertakings given by it under the Transaction Documents, (ii) the occurrence of any Seller Event of Default, (iii) the occurrence of a Pre-Crystallisation Trigger Event, (iv) the occurrence of an Automatic Crystallisation Event, (v) the occurrence of a Non-Insolvency Realisation Agent Termination Event, Non-Insolvency Sub-Maintenance Coordinator Termination Event, and/or Non-Insolvency Servicer Termination Event (vi) the occurrence of an Insolvency Event in relation to it and (vii) the occurrence of any Reserves Trigger Event.

Retirement of Note Trustee

The Note Trustee may retire at any time upon giving not less than 60 days' notice in writing to the Issuer without assigning any reason therefor and without being responsible for any Liabilities occasioned by such retirement. The retirement of the Note Trustee shall not become effective unless there remains a trustee (being a trust corporation) in office after such retirement. The Issuer will agree in the Trust Deed that, in the event of the sole trustee or the only trustee under the Trust Deed giving notice of its retirement, it shall use its best endeavours to procure a new trustee to be appointed.

Applicable law and jurisdiction

The Trust Deed, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Trust Deed.

6. ISSUER DEED OF CHARGE

On the Closing Date, the Issuer and the Issuer Security Trustee (among others) will enter into a security deed (the "**Issuer Deed of Charge**"). As continuing security for the payment or discharge of the Issuer Secured Liabilities, the Issuer will create in favour of the Issuer Security Trustee, for itself and on trust for the other Issuer Secured Creditors, in accordance with the terms of the Issuer Deed of Charge:

- (a) a charge by way of fixed first charge of all of its rights in respect of the Lease Receivables, the RV Claims, the Final Balloon Payment Receivables and Ancillary Rights comprised in the Portfolio;
- (b) an assignment subject to a proviso for re-assignment on redemption, of all of its rights in respect of the Issuer Charged Documents which, in the case of the Interest Rate Swap Agreement, is subject to the netting and set-off provisions contained therein;
- (c) a charge by way of fixed first charge of all of its rights in respect of (i) any amount standing from time to time to the credit of the Bank Accounts, (ii) all interest paid or payable in relation to those amounts and (iii) all debts represented by those amounts;

- (d) a first fixed charge over all of its rights in respect of (i) the Authorised Investments made or purchased from time to time by or on behalf of the Issuer and (ii) all interest, moneys and proceeds paid or payable in relation to those Authorised Investments; and
- (e) a first floating charge over all of its assets, property and rights whatsoever and wheresoever present and future.

Under the Issuer Deed of Charge, the Issuer Secured Creditors acknowledge that (i) any Swap Collateral credited by the Interest Rate Swap Counterparty to any Swap Collateral Account, any interest paid or payable in relation to such Swap Collateral and any debts represented thereby are held solely to collateralise the obligations of the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement and amounts standing to the credit thereto shall be applied in accordance with the terms of the Issuer Deed of Charge, the Cash Management Agreement and the Interest Rate Swap Agreement; (ii) any Replacement Swap Premium (if any) received by the Issuer shall be paid firstly to the outgoing Interest Rate Swap Counterparty to which a Swap Termination Payment is owed by the Issuer and thereafter as Available Distribution Amounts; (iii) any Swap Termination Payment received by the Issuer from the outgoing Interest Rate Swap Counterparty shall firstly be applied to pay amounts in respect of any Replacement Swap Premium due to a new Interest Rate Swap Counterparty and thereafter shall be applied as Available Distribution Amounts; and (iv) any Tax Credits shall be applied directly to the Interest Rate Swap Counterparty in accordance with the Issuer Deed of Charge.

Each of the Issuer Secured Creditors will be bound by the provisions of the Issuer Deed of Charge and, in particular, will agree to be bound by the limited recourse and non-petition provisions set out in the Issuer Deed of Charge. The Issuer Security will become immediately enforceable upon the service by the Note Trustee of a Note Acceleration Notice or, if there are no Notes outstanding, upon failure by the Issuer to pay any other Issuer Secured Liability on its due date (subject to any applicable grace period).

Only the Issuer Security shall be available to satisfy the Issuer's obligations under the Notes. Accordingly, recourse against the Issuer in respect of such obligations shall be limited to the Issuer Security and the claims of the Issuer Secured Creditors against the Issuer under the Transaction Documents may only be satisfied to the extent of the Issuer Security. Once the Issuer Security has been realised:

- (a) neither the Issuer Security Trustee nor any of the Issuer Secured Creditors shall be entitled to take any further steps or other action against the Issuer to recover any sums due but unpaid;
- (b) all claims in respect of any sums due but unpaid shall be extinguished; and
- (c) neither the Issuer Security Trustee nor any of the Issuer Secured Creditors shall be entitled to petition or take any other step for the winding up of the Issuer.

The Issuer Deed of Charge contains provisions permitting the Issuer (subject as specifically provided otherwise in the Issuer Deed of Charge and the Transaction Documents) to exercise its rights, powers and discretions and perform its obligations in relation to the Issuer Charged Assets and under the Transaction Documents prior to the delivery of a Note Acceleration Notice notwithstanding the creation of the Issuer Security. Upon delivery by the Note Trustee of a Note Acceleration Notice to the Issuer, the Issuer shall no longer be entitled to exercise such rights, powers and discretions and the Issuer Security Trustee shall thereafter be entitled to exercise the Issuer's rights, powers and discretions and perform its obligations in relation to the Issuer Charged Assets and under the Transaction Documents in accordance with the provisions of the Issuer Deed of Charge and the other Transaction Documents.

Applicable law and jurisdiction

The Issuer Deed of Charge, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Issuer Deed of Charge.

7. LPUK DEED OF CHARGE

On the Closing Date, the Issuer, LPUK and the LPUK Security Trustee will enter into a security deed (the "**LPUK Deed of Charge**"). As security for its obligation to repurchase the Lease Receivables and (in each case if applicable) the RV Claims and/or the Final Balloon Payment Receivables from the Issuer and the repayment of all other amounts due by the Seller to the Issuer pursuant to the Purchase Agreement and to make payments of all amounts payable to the LPUK Security Trustee, any Receiver or any LPUK Security Trustee Appointee, LPUK will grant a floating charge to the LPUK Security Trustee (to be held on trust for the LPUK Secured Creditors) over title to each Leased Vehicle or in respect of those Leased Vehicles which relate to Lease Agreements to which section 8 of the Supply of Goods (Implied Terms) Act 1973 or section 12(2) of the Sale of Goods Act 1979 applies, those Leased Vehicles which are no longer the subject of a Lease Agreement by reason of (i) termination of the Lease Agreement on the Lease Maturity Date or (ii) termination by the Lessee or LPUK of such Lease Agreement, in each case where such Leased Vehicle relates to a Lease Agreement from which a Lease Receivable, RV Claim and/or Final Balloon Payment Receivable comprised in a Portfolio is, or has been derived (each, a "**Charged Vehicle**") and their related Title Documents pursuant to the terms of the LPUK Deed of Charge.

The floating charge granted by LPUK will automatically crystallise if any person levies or attempts to levy distress, execution or other process against any of the Charged Vehicles which (when combined with any other levy, distress, execution or other process against any of the Charged Vehicles) is in an amount above an aggregate amount equal at any point in time to £20,000,000 (the "**Crystallisation Threshold**").

The floating charge granted by LPUK will also automatically crystallise if the following events occur:

- (a) LPUK ceases to carry on all or a substantial part of its business or ceases to be a going concern;
- (b) LPUK stops making payments to its creditors or gives notice to its creditors that it intends to stop payment;
- (c) the presentation of a petition for the compulsory winding-up of LPUK is made;
- (d) the convening of a meeting for the passing of a resolution for the voluntary winding-up of LPUK occurs;
- (e) the presentation of a petition or application for the making of an administration order in relation to LPUK occurs;
- (f) any person who is entitled to do so giving written notice of its intention to appoint an administrator of LPUK or filing such a notice with the court;
- (g) any floating charge granted by LPUK to any other person (whether permitted by the Transaction Documents or not) crystallises for any reason whatsoever; and
- (h) the Crystallisation Threshold is reached.

each an "**Automatic Crystallisation Event**".

Prior to the occurrence of an Automatic Crystallisation Event, LPUK will be under an obligation to inform the Issuer, the LPUK Security Trustee, (where appointed) the Trustee Agent and the Servicer of each Leased Vehicle that is a Charged Vehicle and the current outstanding level of claims (including the amount of such claims) in which any person has levied or attempted to levy distress, execution or other process against any of the Charged Vehicles. Pursuant to the LPUK Deed of Charge, LPUK is also under an obligation to: (i) immediately upon the occurrence of a Pre-Crystallisation Trigger Event, notify the Issuer, the LPUK Security Trustee and the Servicer of the occurrence of such an event; and (ii) immediately upon the occurrence of any Automatic

Crystallisation Event, notify the Issuer, the LPUK Security Trustee, the Trustee Agent (where appointed) and the Servicer of the occurrence of such an event.

Furthermore, following the occurrence of an Automatic Crystallisation Event, LPUK shall (i) give to the LPUK Security Trustee and the Trustee Agent, on request such information as the LPUK Security Trustee or the Trustee Agent, as applicable, may require regarding the Charged Vehicles, including whether they are currently subject of a Lease Agreement and in any event shall provide such information on each day falling three Business Days prior to each Interest Payment Date; (ii) give to the LPUK Security Trustee and the Trustee Agent such information as it may require regarding certain realisation considerations set out in the LPUK Deed of Charge; (iii) not enter into any leasing, sub-leasing or similar arrangement; and (iv) not dispose of or deal with any Charged Vehicle without the prior consent of the Trustee Agent acting on behalf of the LPUK Security Trustee.

Trustee Agent Role and LPUK Security Trustee

Pursuant to the terms of the Realisation Agency Agreement, following the occurrence of an Appointment Trigger a Suitable Entity which is willing to act as Trustee Agent shall be procured by LPUK or (should LPUK fail to procure a suitable entity within 120 days), by the Issuer and appointed by the LPUK Security Trustee (provided it is satisfied with the terms of appointment thereof) as agent of the LPUK Security Trustee (and not, for the avoidance of doubt, as agent of LPUK) to perform the role described in Schedule 3 to the LPUK Deed of Charge on and following the occurrence of an Automatic Crystallisation Event, which by way of overview will require the Trustee Agent, among other things, to: (i) consent to the most appropriate sales channel for the disposal of Charged Vehicles; and (ii) use the information available to it (including such information provided by LPUK pursuant to the LPUK Deed of Charge and the Servicing Agreement, used vehicle guide prices publications such as "CAP" and "Glass Guide" information) and give consideration to the relevant Charged Vehicle's characteristics (including its age, mileage, condition and specification), in order to provide its consent (the "**Trustee Agent Role**").

Pursuant to the terms of the LPUK Deed of Charge or any other Transaction Document, where the LPUK Security Trustee is entitled to exercise any right, power or discretion or is obligated to take any action in respect of the Charged Vehicles it shall be entitled to and shall (subject as further described in the LPUK Deed of Charge and the Realisation Agency Agreement) appoint a Trustee Agent to exercise such right, power or discretion or to perform such obligation. LPUK or, as the case may be, the Issuer is responsible for procuring a Suitable Entity pursuant to the Realisation Agency Agreement to act as Trustee Agent of the LPUK Security Trustee on terms satisfactory to the LPUK Security Trustee (including the provision of an indemnity satisfactory to it). Until such time as LPUK or, as the case may be, the Issuer has procured the appointment of a Trustee Agent the LPUK Security Trustee will not perform the Trustee Agent Role and the LPUK Security Trustee will have no liability to any LPUK Secured Creditor or any other person resulting from any failure or delay on the part of LPUK or, as the case may be, the Issuer in procuring a Trustee Agent or as a result of there being no Trustee Agent to perform the Trustee Agent Role.

Further, the LPUK Security Trustee is entitled to assume, until it receives actual written notice thereof from the Issuer or LPUK (in any of its capacities under the Transaction Documents) that LPUK has not taken or threatened to take any action that would be prejudicial to the LPUK Security, or would be inconsistent with the LPUK Security created under the LPUK Deed of Charge and that no Seller Event of Default, Reserves Trigger Event, Automatic Crystallisation Event, Pre-Crystallisation Trigger Event, Non-Insolvency Realisation Agent Termination Event, Non-Insolvency Sub-Maintenance Coordinator Termination Event, or Non-Insolvency Servicer Termination Event and no Insolvency Event in relation to LPUK or the Issuer or any has occurred.

Pursuant to the LPUK Deed of Charge, LPUK and the Issuer each covenants that if it becomes aware of a Seller Event of Default, Reserves Trigger Event, Automatic Crystallisation Event, Pre-Crystallisation Trigger Event, Non-Insolvency Servicer Termination Event, Non-Insolvency Sub-Maintenance Coordinator Termination Event, Non-Insolvency Realisation Agent Termination Event or any Insolvency Event in relation to LPUK or the Issuer having occurred or

that LPUK has taken or threatened to take any action that would be prejudicial to the LPUK Security, or would be inconsistent with the LPUK Security created under the LPUK Deed of Charge, it shall immediately give written notice thereof to the Issuer Security Trustee, the Note Trustee and the LPUK Security Trustee.

Applicable law and jurisdiction

The LPUK Deed of Charge, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the LPUK Deed of Charge.

8. RESERVE LOAN AGREEMENT

General

On the Closing Date, the Issuer, the Issuer Security Trustee, the Cash Manager and the Reserve Loan Provider will enter into a reserve loan agreement (the "**Reserve Loan Agreement**") pursuant to which the Reserve Loan Provider will provide a Reserve Loan to the Issuer.

The Advances

On the Closing Date, the Reserve Loan Provider will make available to the Issuer an advance equal to the Required Liquidity Reserve Amount (the "**Liquidity Reserve Advance**"), which will be deposited by the Issuer in the relevant Issuer Transaction Account Ledger.

Upon the occurrence of a Reserves Trigger Event in the manner described below in "Repayment of Maintenance Reserve Advances" and for as long as a Reserves Trigger Event is continuing or at all times following the occurrence of an Insolvency Event in relation to the Seller and until the Class A Notes have been redeemed in full, the Reserve Loan Provider will make available to the Issuer an advance equal to the Required Maintenance Reserve Amount (the "**Maintenance Reserve Advance**") and together with the Liquidity Reserve Advance, the "**Advances**" and each, an "**Advance**").

The Issuer will use the proceeds of the Reserve Loan to credit an amount equal to such Advances in the relevant Issuer Transaction Account Ledger or to make certain payments on the Closing Date.

Further Maintenance Reserve Advances

The Further Maintenance Reserve Advances shall operate as follows:

- (1) following the occurrence of an Insolvency Event in relation to the Seller (if the Maintenance Reserve Advances, or as the case may be, Further Maintenance Reserve Advances have not been advanced at such time), the Reserve Loan Provider will within ten Business Days; and
- (2) for as long as a Reserves Trigger Event is continuing or at all times following the occurrence of an Insolvency Event in relation to the Seller, the Reserve Loan Provider will on each Interest Payment Date,

advance to the Issuer an amount equal to the difference (if such amount is greater than zero) between the Required Maintenance Reserve Amount and the amount standing to the credit of the Maintenance Reserve Ledger (a "**Further Maintenance Reserve Advance**").

In the case of paragraph (1) above, on the date on which the Issuer receives notice that an Insolvency Event in respect of the Seller has occurred (if the Maintenance Reserve Advances, or as the case may be, Further Maintenance Reserve Advances have not been advanced at such time) or, in the case of paragraph (2) above, prior to the Calculation Date immediately preceding such Interest Payment Date, the Issuer (or the Cash Manager on its behalf (provided that the Cash Manager has been provided with written notice of the Insolvency Event failing which the

Cash Manager shall have no obligations hereunder)) will deliver to the Reserve Loan Provider a drawdown notice specifying the amount of such Further Maintenance Reserve Advance and requesting that such Further Maintenance Reserve Advance be made to the Issuer (in the case of paragraph (1) above) within ten Business Days of the occurrence of such Insolvency Event and (in the case of paragraph (2) above) on the next following Interest Payment Date.

Each Further Maintenance Reserve Advance will be paid to the Issuer Transaction Account and on the same day credited to the relevant Issuer Transaction Account Ledger.

Repayment of Advances other than Maintenance Reserve Advances

Prior to the service of a Note Acceleration Notice, the Issuer makes repayments of all or any part of the Liquidity Reserve Advance (including any interest capitalised and any accrued unpaid interest thereon) up to an amount by which the relevant Liquidity Reserve Advance exceeds the relevant Required Reserve Amount in accordance with the relevant Priority of Payments on each Interest Payment Date if, and to the extent that, there are Available Distribution Amounts available after making the payments and provisions of a higher priority in the relevant Priority of Payments, until such Advances (including any interest capitalised thereon) and any accrued but unpaid interest thereon has been fully repaid. Following the service of a Note Acceleration Notice, the Issuer shall repay the Advances in accordance with the Accelerated Amortisation Period Priority of Payments.

Under the terms of the Reserve Loan Agreement, the Issuer and the Reserve Loan Provider agree that Available Distribution Amounts shall be applied *pro rata* and *pari passu* to repay the Liquidity Reserve Advance in the manner specified above and (if applicable) the Maintenance Reserve Advances and any Further Maintenance Reserve Advances (See "Repayment of Maintenance Reserve Advances" below) in accordance with the relevant Priority of Payments.

Repayment of Maintenance Reserve Advances

If on any Interest Payment Date prior the repayment in full of the Maintenance Reserve Advances (and any Further Maintenance Reserve Advance (if applicable)) or to the service of a Note Acceleration Notice, the amounts recorded to the credit of the Maintenance Reserve Ledger as calculated on the immediately preceding Calculation Date, exceeds the Required Maintenance Reserve Amount, such excess shall not form part of the Available Distribution Amounts (and shall not be subject to the Revolving Period Priority of Payments or the Normal Amortisation Period Priority of Payments) but shall instead be applied towards repayment of the Maintenance Reserve Advance (and any Further Maintenance Reserve Advance), in accordance with the terms of the Reserve Loan Agreement.

For the avoidance of doubt, any Maintenance Reserve Advances (and Further Maintenance Reserve Advances (if applicable)) not repaid in full from amounts standing to the credit of the Maintenance Reserve Ledger following service of a notice that no Reserves Trigger Event is continuing, will be repaid from Available Distribution Amounts on each Interest Payment Date, such Available Distribution Amounts to be applied *pro rata* and *pari passu* to repay all the Advances (including the Liquidity Reserve Advance (see "Repayment of Advances other than Maintenance Reserve Advances" above)) in accordance with the relevant Priority of Payments.

The Reserve Loan Provider will agree and acknowledge that if, on or following the occurrence of a Servicer Termination Event, the Servicer or Back-Up Servicer has not calculated the amounts required to comprise the Available Distribution Amount pursuant to items (k) and (n) of the definition of Available Distribution Amount, no principal amount outstanding in respect of the Maintenance Reserve Advances (and Further Maintenance Reserve Advances) shall be repaid until such time as the amounts that are required to comprise the Available Distribution Amount pursuant to each of items (k) and (n) of the definition of Available Distribution Amount and thereby amounts held in excess of the relevant Required Reserve Amounts have been confirmed.

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

If following an upgrade in the ratings of LPC such that a Reserves Trigger Event is no longer continuing an Insolvency Event in relation to the Seller occurs, the Reserve Loan Provider shall advance to the Issuer the Further Maintenance Reserve Advances in accordance with the terms of the Reserve Loan Agreement.

Interest on the Reserve Loan

Subject to the applicable Priority of Payment, the rate of interest payable in respect of each Advance for each Loan Interest Period in respect of that Advance shall be calculated at a rate of Compounded Daily SONIA plus 1.45%.

Applicable law and jurisdiction

The Reserve Loan Agreement and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Reserve Loan Agreement.

9. CASH MANAGEMENT AGREEMENT

General

On or prior to the Closing Date, Intertrust Administrative Services B.V. as the cash manager (the "**Cash Manager**"), the Issuer, LPUK, and the Issuer Security Trustee will enter into a cash management agreement (the "**Cash Management Agreement**") pursuant to which the Cash Manager will provide certain cash management and bank account operation services to the Issuer in respect of the Portfolio.

Cash Management Services

The Cash Management Services in respect of the transaction include but are not limited to:

- (a) maintaining the Issuer Transaction Account Ledgers;
- (b) administering the Priority of Payments including the determination, with the assistance of the Reporting Agent, of amounts payable by the Issuer thereunder;
- (c) on behalf of the Issuer calculate and determine amounts required to be drawn or repaid by the Issuer in respect of Advances under the Reserve Loan Agreement and drawing and arranging for repayment of all Advances in accordance with the terms of the Reserve Loan Agreement.

In addition to the Issuer Transaction Account and Swap Collateral Accounts, the Issuer will, as applicable, establish such additional accounts as may be required in accordance with the terms of the Transaction Documents.

Issuer Transaction Account Ledgers

The Cash Manager (on behalf of the Issuer) shall maintain the following ledgers on the Issuer Transaction Account (the "**Issuer Transaction Account Ledgers**"):

Collection Ledger

Collections, Deemed Collections, Vehicle Realisation Proceeds and Repurchase Prices will be credited to the Collection Ledger. The Cash Manager (on behalf of the Issuer) will use the amounts standing to the credit of the Collection Ledger which represent Available Distribution Amounts together with the other Available Distribution Amounts and apply those amounts in accordance with the relevant Priority of Payments.

Replenishment Ledger

On each Interest Payment Date falling in the Revolving Period, any amount standing to the credit of the Replenishment Ledger shall be applied as Available Distribution Amounts in accordance with the Revolving Period Priority of Payments. Following application of the Available Distribution Amounts, the Replenishment Ledger will be credited with an amount equal to the Excess Collection Amount according to the Revolving Period Priority of Payments. Amounts standing to the credit of the Replenishment Ledger shall be used by the Purchaser for the purchase of Additional Lease Receivables, Additional RV Claims and Additional Final Balloon Payment Receivables from the Seller on any Additional Portfolio Purchase Date (other than an Interest Payment Date), in accordance with the Purchase Agreement.

Liquidity Reserve Ledger

On or prior to the Closing Date the Issuer will deposit an amount equal to the Required Liquidity Reserve Amount in a special ledger on the Issuer Transaction Account. In accordance with the relevant Priority of Payments, the Cash Manager will, on each Interest Payment Date, credit the Liquidity Reserve Ledger with amounts from Available Distribution Amounts such that the balance standing to the credit of the Liquidity Reserve Ledger is equal to the Required Liquidity Reserve Amount. All amounts standing to the credit of the Liquidity Reserve Ledger will form part of Available Distribution Amounts.

Maintenance Reserve Ledger

Upon the occurrence of a Reserves Trigger Event, the Reserve Loan Provider will advance the Maintenance Reserve Advance to the Issuer pursuant to the terms of the Reserve Loan Agreement. The Cash Manager (on behalf of the Issuer) will then deposit in the Maintenance Reserve Ledger an amount which shall be equal to the Required Maintenance Reserve Amount.

Following the occurrence of an Insolvency Event in relation to the Seller, if a Further Maintenance Reserve Advance is required to be made pursuant to the Reserve Loan Agreement, the Reserve Loan Provider will within ten Business Days advance to the Issuer such Further Maintenance Reserve Advance.

For as long as a Reserves Trigger Event is continuing or at all times following the occurrence of an Insolvency Event in relation to the Seller, the Reserve Loan Provider will on each Interest Payment Date, advance to the Issuer a Further Maintenance Reserve Advance (if applicable) equal to the difference (if such amount is greater than zero) between the amount standing to the credit of the Maintenance Reserve Ledger and the Required Maintenance Reserve Amount.

On each Interest Payment Date, upon the occurrence of an Insolvency Event with respect to LPUK and/or to the extent LPUK (in its capacity as Sub-Maintenance Coordinator) does not, or is no longer able to cover the costs for Lease Services or related costs, the Maintenance Reserve will be debited up to an amount equal to the aggregate amount of the shortfall of maintenance and related costs not covered by LPUK measured by or on behalf of the Purchaser, to be applied on each Interest Payment Date as Available Distribution Amounts in order to satisfy such shortfalls.

On each Interest Payment Date prior to the repayment in full of the Maintenance Reserve Advances (and any Further Maintenance Reserve Advance (if applicable)) or service of a Note Acceleration Notice, the amount equal to the excess standing to the credit of the Maintenance Reserve Ledger over the amount of the Required Maintenance Reserve Amount then outstanding shall not form part of Available Distribution Amounts but shall be applied towards repayment of the Maintenance Reserve Advance (and any Further Maintenance Reserve Advance). Prior to the repayment in full of the Maintenance Reserve Advances (and any Further Maintenance Reserve Advance (if applicable)) and following the date on which the Notes have been repaid in full, the Maintenance Reserve shall not form part of Available Distribution Amounts but shall be applied towards repayment of the Maintenance Reserve Advance (and any Further Maintenance Reserve Advance).

Following an upgrade in the rating of LPC such that a Reserves Trigger Event is no longer continuing and provided no Insolvency Event has occurred in relation to the Seller and no Note Acceleration Notice has been served, amounts standing to the credit of the Maintenance Reserve Ledger will be applied towards repayment of the Maintenance Reserve Advance (and any Further Maintenance Reserve Advance). Repayment of the Maintenance Reserve Advance (and any Further Maintenance Reserve Advance) in this circumstance is not subject to the relevant Priority of Payments.

For the avoidance of doubt, any Maintenance Reserve Advance (and any Further Maintenance Reserve Advance) not repaid in full from amounts standing to the credit of the Maintenance Reserve Ledger, following service of a notice that no Reserves Trigger Event is continuing will be repaid from Available Distribution Amounts, such Available Distribution Amounts to be applied *pro rata* and *pari passu* to repay the Advances under the Reserve Loan in accordance with the relevant Priority of Payments.

Following the service of a Note Acceleration Notice, the Issuer shall repay the Maintenance Reserve Advances (and any Further Maintenance Reserve Advance (if applicable)) in accordance with the Accelerated Amortisation Period Priority of Payments.

Operating Ledger

All Available Distribution Amounts will be credited into the Operating Ledger on each Interest Payment Date, such Available Distribution Amount to be applied in accordance with the relevant Priority of Payments.

Retained Profit Ledger

On each Interest Payment Date an amount equal to £350 will be credited in the Retained Profit Ledger in accordance with the Priority of Payments.

Interest Shortfall Ledger

The Cash Manager shall, on behalf of the Issuer, open an Interest Shortfall Ledger to record, in accordance with Condition 15 (Subordination by Deferral), at any Interest Payment Date the amount by which the Available Distribution Amounts fall short of the aggregate amount of interest payable on the Class B Note, including any amounts previously deferred under Condition 15 (Subordination by Deferral), and accrued interest thereon.

Junior Deferred Purchase Price Reserve Ledger

The Cash Manager shall ensure that on each Interest Payment Date the amount of any Junior Deferred Purchase Price payable to the Seller that is withheld because LPUK is in default of its obligation to repurchase the Lease Receivables and (in each case if applicable) the RV Claims and the Final Balloon Payment Receivables or to sell the Leased Vehicles in accordance with the terms of the Purchase Agreement and the Realisation Agency Agreement or each Required Reserve Amount has not been credited to the relevant Trigger Reserve Ledger (in each case at any time prior to the Notes having been repaid or provided for in full) is credited to the Junior Deferred Purchase Price Reserve Ledger.

Authorised Investments

The Cash Manager shall invest moneys standing from time to time to the credit of the Issuer Transaction Account in Authorised Investments as determined by LPC and directed to the Cash Manager by LPC subject to, inter alia, the following provisions:

- (a) such Authorised Investment shall be made in the name of the Issuer;
- (b) any costs properly and reasonably incurred in making and changing Authorised Investments will be reimbursed to the Cash Manager by the Issuer; and

- (c) all income and other distributions arising on, or proceeds following the disposal or maturity of, Authorised Investments shall be credited to the Issuer Transaction Account.

Cash management fee

The Issuer shall pay in accordance with the relevant Priority of Payments to the Cash Manager for the cash management services the agreed cash management fee.

Performance by Third Parties

The Cash Manager may at any time:

- (a) without the prior consent of the Issuer, the Issuer Security Trustee or any other party to the Transaction Documents, sub-delegate all or any part of its duties under the Cash Management Agreement to a delegate which is an affiliate of the Cash Manager; or
- (b) with the prior written consent of the Issuer and the Issuer Security Trustee, sub-contract or delegate the performance of all or any of its powers and obligations under the Cash Management Agreement to a delegate-cash manager (other than an affiliate of the Cash Manager) and terminate the appointment of any then current delegate-cash manager, in each case on such terms as it thinks fit,

provided that in the case of both paragraphs (a) and (b) above, the Cash Manager remains responsible for the functions so delegated.

Termination

In certain circumstances the Issuer and the Issuer Security Trustee will have the right to terminate the appointment of the Cash Manager and to appoint a substitute cash manager (the identity of which will be subject to the Issuer Security Trustee's written approval). Any substitute cash manager will have substantially the same rights and obligations as the Cash Manager.

Applicable law and jurisdiction

The Cash Management Agreement, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Cash Management Agreement.

10. CORPORATE SERVICES AGREEMENT

On or prior to the Closing Date, inter alia, the Issuer, the Corporate Services Provider and the Issuer Security Trustee will enter into a corporate services agreement (the "**Corporate Services Agreement**") pursuant to which the Corporate Services Provider will provide the Issuer with certain corporate and administrative functions against the payment of a fee. Such services include, inter alia, the performance of all general book-keeping (including the preparation of annual financial statements), corporate secretarial, registrar and company administration services for the Issuer (including the provision of three directors at least one of which must be a natural person), the providing of the directors with information in connection with the Issuer and the arrangement for the convening of shareholders' and directors' meetings.

Applicable law and jurisdiction

The Corporate Services Agreement, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Corporate Services Agreement.

11. **BANK ACCOUNT AGREEMENT**

General

On or prior to the Closing Date, inter alia, the Issuer and the Account Bank will enter into a bank account agreement (the "**Bank Account Agreement**") pursuant to which the Account Bank will provide the Issuer with certain banking functions including the establishment and operation of the Bank Accounts.

The Account Bank is required to have at least the Minimum Required Ratings. If the Account Bank ceases to have the Minimum Required Ratings, the Cash Manager and the Issuer shall within thirty (30) calendar days of the downgrade of the Account Bank below the minimum ratings required to be an Eligible Bank use commercially reasonable efforts to agree such terms with a replacement financial institution or institutions which is an Eligible Bank.

The Issuer may (with the prior written approval of the Issuer Security Trustee) revoke its appointment of the Account Bank by not less than thirty (30) calendar days' notice to the Account Bank (with a copy, to the Issuer Security Trustee). Such revocation shall not take effect until a replacement financial institution or institutions (in each case, which is an Eligible Bank) chosen by the Issuer (with the prior written consent of the Issuer Security Trustee) shall have entered into an agreement on substantially the same terms and form as the Bank Account Agreement.

In the event of such replacement the Account Bank shall assist the other parties thereto to effect an orderly transition of the banking arrangements documented under the Bank Account Agreement and shall transfer all amounts standing to the credit of the Bank Accounts to the accounts with the replacement financial institution notified to it by the Issuer or, as the case may be, the Issuer Security Trustee and the Issuer shall reimburse the Account Bank for its properly incurred costs and any amounts in respect of irrecoverable VAT thereon (including properly incurred costs and expenses) incurred during the period of, and until completion of, such transfer, unless such replacement is due to the resignation of the Account Bank from its role.

Applicable law and jurisdiction

The Bank Account Agreement, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Bank Account Agreement.

12. **AGENCY AGREEMENT**

General

On or prior to the Closing Date, the Issuer, the Note Trustee, the Principal Paying Agent, the Registrar and the Agent Bank will enter into an agency agreement (the "**Agency Agreement**") pursuant to which provision will be made for, among other things, payment of principal and interest in respect of the Notes.

Applicable law and jurisdiction

The Agency Agreement, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Agency Agreement.

13. **INTEREST RATE SWAP AGREEMENT**

Interest Rate Swap Agreement

On or about the Closing Date, the Issuer will enter into the Interest Rate Swap Agreement with the Interest Rate Swap Counterparty. The Interest Rate Swap Agreement will hedge floating

interest rate risk on the Class A Notes against income to be received by the Issuer in respect of the Lease Receivables, RV Claims and Final Balloon Payment Receivables.

Under the Interest Rate Swap Agreement the Issuer will pay to the Interest Rate Swap Counterparty on each Interest Payment Date an amount determined by reference to a fixed rate of interest and the Principal Amount Outstanding of the Class A Notes. The Interest Rate Swap Counterparty will pay to the Issuer on each Interest Payment Date an amount determined by reference to a floating rate of interest and such Principal Amount Outstanding of the Class A Notes on each Interest Payment Date.

The Interest Rate Swap Agreement covers a significant portion of the interest rate risk present in the context of the Notes.

Payments under the Interest Rate Swap Agreement will be made on a net basis on each Interest Payment Date so that a net amount will be due from the Issuer or the Interest Rate Swap Counterparty (as the case may be) on each Interest Payment Date. Payments made by the Issuer under the Interest Rate Swap Agreement (other than the Subordinated Termination Payments) rank higher in priority than all payments on the Notes. Payments by the Interest Rate Swap Counterparty to the Issuer under the Interest Rate Swap Agreement will be made into the Operating Ledger and will, to the extent necessary, be increased to ensure that such payments are not reduced if a withholding or deduction for, or on account of, taxes is imposed on payments made by it under the Interest Rate Swap Agreement (other than in respect of any FATCA withholdings).

General

The Interest Rate Swap Agreement may be terminated in certain circumstances, including but not limited to the following, each as more specifically described in the Interest Rate Swap Agreement (an "**Early Termination Event**"):

- (a) if there is a failure by a party to pay amounts due under the Interest Rate Swap Agreement and any applicable grace period has expired;
- (b) if certain insolvency events occur with respect to a party;
- (c) if a breach of a provision of the Interest Rate Swap Agreement by the Interest Rate Swap Counterparty is not remedied within the applicable grace period;
- (d) if a change of law results in the obligations of one of the parties becoming illegal;
- (e) in certain circumstances, if a deduction or withholding for or on account of taxes is imposed on payments made by the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement;
- (f) pursuant to early redemption of the Class A Notes (other than as described in paragraph (h) below) or other early termination events that would trigger an Additional Termination Event (as defined in the Interest Rate Swap Agreement);
- (g) if the Interest Rate Swap Counterparty is downgraded and fails to comply with the requirements of the downgrade provisions contained in the Interest Rate Swap Agreement;
- (h) if the Note Trustee serves a Note Acceleration Notice on the Issuer pursuant to the Conditions of the Notes; or
- (i) if the Interest Rate Swap Counterparty does not consent to any Base Rate Modification in respect of the Interest Rate Swap Agreement.

Upon an early termination of a transaction under the Interest Rate Swap Agreement, the Issuer or the Interest Rate Swap Counterparty may be liable to make a termination payment to the other. This termination payment will be calculated and made in Sterling. The amount of any

termination payment will be based on the market value of the terminated transaction and may be determined on the basis of quotations sought from leading dealers as to the costs of entering into a transaction with the same terms and conditions that would have the effect of preserving the economic equivalent of the respective full payment obligations of the parties (or based upon a good faith determination of total losses and costs (or gains) if an insufficient number of quotations can be obtained or if basing the valuation on quotations would not produce a commercially reasonable result) and will include any unpaid amounts that became due and payable prior to the date of termination.

The Interest Rate Swap Counterparty may, subject to certain conditions specified in the Interest Rate Swap Agreement, including (without limitation) the satisfaction of certain requirements of the Rating Agency and prior relevant written consent of the Issuer, transfer its obligations under the Interest Rate Swap Agreement to another entity with the Minimum Required Rating.

The Issuer is not obliged under the Interest Rate Swap Agreement to gross up payments made by it if a withholding or deduction for or on account of tax is imposed on payments made under the Interest Rate Swap Agreement.

The Interest Rate Swap Counterparty will generally be obliged to gross up payments made by it to the Issuer if a withholding or deduction for or on account of tax is imposed on payments made by it under the Interest Rate Swap Agreement.

The Interest Rate Swap Agreement, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England. The courts of England have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Interest Rate Swap Agreement.

In accordance with the terms of the Transaction Documents the Issuer shall not enter into any derivative contracts other than the Interest Rate Swap Agreement.

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions of the Notes in the form (subject to amendment) in which they will be set out in the Trust Deed. While the Notes are represented by Global Notes, they will be governed by the same terms and conditions except to the extent that such terms and conditions are appropriate only to securities in definitive form or are expressly varied by the terms of such Global Notes.

The £400,000,000 class A floating rate notes due December 2030 (the "**Class A Notes**") and the £150,000,000 class B fixed rate note due December 2030 (the "**Class B Note**") and together with the Class A Notes, the "**Notes**") in each case of Bumper UK 2021-1 Finance PLC (the "**Issuer**") are constituted by a trust deed (the "**Trust Deed**") dated on or about 11 March 2021 (the "**Closing Date**") and made between the Issuer and BNP Paribas Trust Corporation UK Limited (in such capacity, the "**Note Trustee**") as trustee for the Noteholders (as defined below). Any reference in these terms and conditions ("**Conditions**") to a class of Notes or of Noteholders shall be a reference to the Class A Notes or the Class B Note, as the case may be, or to the respective holders thereof.

The security for the Notes is constituted by a deed of charge and assignment (the "**Issuer Deed of Charge**") dated the Closing Date and made between, among others, the Issuer and BNP Paribas Trust Corporation UK Limited (in such capacity, the "**Issuer Security Trustee**").

Pursuant to an agency agreement (the "**Agency Agreement**") dated the Closing Date and made between the Issuer, BNP Paribas Securities Services, Luxembourg Branch as principal paying agent (the "**Principal Paying Agent**" which expression includes its successors and, together with such additional or other paying agents, if any, appointed from time to time pursuant to the Agency Agreement, the "**Paying Agents**"), as registrar (in such capacity the "**Registrar**") and as agent bank (in such capacity the "**Agent Bank**") and the Note Trustee, provision is made for inter alia, the payment of principal and interest in respect of the Notes of each class.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, the Agency Agreement, the Issuer Deed of Charge and the master definitions schedule (the "**Master Definitions Schedule**") dated on or about the Closing Date and made between, inter alios, the Issuer, the Paying Agents and the Note Trustee.

Copies of the Trust Deed, the Issuer Deed of Charge, the LPUK Deed of Charge and the Master Definitions Schedule are available for inspection during normal business hours at the specified office for the time being of the Principal Paying Agent. The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Transaction Documents applicable to them.

Capitalised terms not otherwise defined in these Conditions shall bear the meanings given to them in the Master Definitions Schedule available as described above. These Conditions shall be construed in accordance with the principles of construction set out in the Master Definitions Schedule.

1. **FORM, DENOMINATION AND TITLE**

1.1 **Form and Denomination**

The Class A Notes are initially represented by a global note certificate in registered form (a "**Global Note**"). For so long as the Class A Notes are represented by a Global Note, transfers and exchanges of beneficial interests in such Global Note and entitlement to payments thereunder will be effected subject to and in accordance with the rules and procedures from time to time of Euroclear Bank SA/NV ("**Euroclear**") or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**"), as appropriate. The Class A Notes will be deposited with and registered in the name of a nominee of a common safekeeper for Euroclear and Clearstream, Luxembourg.

The Class B Note will be in dematerialised registered form and will not be cleared.

For so long as the Class A Notes are represented by a Global Note and Euroclear and Clearstream, Luxembourg so permit, the Notes shall be tradable only in minimum nominal amounts of £100,000 and integral multiples of £1,000 thereafter.

If, while the Class A Notes are represented by a Global Note:

- (a) both Euroclear and Clearstream, Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announce an intention permanently to cease business or do so cease to do business and no alternative clearing system satisfactory to the Note Trustee is available; or
- (b) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom (or of any political subdivision thereof) or of any authority therein or thereof having power to tax, or in the interpretation or administration by a revenue authority or a court or in the application of such laws or regulations, which becomes effective on or after the Closing Date, the Issuer or any Paying Agent is or will be required to make any deduction or withholding for or on account of tax from any payment in respect of the Notes which would not be required were the relevant Notes in definitive registered form,

the Issuer will issue notes in definitive registered form ("**Registered Definitive Notes**") to Noteholders whose accounts with the relevant clearing systems are credited with interests in that Global Note in exchange for those interests within 30 days of the relevant event. The Global Notes will not be exchangeable for Registered Definitive Notes in any other circumstances.

If Definitive Notes are issued in respect of Notes originally represented by a Global Note, the beneficial interests represented by such Global Note shall be exchanged by the Issuer for the relevant Notes in registered definitive form. The aggregate principal amount of the Registered Definitive Notes shall be equal to the Principal Amount Outstanding at the date on which notice of exchange is given of the Global Note, subject to and in accordance with the detailed provisions of these Conditions, the Agency Agreement, the Trust Deed and the relevant Global Note.

Registered Definitive Notes (which, if issued, will be in the denomination set out below) will be serially numbered and will be issued in registered form only.

The minimum denomination of the Notes in global and (if issued and printed) definitive form will be £100,000.

"**Noteholders**" means each person (other than the Clearing Systems themselves) who is for the time being shown in the records of the Clearing Systems as the holder of a particular Principal Amount Outstanding (as defined in Condition 6.4 (Principal Amount Outstanding)) of the Notes of any class (in which regard any certificate or other document issued by Clearstream, Luxembourg or Euroclear as to the Principal Amount Outstanding of the Notes standing to the account of any person shall be conclusive and binding for all purposes) and such person shall be treated by the Issuer, the Note Trustee, the Issuer Security Trustee and all other persons as the holder of such Principal Amount Outstanding of such Notes for all purposes, other than for the purpose of payments in respect thereof, the right to which shall be vested, as against the Issuer, the Note Trustee, the Issuer Security Trustee and all other persons, solely in the person in whose name the relevant Global Note is registered in accordance with and subject to the terms of the Global Note and the Trust Deed and for which purpose "**Noteholder**" and "**Noteholders**" and related expressions shall (where appropriate) be construed accordingly.

1.2 **Title**

Title to the Global Note shall pass by and upon registration in the register (the "**Register**") which the Issuer shall procure to be kept by the Registrar. The registered holder of a Global Note may (to the fullest extent permitted by applicable laws) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Global Note regardless of any notice of ownership, theft or loss or any trust or other interest therein or of any writing thereon (other than the endorsed form of transfer).

Title to the Class B Note and a Registered Definitive Note shall only pass by and upon registration of the transfer in the Register. Registered Definitive Notes may be transferred upon the surrender of the relevant Registered Definitive Note, with the form of transfer endorsed on it

duly completed and executed, at the specified office of the Registrar. Such transfers shall be subject to the minimum denominations specified in Condition 1.1 (Form and Denomination). All transfers of Registered Definitive Notes are subject to any restrictions on transfer set forth on the Registered Definitive Notes and the detailed regulations concerning transfers in the Agency Agreement.

Each new Registered Definitive Note to be issued upon transfer of such Registered Definitive Note will, within five Business Days of receipt and surrender of such Registered Definitive Note (duly completed and executed) for transfer, be available for delivery at the specified office of the Registrar or be mailed at the risk of the transferee entitled to such Registered Definitive Note to such address as may be specified in the relevant form of transfer.

Registration of the Class B Note or a Registered Definitive Note on transfer will be effected without charge by the Registrar, but subject to payment of (or the giving of such indemnity as the Registrar may require for) any tax, stamp duty or other government charges which may be imposed in relation to it.

No Noteholder may require the transfer of such Note to be registered during the period of 15 days ending on the due date for any payment of principal or interest on such Note.

The Notes are not issuable in bearer form.

2. STATUS AND RELATIONSHIP BETWEEN THE NOTES AND SECURITY

2.1 Status and relationship between the Notes

- (a) The Class A Notes constitute direct, secured and, subject as provided in Condition 10 (Enforcement), unconditional obligations of the Issuer. The Class A Notes rank *pari passu* without preference or priority amongst themselves.
- (b) The Class B Note constitutes a direct secured and, subject as provided in Condition 10 (Enforcement) and Condition 15 (Subordination by Deferral), unconditional obligation of the Issuer. The Class B Note ranks junior to the Class A Notes as provided in these Conditions and the Transaction Documents.
- (c) The Trust Deed contains provisions requiring the Note Trustee to have regard to the interests of the Class A Noteholders and the Class B Noteholder equally as regards all rights, powers, trusts, authorities, duties and discretions of the Note Trustee (except where expressly provided otherwise), but requiring the Note Trustee in any such case to have regard only to:
 - (i) the interests of the Class A Noteholders (for so long as there are any Class A Notes outstanding) if, in the Note Trustee's opinion, there is a conflict between the interests of:
 - (A) the Class A Noteholders; and
 - (B) the Class B Noteholder.
- (d) The Trust Deed contains provisions limiting the powers of the Class B Noteholder to request or direct the Note Trustee to take any action or to pass an effective Extraordinary Resolution (as defined in the Trust Deed) according to the effect thereof on the interests of the Class A Noteholders. Except in certain circumstances the Trust Deed contains no such limitation on the powers of the Class A Noteholders, the exercise of which will be binding on the Class B Noteholder, irrespective of the effect thereof on their interests.

2.2 Security

- (a) The security constituted by the Issuer Deed of Charge is granted to the Issuer Security Trustee, on trust for the Noteholders and certain other creditors of the Issuer, upon and subject to the terms and conditions of the Issuer Deed of Charge.

- (b) The Noteholders will share in the benefit of the security constituted by the Issuer Deed of Charge, upon and subject to the terms and conditions of the Issuer Deed of Charge.

3. COVENANTS

3.1 The Issuer shall not, save with the prior written consent of the Issuer Security Trustee and the Note Trustee so long as any Note remains outstanding:

- (a) **Negative pledge:** unless granted under any of the Transaction Documents, create or permit to subsist any encumbrance (unless arising by operation of law) or other Security Interest, over any of its assets or undertaking;
- (b) **Restrictions on activities:** (i) engage in any activity whatsoever which is not incidental to or necessary in connection with any of the activities in which the Transaction Documents provide or envisage that the Issuer will engage; or (ii) have any subsidiaries (as defined in the Companies Act 1985), any subsidiary undertakings (as defined in the Companies Act 2006) or any employees or premises;
- (c) **Disposal of assets:** transfer, sell, lend, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire any of its assets or undertakings or any interest estate, right title or benefit therein;
- (d) **Dividends or distributions:** pay any dividend (other than from amounts standing to the credit of its Retained Profit Ledger) make any other distribution to its shareholders or issue any further shares;
- (e) **Indebtedness:** incur any financial indebtedness other than permitted under the Transaction Documents or give any guarantee in respect of any financial indebtedness or of any other obligation of any person;
- (f) **Merger:** consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any other person;
- (g) **No modification or waiver:** permit any of the Transaction Documents to which it is a party to become invalid or ineffective or permit the priority of the security interests created or evidenced thereby or pursuant thereto to be varied or agree to any modification of, or grant any consent, approval, authorisation or waiver pursuant to, or in connection with, any of the Transaction Documents to which it is a party or permit any party to any of the Transaction Documents to which it is a party to be released from its obligations or exercise any right to terminate any of the Transaction Documents to which it is a party;
- (h) **Bank accounts:** have an interest in any bank account other than the Bank Accounts, unless such account or interest therein is charged to the Issuer Security Trustee on terms acceptable to it;
- (i) **Corporation tax:** prejudice its eligibility for its corporation tax liability to be calculated in accordance with regulation 14 of the Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296); or
- (j) **VAT:** apply to become part of any group for the purposes of section 43 of the Value Added Tax Act 1994 with any other company or group of companies, or such act, regulation, order, statutory instrument or directive which may from time to time re-enact, replace, amend, vary, codify, consolidate or repeal the Value Added Tax Act 1994.

3.2 Registration of Issuer Security

The Issuer covenants to the Issuer Security Trustee that it will make a filing with the Registrar of Companies of a duly completed Form MR01 in respect of itself together with an executed original of the Issuer Deed of Charge within the applicable time limit.

3.3 **Centre of main interests and establishment**

The Issuer covenants to the Issuer Security Trustee and the Note Trustee that it will conduct its business and affairs such that, at all relevant times, its "centre of main interests" for the purposes of the EU Insolvency Regulation, the UK Insolvency Regulation and the UNCITRAL Implementing Regulations will be and remain in England and Wales and that it will not have any "establishment" (as defined in the EU Insolvency Regulation, the UK Insolvency Regulation and the UNCITRAL Implementing Regulations) other than in England and Wales

3.4 The Issuer will provide the Paying Agents with copies of the following documents, which will be available for inspection by Noteholders during normal business hours at the specified office for the time being of the Principal Paying Agent:

- (a) the Master Definitions Schedule;
- (b) the Issuer Deed of Charge;
- (c) the LPUK Deed of Charge; and
- (d) the Trust Deed.

4. **INTEREST**

4.1 **Interest Accrual**

Each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest from and including the due date for redemption unless, upon due presentation in accordance with Condition 5 (Payments), payment of the principal in respect of the Note is improperly withheld or refused or default is otherwise made in respect of the payment in which event interest shall continue to accrue as provided in the Trust Deed.

4.2 **Interest Payment Dates**

The Notes bear interest on their respective Principal Amounts Outstanding from and including the Closing Date payable monthly in arrear on the 20th day of each calendar month (each an "**Interest Payment Date**") in respect of the Interest Period (as defined below) ended immediately prior thereto. If any Interest Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day which is a Business Day unless it would then fall into the next calendar month, in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day. The first Interest Payment Date shall be April 2021. The period from and including the Closing Date to but excluding the first Interest Payment Date and each successive period from and including an Interest Payment Date to but excluding the next succeeding Interest Payment Date is called an "**Interest Period**".

4.3 **Rate of Interest**

The interest rate applicable to the Class A Notes shall be Compounded Daily SONIA plus 0.50% per annum (the "**Class A Notes Interest Rate**") for each Interest Period.

The Agent Bank will, on each Interest Determination Date, determine:

- (a) the Note Rate for each class for the related Interest Period; and
- (b) the Interest Payment Date next following the related Interest Period.

Notwithstanding the provisions of these Conditions, in the event the Bank of England publishes guidance as to (i) how the SONIA Reference Rate is to be determined or (ii) any rate that is to replace the SONIA Reference Rate, the Agent Bank shall, to the extent that it is reasonably practicable, follow such guidance in order to determine SONIA for the purpose of the Notes for so long as the SONIA Reference Rate is not available or has not been published by the authorised distributors.

In the event that the Note Rate cannot be determined in accordance with the foregoing provisions by the Agent Bank, the Note Rate shall be (i) that determined as at the last preceding Interest Determination Date or (ii) if there is no such preceding Interest Determination Date, the initial Note Rate which would have been applicable to the relevant Class of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Closing Date.

The interest rate applicable to Class B Note shall be 1.74% per annum (the "**Class B Note Interest Rate**", and together with the Class A Notes Interest Rate, the "**Interest Rate**").

There will be no maximum Interest Rate. In the event that the Interest Rate for any Interest Period is determined in accordance with the provisions this Condition 4.3 to be less than zero, the Interest Rate for such Interest Period shall be zero.

4.4 **Determination of Rate of Interest and Interest Amounts**

The Agent Bank will, as soon as practicable on the Interest Determination Date in relation to each Interest Period but in no event later than the first Business Day thereafter, calculate the amount of interest (the "**Interest Amount**") payable in respect of each Class A Note for such Interest Period. The Interest Amount in respect of the Class A Notes (the "**Class A Notes Interest Amount**") will be calculated by applying the Class A Notes Interest Rate for such Interest Period to the Principal Amount Outstanding of such Class A Notes during such Interest Period, multiplying the product by the actual number of days in such Interest Period divided by 365 and rounding the resulting figure to the nearest £0.01 (half of £0.01 being rounded upwards) (the "**Sterling Day Count Fraction**").

The amount of interest payable in respect of each Class B Note (the "**Class B Note Interest Amount**") on each Interest Payment Date shall be calculated not later than on the first day of the Interest Period by (i) in the case of Interest Periods after the first Interest Payment Date, applying the Class B Note Interest Rate for such period to the Principal Amount Outstanding of such Class B Note during such Interest Period, multiplying the product by the Sterling Day Count Fraction.

4.5 **Publication of Rate of Interest and Interest Amounts**

The Agent Bank shall cause each of the Class A Notes Interest Rate, the Class B Note Interest Rate the Class A Notes Interest Amount and Class B Note Interest Amount applicable for the relevant Interest Period and the immediately succeeding Interest Payment Date to be notified to the Issuer, the Note Trustee, the Registrar and the Paying Agents and each of the Clearing Systems and to be published in accordance with Condition 14 (Notices) as soon as possible after their determination and in no event later than the second Business Day thereafter. The Issuer shall procure that the Listing Agent causes such notification to be made to any stock exchange or other relevant authority on which the Notes (other than the Class B Note) are at the relevant time admitted to trading and/or listed. The Class A Notes Interest Amount and Class B Note Interest Amount and the Interest Payment Date may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

4.6 **Notifications, etc. to be Final**

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4, the Agent Bank will (in the absence of manifest error) be binding on the Issuer, the Note Trustee, the Agent Bank, the Registrar, the Paying Agents and all Noteholders and (in the absence of negligence, wilful default or fraud) no liability to the Issuer or the Noteholders shall attach to the Agent Bank in connection with the exercise or non-exercise by any of them of their powers, duties and discretions under this Condition 4.

4.7 **Agent Bank**

The Issuer shall procure that, so long as any of the Notes remains outstanding, there is at all times an Agent Bank for the purposes of the Notes and the Issuer may, subject to the prior written approval of the Note Trustee, terminate the appointment of the Agent Bank. In the event of the appointed office of any bank being unable or unwilling to continue to act as the Agent Bank or failing duly to determine the Rates of Interest and the Interest Amounts for any Interest Period, the Issuer shall, subject to the prior written approval of the Note Trustee, appoint, the London office of another major bank engaged in the London interbank market to act in its place. The Agent Bank may not resign its duties or be removed without a successor having been appointed.

5. **PAYMENTS**

5.1 **Payment of Interest and Principal**

Payments of principal and interest in respect of the Notes shall be made not later than the 15th day before the due date for any such payment, by transfer (in respect of the Class A) to, or to the order of, Euroclear or Clearstream, Luxembourg, for credit to the relevant participants in Euroclear or Clearstream, Luxembourg for subsequent transfer to the holders of beneficial interests in the relevant Global Note and (in the case of final redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Global Note or Registered Definitive Notes (as the case may be) at the specified office of any Paying Agent and (in respect of the Class B Note) to, or to the order of, the Class B Noteholder.

5.2 **Laws and Regulations**

Payments of principal and interest in respect of the Notes are subject, in all cases, to (i) any fiscal or other laws and regulations applicable thereto in the place of payment and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto ("**FATCA**"). Noteholders will not be charged commissions or expenses on payments.

5.3 **Payment of Interest following a Failure to pay Principal**

If payment of principal is improperly withheld or refused on or in respect of any Note or part thereof, the interest which continues to accrue in respect of such Note in accordance with Condition 4.1 (Interest Accrual) and Condition 4.3 (Rate of Interest) will be paid, in respect of a Global Note, as described in Condition 5.1 (Payment of Interest and Principal) above and, in respect of any Registered Definitive Note, in accordance with this Condition 5.

5.4 **Change of Paying Agents or Registrar**

The Issuer reserves the right, subject to the prior written approval of the Note Trustee, at any time to vary or terminate the appointment of the Principal Paying Agent or the Registrar and to appoint additional or other agents provided that there will at all times be a person appointed to perform the obligations of (i) the Principal Paying Agent with a specified office in such place as may be required by the rules and regulations of relevant stock exchange and competent authority; and (ii) the Registrar with a specified office in Luxembourg or in London.

Except where otherwise provided in the Trust Deed or the Agency Agreement, the Issuer will cause notice of no more than 30 days and no less than 15 days of any change in or addition to the Paying Agents or the Registrar or their specified offices to be given to the Noteholders in accordance with Condition 14 (Notices) and will notify the Rating Agencies of such change or addition.

5.5 **No Payment on non-Business Day**

If the date for payment of any amount in respect of a Note is not a Business Day, Noteholders shall not be entitled to payment until the next following Business Day in the relevant place (a "**Presentation Date**") and shall not be entitled to further interest or other payment in respect of such delay.

5.6 **Partial Payment**

If a Paying Agent makes a partial payment in respect of any Note, the Registrar will, in respect of the relevant Note, annotate the Register indicating the amount and date of such payment.

5.7 **Payment of Interest**

If interest is not paid in respect of a Note of any Class on the date when due and payable (other than because the due date is not a Presentation Date (as defined in Condition 5.5 (No Payment on non-Business Day)) or by reason of non-compliance by the Noteholder with Condition 5.1 (Payment of Interest and Principal), then such unpaid interest shall itself bear interest at the Interest Rate applicable from time to time to such Note until such interest and interest thereon are available for payment and notice thereof has been duly given in accordance with Condition 14 (Notices).

6. **REDEMPTION**

6.1 **Redemption at maturity**

Unless previously redeemed in full, the Issuer will redeem the Notes at their respective Principal Amounts Outstanding on the Interest Payment Date falling in December 2030 (the "**Final Maturity Date**").

6.2 **Optional redemption in whole for taxation or other reasons**

The Issuer may redeem all (but not some only) of the Notes of each class at their Principal Amount Outstanding together with any accrued but unpaid interest up to but excluding the date of redemption on any Interest Payment Date

- (a) after the date on which by reason of a change in tax law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, on the next Interest Payment Date, the Issuer or the Paying Agents would be required to deduct or withhold from any payment of principal or interest on any class of the Notes any amount for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by United Kingdom or any political sub-division thereof or any authority thereof or therein having power to tax the Issuer;
- (b) after the date on which the Aggregate Discounted Balance of the Portfolio is less than 10% of the Aggregate Discounted Balance as of the Initial Cut-Off Date; or
- (c) following the redemption in full of the Class A Notes,

subject to the following:

- (i) the Issuer has given not more than 60 nor less than 30 days' notice (or, in the case of an event described in paragraph (a) above, such shorter period expiring on or before the latest date permitted by relevant law) to the Noteholders in accordance with Condition 14 (Notices) and to the Note Trustee; and
- (ii) prior to the publication of any notice of redemption pursuant to this Condition 6.2, the Issuer shall deliver to the Note Trustee a certificate signed by two directors of the Issuer stating that (A) one or more of the events described in paragraphs (a), (b) or (c) above is

continuing and in the case of the relevant event described in paragraph (a) above, the relevant event described above is continuing and that the appointment of a Paying Agent in another jurisdiction or a substitution of a company incorporated and/or tax resident in another jurisdiction would not avoid the effect of the relevant event or that, having used its reasonable endeavours, the Issuer is unable to arrange such a substitution; and (B) the Issuer will have the necessary funds to pay all principal and interest due in respect of the Notes on the relevant Interest Payment Date and any amounts required under the relevant Priority of Payments to be paid in priority or *pari passu* with the Notes outstanding in accordance with the terms and conditions thereof and the Note Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above and, if it does so, it shall be conclusive and binding on the Noteholders.

6.3 **Mandatory redemption in part**

On each Interest Payment Date following the termination of the Revolving Period and prior to the occurrence of an Accelerated Amortisation Event, the Issuer shall apply Available Distribution Amounts up to an aggregate amount of the Required Principal Redemption Amount in redemption of the Notes, in accordance with the relevant Priority of Payments.

On and after the occurrence of an Accelerated Amortisation Event, the Issuer shall redeem the Notes in accordance with the Accelerated Amortisation Period Priority of Payments.

For the avoidance of doubt the Notes will be redeemed, subject to and in accordance with the relevant Priority of Payments on each Interest Payment Date, provided that no amount shall be applied to redeem the Notes during the Revolving Period.

6.4 **Principal Amount Outstanding**

The "**Principal Amount Outstanding**" of a Note on any date shall be its original principal amount less the aggregate amount of all principal payments in respect of such Note which have become due and payable and received by the relevant Noteholder since the Closing Date except if and to the extent that any such payment has been improperly withheld or refused.

6.5 **Notice of redemption**

Any such notice as is referred to in Condition 6.2 (Optional redemption in whole for taxation or other reasons) shall be irrevocable and, upon the expiry of such notice, the Issuer shall be bound to redeem the Notes at the applicable amounts specified above.

6.6 **No purchase by the Issuer**

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

6.7 **Cancellation**

All Notes redeemed in full will be cancelled upon redemption and may not be resold or re-issued.

7. **TAXATION**

All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**"), unless the withholding or deduction of the Taxes is required by applicable law. In that event, the Issuer or, as the case may be, the relevant Paying Agent shall make such payment after the withholding or deduction has been made and shall account to the relevant authorities for the amount required to be withheld or deducted. Neither the Issuer nor any Paying Agent shall be obliged to make any additional payments to Noteholders in respect of such withholding or deduction.

8. **PRESCRIPTION**

Claims in respect of principal and interest on the Notes will be prescribed after 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date in respect of the relevant payment.

In this Condition 8, the "**Relevant Date**", in respect of a payment, is the date on which such payment first becomes due or (if the full amount of the moneys payable on that date has not been duly received by the Principal Paying Agent or the Note Trustee on or prior to such date) the date on which, the full amount of such moneys having been received, notice to that effect is duly given to the relevant Noteholders in accordance with Condition 14 (Notices).

9. **ISSUER EVENTS OF DEFAULT**

9.1 The Note Trustee in its absolute discretion may, and if so directed in writing by the holders of not less than 25% of the Principal Amount Outstanding of the Class A Notes while they remain outstanding and thereafter the Class B Note while it remains outstanding (the "**Most Senior Class Outstanding**") or if so directed by an Extraordinary Resolution of the Most Senior Class Outstanding (subject, in each case, to being indemnified and/or secured and/or pre-funded to its satisfaction against all liabilities to which it may become liable or which it may incur by so doing), shall give notice (a "**Note Acceleration Notice**") to the Issuer that all classes of the Notes are immediately due and repayable at their respective Principal Amounts Outstanding, together with accrued interest as provided in the Trust Deed, in any of the following events (each, an "**Issuer Event of Default**"):

- (a) an Insolvency Event occurs with respect to the Issuer;
- (b) the Issuer defaults in the payment of any interest on the Most Senior Class Outstanding when the same becomes due and payable, and such default continues for a period of ten Business Days; or
- (c) the Issuer defaults in the payment of principal on any Class A Note or (subject to the Class A Notes being redeemed in full) any Class B Note when the same becomes due and payable, and such default continues for a period of five Business Days; or
- (d) the Issuer fails to perform or observe any of its other obligations under the Conditions or any Transaction Document to which it is a party (excluding, for the avoidance of doubt, its obligations to make payments of principal or interest on the Notes) and such default is, in the opinion of the Note Trustee, to be certified in writing, materially prejudicial to the interests of the Noteholders of the Most Senior Class Outstanding and is either (i) in the opinion of the Note Trustee, incapable of remedy or (ii) in the opinion of the Note Trustee, capable of remedy, but remains unremedied for a period of thirty days or such longer period as the Note Trustee may agree after the Note Trustee has given written notice of such default to the Issuer.

9.2 **General**

Upon the service of a Note Acceleration Notice by the Note Trustee in accordance with Condition 9.1, all classes of the Notes then outstanding shall thereby immediately become due and repayable at their respective Principal Amounts Outstanding, together with accrued interest as provided in the Trust Deed, and the security constituted by the Issuer Deed of Charge will become immediately enforceable.

10. **ENFORCEMENT**

The Note Trustee may, at any time, at its discretion and without notice, or, if so directed in writing by the holders of the Most Senior Class Outstanding or if so directed by an Extraordinary Resolution of the Most Senior Class Outstanding shall, take such action under or in connection with any of the Transaction Documents in such a manner as it may think fit (including, without limitation, directing the Issuer Security Trustee to take any action under or in connection with

any of the Transaction Documents or, after the service of a Note Acceleration Notice, to take steps to enforce the security constituted by the Issuer Deed of Charge), provided that:

- (a) (except where expressly provided otherwise) the Issuer Security Trustee shall not, and shall not be bound to, take any action under the Issuer Deed of Charge unless it shall have been so directed in writing by (i) the Note Trustee or (ii) if there are no Notes outstanding, the Issuer Secured Creditor who ranks most senior in the Accelerated Amortisation Period Priority of Payments (other than the Note Trustee, Issuer Security Trustee or LPUK Security Trustee);
- (b) neither the Note Trustee nor the Issuer Security Trustee shall be bound to take any such action unless it shall have been indemnified and/or secured and/or pre-funded to its satisfaction; and
- (c) neither the Note Trustee nor the Issuer Security Trustee shall be entitled to take any steps or proceedings (including any action in relation to an arrangement or compromise (judicial or otherwise) or lodging an appeal in any proceedings) to procure the winding-up, administration or liquidation of the Issuer.

Notwithstanding the foregoing, the Issuer Deed of Charge will provide that, upon application being made to a court of competent jurisdiction for an administration order or the service of a notice of intention to appoint an administrator or the filing of documents with the court for the appointment of an administrator in relation to the Issuer or other order having substantially the same effect to be made on application by a creditor or creditors of the Issuer, the Issuer Security Trustee shall, subject to having actual written notice of the relevant event and to it being indemnified and/or secured and/or prefunded to its satisfaction, as soon as practicable use all reasonable endeavours to appoint one of Deloitte, Ernst & Young, KPMG or PricewaterhouseCoopers (which shall, to the extent permitted by law, be an "administrative receiver" under Section 29(2) of the Insolvency Act") (a "**Receiver**") of the whole of the security for as long as an administrator has not been appointed and, in the case of any application to the court or petition, the Issuer Security Trustee shall instruct the administrative receiver to attend at the hearing of the application or petition with a view to the Receiver taking such steps as are necessary to act for the interests of the Issuer Secured Creditors and to prevent the appointment of an administrator, who would act in the interests of all of the creditors of the Issuer, whether secured or not. The Issuer Secured Creditors shall thereafter co-operate and do all acts and enter into such further documents, deeds or agreements as the Issuer Security Trustee may deem necessary or desirable for a Receiver to be appointed and carry out its office.

The Issuer Deed of Charge will further provide that (i) the Issuer Security Trustee will not be liable for any failure to appoint a Receiver in respect of the Issuer, save in the case of its own gross negligence, wilful default or fraud, (ii) in the event that the Issuer Security Trustee appoints a Receiver in respect of the Issuer under the Issuer Deed of Charge in the circumstances set out in the paragraph above, then the Issuer shall waive any claims against the Issuer Security Trustee in respect of the appointment of the Receiver and (iii) the Issuer Security Trustee shall have no obligation to indemnify any Receiver appointed by it except to the extent of (and from) the cash and assets comprising the Issuer Security held by the Issuer Security Trustee at such time and available for such purpose.

11. **MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER**

- 11.1 The Trust Deed contains provisions for convening meetings of the Noteholders of each class (and for this purpose, the Class A Notes shall be considered a single Class) and, in certain cases, more than one class to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a Basic Terms Modification (defined below), to remove the Note Trustee and/or the Issuer Security Trustee and/or the LPUK Security Trustee and to appoint a new Note Trustee and/or Issuer Security Trustee and/or the LPUK Security Trustee, to discharge or exonerate the Note Trustee and/or Issuer Security Trustee and/or the LPUK Security Trustee from any liability in respect of any act or omission for which it may have become or may become responsible under the Trust Deed or the Notes or any other Transaction Document and to waive any breach or authorise any proposed breach by the Issuer or, if relevant, any other Transaction Party of any obligation under or in respect of the Transaction Documents or any act

or omission which may otherwise constitute an Issuer Event of Default or Issuer Potential Event of Default under the Notes. A meeting of Noteholders (or any class thereof) may be convened by the Note Trustee or the Issuer at any time and must be convened by the Note Trustee (subject to its being indemnified and/or secured and/or prefunded to its satisfaction) upon the request in writing of Noteholders of a particular class holding not less than 10% of the aggregate Principal Amount Outstanding of the outstanding Notes of that class.

- 11.2 Subject as provided in Condition 11.5, an Extraordinary Resolution passed at any meeting of Class A Noteholders or by a Written Resolution or Electronic Resolution will be binding on all Class A Noteholders, whether or not they were present at such meeting or signed such Written Resolution or voted on such Electronic Resolution.
- 11.3 Subject as provided in Condition 11.5 an Extraordinary Resolution passed at any meeting of the Class A Noteholders or by a Written Resolution or Electronic Resolution shall be binding on the Class B Noteholder irrespective of the effect upon them.
- 11.4 An Extraordinary Resolution (other than an Extraordinary Resolution referred to in Condition 11.5) passed at any meeting of the Class B Noteholder or by a Written Resolution or Electronic Resolution shall not be effective for any purpose unless either the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of the Class A Noteholders or it is sanctioned by an Extraordinary Resolution of the Class A Noteholders.
- 11.5 An Extraordinary Resolution involving a Basic Terms Modification that is passed by the holders of one Class of Notes shall not be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other Classes of Notes then outstanding.
- 11.6 Subject as provided below, the quorum at any meeting of Noteholders of any class or classes for passing an Extraordinary Resolution will be one or more persons holding or representing a majority of the aggregate Principal Amount Outstanding of such class or classes of Notes then outstanding, or, at any adjourned meeting, one or more persons being or representing a Noteholder of the relevant class or classes, whatever the aggregate Principal Amount Outstanding of the Notes of such class or classes held or represented by it or them.
- 11.7 The quorum at any meeting of Noteholders of any class or classes for passing an Extraordinary Resolution to sanction a proposal to:
- (a) change any date fixed for payment of principal or interest in respect of the Notes of any class, change the amount of principal or interest due on any date in respect of the Notes of any class or alter the method of calculating the amount of any payment in respect of the Notes of any class (other than a Base Rate Modification);
 - (b) (except in accordance with Clause 25 (Substitution) of the Trust Deed) to effect the exchange, conversion or substitution of the Notes of any class for, or the conversion of such Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;
 - (c) change the currency in which amounts due in respect of the Notes are payable;
 - (d) (other than any new fee arrangement upon replacement of any Transaction Party) alter the priority of payment of interest or principal in respect of the Notes;
 - (e) change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or
 - (f) amend the definition of Basic Terms Modification,

(each, a "**Basic Terms Modification**") shall be one or more persons holding or representing not less than three-quarters or, at any adjourned meeting, not less than one-quarter of the aggregate Principal Amount Outstanding of the Notes then outstanding of such class or classes.

The Trust Deed provides that, except in the case of an Extraordinary Resolution directing the Note Trustee to give a Note Acceleration Notice, as to which the provisions of Condition 9 (Issuer Events of Default) shall apply and subject as provided in Conditions 11.2 to 11.5 (inclusive):

- (i) an Extraordinary Resolution which, in the opinion of the Note Trustee, affects the interests of the holders of only one Class of Notes shall be deemed to have been duly passed if passed at a separate meeting of the holders of the Notes of that Class;
- (ii) a resolution which, in the opinion of the Note Trustee, affects the interests of the holders of more than one Class but does not give rise to a conflict of interest between the holders of one Class of Notes and the holders of another Class of Notes shall be deemed to have been duly passed if passed at a single meeting of the holders of all the classes so affected as the Note Trustee shall determine; and
- (iii) a resolution which, in the opinion of the Note Trustee, affects the interests of more than one Class of Notes and gives or may give rise to a conflict of interest between the holders of one Class of Notes and the holders of another Class of Notes shall be deemed to have been duly passed only if passed at separate meetings of the holders of each class so affected.

11.8 The Note Trustee may agree and/or may direct the Issuer Security Trustee and/or the LPUK Security Trustee to agree, without the consent of the Noteholders or any other Issuer Secured Creditors (other than those Issuer Secured Creditors who are party to the relevant Transaction Document):

- (a) any modification (except in respect of any Basic Terms Modification), or to any waiver or authorisation of any breach or proposed breach, of these Conditions or any of the Transaction Documents or to determine that an Issuer Event of Default or Issuer Potential Event of Default shall not or shall not subject to specified conditions, be treated as such which, in the opinion of the Note Trustee, is not materially prejudicial to the interests of the Most Senior Class Outstanding; or
- (b) any modification which, in the opinion of the Note Trustee, is to correct a manifest error or is of a formal, minor or technical nature,

provided that the Note Trustee shall not exercise any powers conferred on it in respect of any waivers or authorisations under Clause 20.1 of the Trust Deed in contravention of any express direction given by Extraordinary Resolution or by a direction under Condition 9 (Issuer Events of Default).

11.9 Without limitation to Condition 11.10, the Note Trustee shall be obliged to concur with the Issuer (without the consent of the Noteholders or any other Issuer Secured Creditors, other than those Issuer Secured Creditors who are party to the relevant Transaction Document) and/or to direct the Issuer Security Trustee and/or the LPUK Security Trustee to concur with the Issuer, in relation to any amendment to a Transaction Document which the Issuer has certified in writing to the Note Trustee (upon which certification the Note Trustee shall rely without further enquiry) is necessary to:

- (a) (i) reflect the then current published rating criteria of a Rating Agency and which does not conflict with the then current published rating criteria of any other Rating Agency or (ii) avoid a downgrade, withdrawal or suspension of the then current ratings assigned by a Rating Agency to any Class of Notes;
- (b) enable the Issuer to comply with any obligations which apply to it under Regulation (EU) 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012 (including, without limitation, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators (the "EU EMIR")) and/or Regulation (EU) 648/2012 as it forms part of domestic law by virtue of the EUWA (the "UK EMIR"));

- (c) comply with any changes in the requirements of (i) Article 6 of the UK Securitisation Regulation, or Section 15G of the Securities Exchange Act of 1934, as added by section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, after the Closing Date, including as a result of the adoption of additional regulatory technical standards in relation to the UK Securitisation Regulation, (ii) Regulation (EU) 2017/2401 (which amends Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms) and/or the UK CRR or (iii) any other risk retention legislation or regulations or official guidance in relation thereto, provided further that the Issuer (or the Servicer on its behalf) certifies to the Note Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect (on which certification the Note Trustee shall rely without further enquiry);
- (d) for the purpose of enabling the Notes to comply with the requirements of the UK Securitisation Regulation, including relating to the treatment of the Notes as a simple, transparent and standardised securitisation, and any related regulatory technical standards authorised under the UK Securitisation Regulation provided that the Issuer (or the Servicer on its behalf) certifies to the Note Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect (on which certification the Note Trustee shall rely without further enquiry);
- (e) enable the Class A Notes to be (or to remain) listed on Euronext Dublin;
- (f) enable the Issuer or any of the other transaction parties to comply with FATCA;
- (g) enable the appointment of any additional or replacement account bank and/or the opening of any additional or replacement account in the name of the Issuer in accordance with the Transaction Documents; or
- (h) enable the appointment of any custodian and/or the opening of any custody account in accordance with the Transaction Documents,

in each case provided that the Issuer has (x) given at least 30 calendar days' prior written notice of any such proposed modification to the Note Trustee and (y) further certified in writing to the Note Trustee (upon which certification the Note Trustee shall rely without further enquiry) that in the reasonable opinion of the Issuer such amendment would not:

- (i) adversely impact on the Issuer's ability to make payments when due in respect of the Notes; or
 - (ii) affect the legality, validity and enforceability of any of the Transaction Documents and any Issuer Security created therein; and
- (i) change the base rate in respect of the Notes from SONIA to an alternative base rate (including where such base rate may remain linked to SONIA but may be calculated in a different manner) (any such base rate, an "**Alternative Base Rate**") and make such other amendments to any of the Transaction Documents as are necessary or advisable in the reasonable judgement of the Issuer to facilitate such change or which are required as a consequence of adopting an Alternative Base Rate (a "**Base Rate Modification**"), provided that:
 - (i) the Servicer, on behalf of the Issuer, certifies to the Note Trustee in writing (such certificate, a "**Base Rate Modification Certificate**") that:
 - (A) such Base Rate Modification is being undertaken due to:
 - (I) a material disruption to SONIA, a material change in the methodology of calculating SONIA or SONIA ceasing to exist or be published;

- (II) the insolvency or cessation of business of the SONIA administrator (in circumstances where no successor SONIA administrator has been appointed);
 - (III) a public statement by the SONIA administrator that it will cease publishing SONIA permanently or indefinitely (in circumstances where no successor SONIA administrator has been appointed that will continue publication of SONIA);
 - (IV) a public statement by the supervisor of the SONIA administrator that SONIA has been or will be permanently or indefinitely discontinued;
 - (V) a public statement by the supervisor of the SONIA administrator that means SONIA may no longer be used or that its use is subject to restrictions or adverse consequences; or
 - (VI) the reasonable expectation of the Servicer that any of the events specified in paragraphs (I) to (V) will occur or exist within six months of the proposed effective date of such Base Rate Modification;
- (B) such Alternative Base Rate is:
- (I) a base rate published, endorsed, approved or recognised by the Bank of England, any regulator in the United Kingdom or the European Union or any stock exchange on which the Notes are listed (or any relevant committee or other body established, sponsored or approved by any of the foregoing);
 - (II) a base rate utilised in a material number of publicly-listed new issues of sterling-denominated asset-backed floating rate notes prior to the effective date of such Base Rate Modification;
 - (III) such other base rate as the Servicer reasonably determines, provided that this paragraph (III) may only be used if the Servicer, on behalf of the Issuer, certifies to the Note Trustee that, in the reasonable opinion of the Servicer, none of paragraphs (I)-(II) above are applicable and/or practicable in the context of the transaction described in the Transaction Documents, and sets out the rationale in the Base Rate Modification Certificate for choosing the proposed Alternative Base Rate; and
- (C) the modifications proposed are required solely for the purpose of applying the Alternative Base Rate and making consequential modifications to any Transaction Document which are, as reasonably determined by the Issuer or the Servicer on behalf of the Issuer, necessary or advisable, and the modifications have been drafted solely to such effect;
- (ii) the consent of each Issuer Secured Creditor party to the Transaction Documents being amended has been obtained (evidence of which shall be provided by the Issuer to the Note Trustee with the Base Rate Modification Certificate) and no other consents are required to be obtained in relation to the Base Rate Modification;
 - (iii) the Seller has agreed to pay, or to put the Issuer in funds to pay, all fees, costs and expenses (including legal fees and any initial or ongoing costs associated

with the Base Rate Modification) incurred by the Issuer and the Note Trustee or any other Transaction Party in connection with the Base Rate Modification; and

- (iv) at least 30 calendar days' prior written notice of any such proposed modification has been given to the Note Trustee and the Interest Rate Swap Counterparty,

in the case of any modification pursuant to this Condition 11.9:

- (i) (in respect of Conditions 11.9(a) and 11.9(i)) the Issuer certifies in writing to the Note Trustee that:
 - (1) the Issuer has provided at least 30 calendar days' notice to the Noteholders of each Class of the proposed modification in accordance with Condition 14 (Notices) and by publication on Bloomberg on the "Company News" screen relating to the Notes; and
 - (2) Noteholders representing at least 10% of the aggregate Principal Amount Outstanding of the Most Senior Class Outstanding have not contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such notification period notifying the Issuer that such Noteholders do not consent to the modification.

If Noteholders representing at least 10% of the aggregate Principal Amount Outstanding of the Most Senior Class Outstanding have notified the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within the notification period referred to above that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the Most Senior Class Outstanding is passed in favour of such modification in accordance with this Condition 11.

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 Notes; and

- (ii) the Note Trustee (or where applicable, the Issuer Security Trustee or the LPUK Security Trustee) shall not be obliged to agree to any modification which, in the sole opinion of the Note Trustee (or, where applicable, the Issuer Security Trustee or the LPUK Security Trustee), would have the effect of (i) exposing the Note Trustee, the Issuer Security Trustee and/or the LPUK Security Trustee, as applicable, to any additional Liability or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the rights or protections, of the Note Trustee, the Issuer Security Trustee or the LPUK Security Trustee, as applicable in respect of the Notes, the Transaction Documents and/or the Conditions; and
- (iii) the Note Trustee shall not consider the interests of the Noteholders, any other Issuer Secured Creditor or any other person and shall act and rely solely and without further investigation, on any certificate (including any Base Rate Modification Certificate) or any other evidence provided to it by the Issuer or the Servicer on behalf of the Issuer and shall not be liable to the Noteholders, any other Issuer Secured Creditor or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person.

11.10 The Note Trustee shall be obliged to concur with the Issuer and/or to direct the Issuer Security Trustee and/or the LPUK Security Trustee to concur with the Issuer (without the consent of the

Noteholders or any other Issuer Secured Creditors, other than the Interest Rate Swap Counterparty) in relation to any amendment to the Interest Rate Swap Agreement in respect of which the Servicer has certified in writing to the Note Trustee (upon which certification the Note Trustee shall rely without further enquiry) that such amendment is consistent with the next published criteria for derivative counterparty and supporting party risk that will be published by DBRS and/or, as the case may be, Moody's, following the Closing Date (the "**Counterparty Criteria**"), provided that the Note Trustee (or where applicable the Issuer Security Trustee or the LPUK Security Trustee) shall not be obliged to agree to any amendment which, in the sole opinion of the Note Trustee (or, where applicable, the Issuer Security Trustee or the LPUK Security Trustee), would have the effect of (i) exposing the Note Trustee, the Issuer Security Trustee and/or the LPUK Security Trustee, as applicable, to any additional Liability or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the rights or protections, of the Note Trustee, the Issuer Security Trustee or the LPUK Security Trustee, as applicable in respect of the Notes, the Transaction Documents and/or the Conditions, and **further provided that:**

- (a) the Note Trustee has received written confirmation from LPUK and the Interest Rate Swap Counterparty in respect of the Interest Rate Swap Agreement that it has consented to such amendment;
- (b) subject to Condition 17 (Non-Responsive Rating Agency), a Ratings Confirmation has been provided by DBRS and Moody's in respect of such amendment; and
- (c) the Issuer certifies in writing to the Note Trustee that:
 - (i) the Issuer has provided at least 30 calendar days' notice to the Noteholders of each Class of the proposed modification in accordance with Condition 14 (Notices) and by publication on Bloomberg on the "Company News" screen relating to the Notes; and
 - (ii) Noteholders representing at least 10% of the aggregate Principal Amount Outstanding of the Most Senior Class Outstanding have not contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such notification period notifying the Issuer that such Noteholders do not consent to the modification.

If Noteholders representing at least 10% of the aggregate Principal Amount Outstanding of the Most Senior Class Outstanding have notified the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within the notification period referred to above that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the Most Senior Class Outstanding is passed in favour of such modification in accordance with this Condition 11.

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 Notes.

- 11.11 Without prejudice to Condition 11.9(i), the Issuer shall not agree to any amendment to, modification of, or supplement to any of the Transaction Documents, insofar as such amendment, modification or supplement: (a) has or could have a material adverse effect on the interests of the Interest Rate Swap Counterparty, (b) amends any Priority of Payments, or (c) in respect of the Class A Notes, amends the interest rate, the payment dates, the maturity date, the terms of repayment, the currency or the redemption rights, in each case without the prior written consent of the Interest Rate Swap Counterparty, and in the case of (a) -(c) above, provided that such consent is not commercially unreasonably withheld or delayed.
- 11.12 Any such modification, waiver, authorisation or determination shall be binding on the Noteholders and, unless the Note Trustee agrees otherwise, any such modification shall be

notified by the Issuer to the Noteholders and the Interest Rate Swap Counterparty as soon as practicable thereafter in accordance with Condition 14 (Notices).

- 11.13 In connection with any such substitution of principal debtor referred to in Condition 6.2 (Optional redemption in whole for taxation or other reasons), the Note Trustee may also agree, without the consent of the Noteholders or any other Issuer Secured Creditors, to a change of the laws governing the Notes, these Conditions and/or any of the Transaction Documents, **provided that** such change would not in the opinion of the Note Trustee, be materially prejudicial to the interests of the Most Senior Class Outstanding.
- 11.14 The Note Trustee shall be entitled to take into account, for the purpose of exercising or performing any right, power, trust, authority, duty or discretion under or in relation to the Trust Deed or any other Transaction Document (including, without limitation, any consent, approval, modification, waiver, authorisation or determination referred to in this Condition 11.14), among other things, to the extent that it considers, in its sole and absolute discretion, it is necessary and/or appropriate and/or relevant subject to the provisions of Condition 17 (Non-Responsive Rating Agency), any Ratings Confirmation (and in the case of a Ratings Confirmation provided by any Ratings Agency, whether or not such confirmation is addressed to, or provides that it may be relied upon by, the Note Trustee and irrespective of the method by which such confirmation is conveyed).
- 11.15 Where, in connection with the exercise or performance by it of any right, power, trust, authority, duty or discretion under or in relation to these Conditions or any of the Transaction Documents (including, without limitation, in relation to any modification, waiver, authorisation, determination or substitution as referred to above), the Note Trustee is required to have regard to the interests of the Noteholders of any class, it shall have regard to the general interests of the Noteholders of such class as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise or performance for individual Noteholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Note Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim from the Issuer, the Note Trustee or the Issuer Security Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders.
- 11.16 Neither the Note Trustee nor the Issuer Security Trustee shall be required to have regard to the interests of any other Issuer Secured Creditors so long as any Note is outstanding other than, in the case of the Issuer Security Trustee, to ensure application of any proceeds of enforcement in accordance with the relevant Priority of Payments.

12. **INDEMNIFICATION AND EXONERATION OF THE NOTE TRUSTEE AND THE ISSUER SECURITY TRUSTEE**

The Trust Deed and the Issuer Deed of Charge contain provisions governing the responsibility (and relief from responsibility) of the Note Trustee and the Issuer Security Trustee respectively and providing for their indemnification in certain circumstances, including provisions relieving the Note Trustee from taking action at the direction of Noteholders and the Issuer Security Trustee from taking action at the direction of the Note Trustee (acting on instruction of the Noteholders) in each case unless indemnified and/or secured and/or pre-funded to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Note Trustee shall not be bound to give notice to any person of the execution of any documents comprised or referred to in the Trust Deed or any other Transaction Document or to take any steps to ascertain whether any Issuer Event of Default, Issuer Potential Event of Default, Reserves Trigger Event, Automatic Crystallisation Event, Pre-Crystallisation Trigger Event, Non-Insolvency Realisation Agent Termination Event, Non-Insolvency Sub-Maintenance Coordinator Termination Event, Non-Insolvency Servicer Termination Event, Insolvency Event in respect of the Issuer, Seller Event of Default or any event which causes or may cause a right on its part or on the part of the Issuer Security Trustee or the LPUK Security Trustee under or in relation to any Transaction

Document to become exercisable has happened and, until it shall have actual knowledge or express notice pursuant to the Trust Deed to the contrary, the Note Trustee shall be entitled to assume that no Issuer Event of Default, Issuer Potential Event of Default, Reserves Trigger Event, Automatic Crystallisation Event, Pre-Crystallisation Trigger Event, Non-Insolvency Realisation Agent Termination Event, Non-Insolvency Sub-Maintenance Coordinator Termination Event, Non-Insolvency Servicer Termination Event, Insolvency Event in respect of the Issuer, or any Seller Event of Default or other such event has happened and that the Issuer and each of the other parties are observing and performing all their respective obligations under the Trust Deed and the other Transaction Documents and, if it does have actual knowledge or express notice as aforesaid, the Note Trustee shall not be bound to give notice thereof to the Noteholders or any other party.

The Trust Deed and the Issuer Deed of Charge also contain provisions pursuant to which the Note Trustee and the Issuer Security Trustee are entitled, inter alia, (a) to enter into business transactions with the Issuer and/or any other party to any of the Transaction Documents and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any other party to any of the Transaction Documents, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders or any other Issuer Secured Creditors, and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

13. **REPLACEMENT OF GLOBAL NOTES**

If any Global Note is mutilated, defaced, lost, stolen or destroyed, it may be replaced at the specified office of the Registrar. Replacement of any mutilated, defaced, lost, stolen or destroyed Global Note will only be made on payment of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. A mutilated or defaced Global Note must be surrendered before a new one will be issued.

14. **NOTICES**

14.1 **Publication of Notice**

- (a) Any notice to Noteholders and/or the Interest Rate Swap Counterparty shall be validly given if it is published in the Financial Times, or, if such newspaper shall cease to be published or, if timely publication therein is not practicable, in such other English newspaper or newspapers as the Note Trustee shall approve in advance having a general circulation in the United Kingdom, **provided that** if, at any time, (i) the Issuer procures that the information concerned in such notice shall appear on a page of the Reuters screen, the Bloomberg screen or any other medium for electronic display of data as may be previously approved in writing by the Note Trustee and notified to Noteholders (in each case a "**Relevant Screen**"), or (ii) paragraph (c) below applies and the Issuer has so elected, publication in the newspaper set out above or such other newspaper or newspapers shall not be required with respect to such information. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication shall have been made in the newspaper or newspapers in which (or on the Relevant Screen) publication is required.
- (b) In respect of Notes in definitive form or notices to the Interest Rate Swap Counterparty, notices will be sent by first class post (or its equivalent) or (if posted to an address outside the United Kingdom) by airmail at, in the case of notices to Noteholders, the respective addresses on the Register or, in the case of the Interest Rate Swap Counterparty, the address set out in Clause 27.2 (Notices) in the Issuer Deed of Charge. Any such notice will be deemed to have been given on the 4th day after the date of posting.
- (c) Whilst the Notes are represented by Global Notes, notices to Noteholders will be valid if published as described above, or, at the option of the Issuer, if submitted to Euroclear and/or Clearstream, Luxembourg for communication by them to Noteholders. Any notice delivered to

Euroclear and/or Clearstream, Luxembourg, as aforesaid shall be deemed to have been given on the day of such delivery.

- (d) The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange on which the Notes are for the time being listed or any other relevant authority.

14.2 **Note Trustee's Discretion to Select Alternative Method**

The Note Trustee shall be at liberty to sanction some other method of giving notice to the Noteholders or category of them if, in its sole opinion, such other method is reasonable having regard to market practice then prevailing and to the requirements of the stock exchanges, competent listing authorities and/or quotation systems on or by which the Class A Notes are then listed, quoted and/or traded and **provided that** notice of such other method is given to the Noteholders in such manner as the Note Trustee shall require.

15. **SUBORDINATION BY DEFERRAL**

15.1 **Interest**

In the event that, on any Interest Payment Date, the amount available to the Issuer, subject to and in accordance with the Issuer Deed of Charge, to apply on such Interest Payment Date pursuant to the Revolving Period Priority of Payments and, provided no Accelerated Amortisation Event has occurred, the Normal Amortisation Period Priority of Payments, after discharging the Issuer's liabilities of a higher priority (in each case, an "**Interest Residual Amount**"), is not sufficient to satisfy in full the aggregate amount of interest (including amounts previously deferred under this Condition 15.1 and accrued interest thereon) due, subject to this Condition 15.1, on a Class of Notes other than the Most Senior Class Outstanding on such Interest Payment Date, there shall instead be payable on such Interest Payment Date, by way of interest (including as aforesaid) on each Class of Notes other than the Most Senior Class Outstanding, only a pro rata share of the Interest Residual Amount attributable to the relevant Class of Notes on such Interest Payment Date and it shall not constitute an Issuer Event of Default.

In any such event, the Issuer shall create a provision in its accounts for the shortfall equal to the amount by which the aggregate amount of interest (including as aforesaid) paid on the Class B Note on the relevant Interest Payment Date in accordance with this Condition 15.1 falls short of the aggregate amount of interest (including as aforesaid) payable (but for the provisions of this Condition 15.1) on the Class B Note on that date pursuant to Condition 4 (Interest). Such shortfall shall itself accrue interest at the same rate as that payable in respect of the Class B Note and shall be payable together with such accrued interest on each following Interest Payment Date, subject to the provisions of the preceding paragraph.

Payments of interest due on an Interest Payment Date in respect of the Most Senior Class Outstanding will not be deferred.

15.2 **Principal**

All payments of principal shall be made in accordance with the relevant Priority of Payments.

15.3 **General**

Any amounts of principal or interest in respect of the Class B Note otherwise payable under these Conditions which are not paid by virtue of this Condition 15, together with accrued interest thereon, shall in any event become payable on the Interest Payment Date falling in December 2028 or on such earlier date as the Class B Note become due and repayable in full under Condition 6 (Redemption) or 9 (Issuer Events of Default).

15.4 **Notification**

As soon as practicable after becoming aware that any part of a payment of interest or principal on the Class B Note will be deferred or that a payment previously deferred will be made in accordance with this Condition 15, the Issuer will give notice thereof to the Class B Noteholder in accordance with Condition 14 (Notices).

15.5 **Application**

This Condition 15 shall cease to apply in respect of the Class B Note, upon the redemption in full of all Class A Notes.

16. **RESTRICTIONS ON DISPOSAL OF ISSUER'S ASSETS**

If a Note Acceleration Notice has been delivered by the Note Trustee otherwise than by reason of non-payment of any amount due in respect of the Notes, the Issuer Security Trustee will not be entitled to dispose of the Issuer Charged Assets (defined in Condition 18 (Limited Recourse)) or any part thereof (apart from monies standing to the credit of any Swap Collateral Accounts which are required to pay any Swap Termination Payments under the Interest Rate Swap Agreement) unless either:

- (a) a sufficient amount would be realised to allow payment in full of all amounts owing to the Noteholders of each class after payment of all other claims ranking in priority to the Notes in accordance with the Accelerated Amortisation Period Priority of Payments; or
- (b) the Issuer Security Trustee is of the opinion, which shall be binding on the Noteholders and the other Issuer Secured Creditors, reached after considering at any time and from time to time the advice of an investment bank or other financial adviser selected by the Issuer Security Trustee (and if the Issuer Security Trustee is unable to obtain such advice having made reasonable efforts to do so this paragraph (b) shall not apply) that the cash flow prospectively receivable by the Issuer from the Issuer Charged Assets will not (or that there is a significant risk that it will not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts due in respect of the Notes of each class after payment of all other claims ranking in priority to the Notes in accordance with the Accelerated Amortisation Period Priority of Payments; and
- (c) the Issuer Security Trustee shall not be bound to make the determination contained in paragraph (b) above unless the Issuer Security Trustee shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities (as defined in the Master Definitions Schedule) to which it may thereby become liable or which it may incur by doing so.

17. **NON-RESPONSIVE RATING AGENCY**

In respect of each Rating Agency, if a Ratings Confirmation is a condition to any action, step or matter under any Transaction Document and a written request for such Ratings Confirmation is delivered to that Rating Agency by or on behalf of the Issuer (copied to the Note Trustee) and:

- (a) (i) that Rating Agency indicates that it does not consider a Ratings Confirmation necessary in the circumstances or otherwise declines to review the matter for which the Ratings Confirmation is sought (including as a result of the policy or practice of that Rating Agency) or (ii) within 30 days of delivery of such request, that Rating Agency has not responded to the request for the Ratings Confirmation; and
- (b) the Issuer has otherwise received no indication from that Rating Agency that its then current ratings of the Class A Notes would be reduced, qualified, withdrawn or put on negative watch as a result of such action, step or matter,

then (A) there shall be no requirement for the Ratings Confirmation from the Rating Agency if the Issuer certifies to the Note Trustee that one of the events in paragraph (a) has occurred and the condition in paragraph (b) is fulfilled; and (B) neither the Issuer nor the Note Trustee shall be liable for any loss that Noteholders or any other Issuer Secured Creditor may suffer as a result.

18. LIMITED RECOURSE

If at any time following:

- (a) the occurrence of either:
 - (i) the Final Maturity Date or any earlier date upon which all of the Notes of each class are due and payable; or
 - (ii) the service of an Note Acceleration Notice; and
- (b) Realisation (defined below) of all of the property, assets and undertakings of the Issuer and subject of any security created by the Issuer Deed of Charge (together the "**Issuer Charged Assets**") and application in full of any amounts available to pay amounts due and payable under the Notes in accordance with the applicable Priority of Payments,

the proceeds of such Realisation are insufficient, after payment of all other claims ranking in priority in accordance with the applicable Priority of Payments, to pay in full all amounts then due and payable under any class of Notes then the amount remaining to be paid (after such application in full of the amounts first referred to in paragraph (b) above) under such class of Notes (and any class of Notes junior to that class of Notes) shall, on the day following such application in full of the amounts referred to in paragraph (b) above, cease to be due and payable by the Issuer. For the purpose of this Condition 18, "**Realisation**" means, in relation to any Issuer Charged Assets, the deriving, to the fullest extent practicable, of proceeds from or in respect of such Issuer Charged Assets including (without limitation) through sale or through performance by an obligor in accordance with the provisions of the Transaction Documents.

19. NON PETITION

Only the Issuer Security Trustee may pursue the remedies available under the general law or under the Transaction Documents to enforce the Issuer Security and no Noteholder or other Issuer Secured Creditor shall be entitled to proceed directly against the Issuer to enforce the Issuer Security. In particular, each Issuer Secured Creditor (other than the Issuer and the Issuer Security Trustee) agrees and acknowledges to each of the Issuer and the Issuer Security Trustee, and the Issuer Security Trustee agrees with and acknowledges to the Issuer, that:

- (a) none of the Issuer Secured Creditors (nor any person on their behalf, other than the Issuer Security Trustee where appropriate) are entitled, otherwise than as permitted by the Transaction Documents, to direct the Issuer Security Trustee to enforce the Issuer Security or take any proceedings or action against the Issuer to enforce or realise the Issuer Security;
- (b) none of the Issuer Secured Creditors (other than the Issuer Security Trustee) shall have the right to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to any of such Issuer Secured Creditors;
- (c) until the date falling two years after the Final Discharge Date (as defined in the Master Definitions Schedule) none of the Issuer Secured Creditors nor any person on their behalf shall initiate or join any person in initiating an Insolvency Event or the appointment of an Insolvency Official in relation to the Issuer other than a Receiver or an administrator appointed under Clause 11 (Receiver) of the Issuer Deed of Charge; and

- (d) none of the Issuer Secured Creditors shall be entitled to take or join in the taking of any corporate action, legal proceedings or other procedure or step which would result in the Priority of Payments not being complied with.

20. **GOVERNING LAW**

The Trust Deed and the Notes and all non-contractual obligations arising from or connected with them are governed by, and shall be construed in accordance with English law.

21. **RIGHTS OF THIRD PARTIES**

No person shall have any right to enforce any Condition or any provision of the Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

WEIGHTED AVERAGE LIFE OF THE NOTES

The average lives of each Class of Class A Notes cannot be predicted as the actual rate at which the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables will be repaid and a number of other relevant factors are unknown.

Calculations of possible average lives of each Class of Notes can be made under certain assumptions.

Based on the assumptions that:

- (a) the principal amount outstanding of the Class A Notes is £400,000,000 on the Closing Date;
- (b) there will be no Lease Agreement Recalculations;
- (c) the Lease Receivables are not subject to any enforcement proceedings;
- (d) the Lease Receivables are subject to a constant annual rate of principal prepayments shown in the table below;
- (e) no Lease Receivables are to be repurchased by LPUK as Repurchaser due to the breach of Lease Warranties;
- (f) no Accelerated Amortisation Event occurs;
- (g) the first Interest Payment Date will be the Interest Payment Date falling in April 2021;
- (h) the Aggregate Discounted Balance has been calculated using a Discount Rate of 5%;
- (i) the scheduled monthly instalments for each Lease Receivable, RV Claim and Final Balloon Payment Receivable have been based on its net present value, interest rate and remaining term to maturity, such that it will amortise in amounts sufficient for its repayment over its remaining term to maturity;
- (j) there will be no delinquencies, defaults or losses on the Lease Receivable, RV Claims and/or Final Balloon Payment Receivable and Lease Receivables payments or final balloon payments will be received on a timely basis together with prepayments, if any, at the CPR set out in the table;
- (k) each Interest Payment Date falls on the 20th calendar day of a month even if this is not a Business Day;
- (l) the Notes will be issued on 22 March 2021;
- (m) the Vehicles are sold on the Lease Maturity Date for a price equal to the Repurchase Price;
- (n) the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables are repurchased by LPUK in case of Lease Agreement Early Termination for a price equal to the Repurchase Price;
- (o) the Revolving Period is assumed to end on (but include) the Interest Payment Date falling in March 2022 and the amortisation profile (in percentage terms) of each Additional Portfolio is identical to the amortisation profile (in percentage terms) of the Initial Portfolio;
- (p) the interest collections are deemed sufficient to cover all senior costs, interest on the Notes, swap payments and credit to the Retained Profit Ledger;
- (q) the Lease Receivables in each Additional Portfolio sold to the Issuer during the Revolving Period will have the same seasoning and remaining term as the Lease Receivables in the Initial Portfolio; and

(r) at the commencement of the Revolving Period the value of the Portfolio is £549,998,448.37,

the approximate average life of each Class of Notes, at various assumed rates of prepayment of the Lease Receivables, would be as follows (with "CPR" being the constant prepayment rate and "WAL" being the weighted average life). The following tables account for the first collection period being longer than a usual Monthly Collection Period:

(i) In respect of the Class A Notes:

CPR	WAL (in years)	First Principal Payment Date	Expected Maturity Date
0.00%	2.02	April 2022	February 2024
2.50%	2.00	April 2022	January 2024
5.00%	1.97	April 2022	January 2024
10.00%	1.92	April 2022	December 2023
15.00%	1.86	April 2022	December 2023

The constant prepayment rates shown above are purely illustrative and do not represent the full range of possibilities for constant prepayment rates.

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

Assumptions (a), (b), (c), (d), (e), (h), (i), (j), (l), (m), (n), (p), (q) and (r) relate to circumstances which are not predictable.

The average lives of each Class of Notes are subject to factors largely outside the control of the Issuer and consequently no assurance can be given that the assumptions and the estimates above will prove in any way to be realistic and they must therefore be viewed with considerable caution.

The actual characteristics and performance of the assigned receivables will differ from these assumptions. The weighted average life of each class of Notes is hypothetical in nature and is provided only to give a general sense of how the principal cash flows might behave under various prepayment scenarios. For example, it is unlikely that the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables will prepay at a constant rate until maturity, that all of the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables will prepay at the same rate and that there will be no delinquencies or losses on the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables and that the Vehicle Realisation Proceeds will be equal to the amount of the Repurchase Price. Any difference between such assumptions and the actual characteristics and performance of the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables, or actual prepayment or loss experience, will affect the percentages of the principal amount outstanding of the Notes which are outstanding over time and the weighted average life of each Class of Notes. As a result, the average life of each Class of Notes is subject to factors that cannot be provided and consequently no assurance can be given that the assumptions that the estimates above will prove in any way to be realistic and they must therefore be viewed with considerable caution.

The data shown above is based on the Portfolio as of the Cut-Off Date of 31 January 2021.

Assumed Amortisation of the Portfolio

The amortisation scenario below is based on a CPR of 0%. It should be noted that the actual amortisation of the Portfolio may differ substantially from the amortisation scenario indicated below:

Payment Date	Pool Balance	Amortisation Lease Receivables	Amortisation RV Receivables	Amortisation Balloon Amount	Total Amortisation
Closing Date	549,998,448		-	-	-
Apr-2021	539,560,116	10,438,332	-	-	10,438,332

May-2021	528,765,165	10,198,807	-	596,145	10,794,951
Jun-2021	518,259,249	9,908,170	-	597,746	10,505,916
Jul-2021	507,846,320	9,819,155	13,426	580,348	10,412,929
Aug-2021	497,381,719	9,708,489	46,292	709,820	10,464,601
Sep-2021	486,498,100	9,781,839	65,068	1,036,712	10,883,619
Oct-2021	475,871,494	9,594,859	133,421	898,326	10,626,606
Nov-2021	464,988,293	9,565,104	224,907	1,093,191	10,883,201
Dec-2021	454,149,887	9,368,859	448,436	1,021,111	10,838,406
Jan-2022	443,290,461	9,269,558	549,448	1,040,419	10,859,426
Feb-2022	432,213,203	9,161,018	1,241,744	674,496	11,077,258
Mar-2022	421,341,274	8,874,966	1,257,105	739,857	10,871,928
Apr-2022	410,891,579	8,629,895	1,386,920	432,881	10,449,695
May-2022	399,897,493	8,601,954	1,647,554	744,579	10,994,086
Jun-2022	388,373,955	8,363,506	2,436,804	723,229	11,523,539
Jul-2022	375,772,991	8,087,895	3,903,806	609,263	12,600,963
Aug-2022	363,414,425	7,862,013	3,969,151	527,402	12,358,566
Sep-2022	349,022,245	7,682,099	6,128,267	581,813	14,392,180
Oct-2022	335,304,788	7,298,406	5,200,080	1,218,972	13,717,458
Nov-2022	318,270,882	6,974,146	9,112,427	947,333	17,033,906
Dec-2022	302,422,480	6,605,535	8,341,041	901,825	15,848,402
Jan-2023	287,063,358	6,274,431	8,300,724	783,966	15,359,122
Feb-2023	268,420,447	5,897,806	12,051,972	693,134	18,642,911
Mar-2023	254,566,768	5,689,861	7,638,960	524,858	13,853,679
Apr-2023	244,561,761	5,284,719	4,466,867	253,420	10,005,007
May-2023	224,882,793	5,089,754	14,125,168	464,046	19,678,968
Jun-2023	214,734,698	4,896,401	4,629,193	622,501	10,148,094
Jul-2023	202,996,840	4,422,926	6,897,689	417,244	11,737,858
Aug-2023	185,650,928	4,078,512	12,432,796	834,603	17,345,911
Sep-2023	168,459,021	3,794,028	12,754,749	643,130	17,191,907
Oct-2023	154,241,058	3,264,616	10,613,116	340,232	14,217,963
Nov-2023	131,802,172	2,803,243	18,922,915	712,728	22,438,886
Dec-2023	112,506,281	2,579,378	16,090,971	625,542	19,295,891
Jan-2024	97,786,766	2,237,001	12,086,233	396,282	14,719,515
Feb-2024	86,001,404	2,200,607	9,201,267	383,488	11,785,362
Mar-2024	79,642,076	2,105,211	3,778,378	475,739	6,359,328
Apr-2024	76,089,442	1,982,608	1,371,488	198,538	3,552,634
May-2024	68,875,045	1,898,538	5,052,158	263,701	7,214,396
Jun-2024	66,000,955	1,903,395	515,447	455,249	2,874,091
Jul-2024	63,016,417	1,635,307	976,774	372,456	2,984,538
Aug-2024	56,691,599	1,499,402	4,357,054	468,362	6,324,818
Sep-2024	49,874,473	1,379,987	4,742,553	694,586	6,817,126
Oct-2024	44,302,412	1,066,437	3,929,165	576,459	5,572,062
Nov-2024	35,360,403	840,563	7,049,945	1,051,501	8,942,009
Dec-2024	26,527,379	690,652	7,011,280	1,131,092	8,833,024
Jan-2025	19,604,997	577,508	5,716,492	628,382	6,922,382
Feb-2025	15,653,165	601,182	2,812,201	538,449	3,951,832
Mar-2025	14,421,822	581,017	310,992	339,334	1,231,343
Apr-2025	13,446,353	540,068	155,755	279,646	975,469
May-2025	12,120,030	527,740	676,935	121,648	1,326,323
Jun-2025	11,503,587	573,771	35,563	7,109	616,443
Jul-2025	10,624,217	432,437	120,105	326,827	879,370
Aug-2025	9,422,472	348,187	309,107	544,451	1,201,745
Sep-2025	7,497,507	286,947	300,622	1,337,396	1,924,965
Oct-2025	6,291,414	200,823	264,047	741,223	1,206,093
Nov-2025	4,645,538	127,421	471,567	1,046,888	1,645,876
Dec-2025	3,190,159	70,896	388,835	995,647	1,455,378
Jan-2026	2,017,308	23,194	322,943	826,715	1,172,851
Feb-2026	884,607	2,762	163,047	966,893	1,132,702
Mar-2026	0	2,751	347,761	534,095	884,606

THE ISSUER

1. General

The Issuer was incorporated and registered in England and Wales (registered number 12724583) under the Companies Act 2006 (as amended) as a public limited company on 7 July 2020.

2. Registered Office

The Issuer's registered office is at 1 Bartholomew Lane, London, EC2N 2AX. The telephone number of the Issuer is +44 (0)20 7398 6300.

3. Principal Activities

The Issuer was established as a special purpose vehicle to issue the Notes, to purchase the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables, to enter into the Transaction Documents, and carry out any and all other activities related to the transactions described in this Prospectus.

The Issuer has no subsidiaries or employees.

Since its incorporation, the Issuer has not carried on any business or activities other than those incidental to its incorporation, the authorisation and issue of the Notes and the purchase of the Lease Receivables, RV Claims and Final Balloon Payment Receivables and activities incidental to the exercise of its rights and compliance with its obligations under the Transaction Documents and any other documents entered into in connection with the issue of the Notes.

Since its date of incorporation, the Issuer has not commenced operations and no financial statements of the Issuer have been prepared as at the date of this Prospectus.

4. Directors

The directors of the Issuer and their business addresses are:

<u>Name</u>	<u>Business Address</u>
Susan Abrahams	1 Bartholomew Lane, London, EC2N 2AX
Intertrust Directors 1 Limited	1 Bartholomew Lane, London, EC2N 2AX
Intertrust Directors 2 Limited	1 Bartholomew Lane, London, EC2N 2AX

The directors of the Issuer may engage in other activities and have other interests which may conflict with the interests of the Issuer. As a matter of English law, each director is under a duty to act honestly and in good faith with a view to the best interests of the Issuer, regardless of any other directorships he may hold.

Pursuant to the terms of the Corporate Services Agreement, the Corporate Services Provider will provide directors and certain other corporate and administration services to the Issuer in consideration for the payment by the Issuer of an annual fee to the Corporate Services Provider.

The secretary of the Issuer is Intertrust Corporate Services Limited, a company incorporated in England and Wales with the registered number 3920255 and having its registered office is at 1 Bartholomew Lane, London, EC2N 2AX.

5. Capital and Shares

The issued share capital of the Issuer comprises 50,000 ordinary shares of £1 each, of which one share is fully paid and 49,999 are quarter paid and beneficially owned by Bumper UK 2021-1 Finance Holdings Limited ("**Holdings**").

The Share Trustee will have no beneficial interest in and derive no benefit (other than fees) for acting as Share Trustee from its holding of its share in the Issuer.

Holdings was incorporated in England and Wales on 2 July 2020 (registered number 12713176) as a private limited company under the Companies Act 2006 (as amended). The registered office of Holdings is 1 Bartholomew Lane, London, EC2N 2AX. The telephone number of Holdings is +44 (0)20 7398 6300. The issued share capital of Holdings comprises one ordinary share of £1. Pursuant to a share trust deed dated 26 January 2021, the entire issued share capital of Holdings is held by Intertrust Corporate Services Limited (the "**Share Trustee**") on a discretionary trust for discretionary purposes.

6. **Capitalisation**

The following table sets out the capitalisation of the Issuer as at the date hereof:

Share Capital	£
Authorised:	
50,000 ordinary shares of £1 each	50,000
Issued:	
1 fully paid shares of £1 each	1
49,999 quarter paid shares of £1 each	12,499.75
Loan Capital	
	£400,000,000.0
Notes	0

As at the date hereof, save as disclosed above, the Issuer has no loan capital outstanding or authorised but unissued shares, no term loans outstanding and no other borrowings or indebtedness in the nature of borrowing nor any contingent liabilities or guarantees. The current financial period of the Issuer will end on 31 December 2021.

7. **Financial Statements and auditors**

Since its date of incorporation, the Issuer has not commenced operations and no financial statements of the Issuer have been prepared as at the date of this Prospectus. The Issuer intends to publish its first financial statements in respect of the period ending on 31 December 2021. The Issuer will not prepare interim financial statements. The financial year of the Issuer ends on 31 December in each calendar year.

The independent auditor of the Issuer is KPMG.

CORPORATE ADMINISTRATION

Intertrust Management Limited, having a place of business at 1 Bartholomew Lane, London, EC2N 2AX will be appointed to provide corporate services to the Issuer and Holdings pursuant to the Corporate Services Agreement.

Intertrust Management Limited has served and is currently serving as corporate service provider for securitisation transactions and programmes involving various asset classes.

The Corporate Services Provider will be entitled to terminate its respective appointment under the Corporate Services Agreement on 30 days' written notice to the Issuer, the Issuer Security Trustee and each other party to the Corporate Services Agreement, provided that a substitute corporate services provider has been appointed on substantially the same terms as those set out in the Corporate Services Agreement.

The Issuer (with prior written consent of the Issuer Security Trustee) and, following delivery of a Note Acceleration Notice, the Issuer Security Trustee can terminate the appointment of the Corporate Services Provider on 30 days' written notice so long as a substitute corporate services provider has been appointed on substantially the same terms as those set out in the Corporate Services Agreement.

In addition, the appointment of the Corporate Services Provider may be terminated immediately upon notice in writing given by the Issuer Security Trustee, if the Corporate Services Provider breaches its obligations under the terms of the Corporate Services Agreement and/or certain insolvency related events occur in relation to the Corporate Services Provider.

THE NOTE TRUSTEE, THE ISSUER SECURITY TRUSTEE AND THE LPUK SECURITY TRUSTEE

BNP Paribas Trust Corporation UK Limited has been appointed as Note Trustee under the Trust Deed, as Issuer Security Trustee under the Issuer Deed of Charge and as LPUK Security Trustee under the LPUK Deed of Charge.

BNP Paribas Trust Corporation UK Limited is incorporated under the Companies Act 1985 having limited liability and is registered with the Companies House of England and Wales with company number 04042668. It has its registered office at 10 Harewood Avenue, London, NW1 6AA.

This description of the Note Trustee, the Issuer Security Trustee and the LPUK Security Trustee does not purport to be a summary of, and is therefore subject to, and qualified in its entirety by reference to, the detailed provisions of the Transaction Documents.

The delivery of this Prospectus does not imply that there has been no change in the affairs of the Note Trustee, the Issuer Security Trustee or the LPUK Security Trustee since the date hereof, or that the information contained or referred to in this section is correct as of any time subsequent to its date.

LEASEPLAN UK LIMITED

1. General

LPUK was established as a company with limited liability in England and Wales on 6 November 1978 with registered number 01397939 and having its registered office at 165 Bath Road, Slough, Berkshire, SL1 4AA.

LPUK started trading in 1979 and grew rapidly with the acquisition of Triton Business Finance in 1992 and the Automotive Leasing brand, specialising in government and corporate leasing, in 1993.

LPUK continued to improve its business by being registered to ISO 9002 in 1994. LPUK expanded further in 2001 with the acquisition of the Dial group of companies, including the Network brand, specialising in small and medium enterprise and retail leasing. By 2002 LPUK was registered to ISO 9001 and had received the LeasePlan Group "Trophy of Excellence". LPUK is accredited ISO 9001:2015. In October 2017, LeasePlan re-launched with a new brand identity globally with all trading as (t/o) brands of LeasePlan aligned under the 'Power of One LeasePlan' model including; LeasePlan Direct (personal leasing and small business fleets), LeasePlan Corporate (public sector and large corporates) and LeasePlan Indirect (broker). LeasePlan Go has traded under the LeasePlan brand since 2018. In April 2019 LPUK retained the Investors in People Gold Standard award for a further three year period from 2019-2022. In addition, in December 2020 LPUK was also awarded Investors in People's Health and Wellbeing accreditation, to recognise the strategic support the company provides for its employees in this crucial area.

As at 31 January 2021, LPUK employed approximately 506 staff and the fleet under management by LPUK totalled approximately 174,067 vehicles.

LPUK is an entity which is subject to prudential and capital regulation in the United Kingdom and, as mentioned in paragraph 1 of the "Consumer Credit Regulation in the UK" above, it has regulatory authorisation and permissions which are relevant to the provision of servicing in relation to the auto leases comprising the Portfolio (including the Regulated Lease Agreements) and other auto leases originated by LPUK which are not sold to the Issuer. LPUK has significantly more than 15 years of experience in originating and servicing auto leases similar to those included in the Portfolio.

Under the terms of the Servicing Agreement, LPUK will covenant to service the Lease Receivables, RV Claims and Final Balloon Payment Receivables in the Portfolio as it would if it were administering receivables which it beneficially owned the same and comply with the Servicer's Credit and Collection Processing Procedures. As such, LPUK will service the Lease Receivables, RV Claims and Final Balloon Payment Receivables in the Portfolio in the same way as comparable auto lease receivables which are not included in the Portfolio.

2. Parent Company

LPUK is fully owned by its parent company LPC through the intermediate holding of Inula Holding UK Limited. For details relating to LPC, please see the section "LeasePlan Corporation N.V." on page 204. LPC has significantly more than 15 years of experience in servicing of auto leases similar to those included in the Portfolio.

3. Products and Services

Please see the sections "LEASE SERVICES RENDERED" and "CONTRACT TYPES" for further information.

LEASEPLAN CORPORATION N.V.

1. Introduction

LeasePlan Corporation N.V. ("LPC") was incorporated by notarial deed of 27 February 1963 as a public limited company (*naamloze vennootschap*) under Dutch law, for an indefinite period. LPC is registered with the Trade Register of the Chamber of Commerce under number 39037076. LPC has its statutory seat in Amsterdam, the Netherlands and its registered office at Gustav Mahlerlaan 360, 1082 ME, Amsterdam, the Netherlands. The general telephone number of LPC is: +31 207093000.

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

At 31 December 2020, the LeasePlan group employed 8,194 total average FTEs and its fleet comprised 1.852 million vehicles of various brands worldwide. As at 31 December 2020, the total book value of leases and lease receivables was EUR 21.4 billion based on LPC's unaudited financial statements for the financial year ended 31 December 2020.

2. Profile

LPC operates in two large and growing markets: Car-as-a-Service for new cars, through its LeasePlan business, and the high-quality 3-4 year old used car market, through its [CarNext.com](https://www.car-next.com) business.

LPC's Car-as-a-Service business purchases, funds and manages new vehicles for its customers, providing a complete end-to-end service for a typical contract duration of three to four years. With over 55 years' experience and 1.8 million vehicles under management in over 30 countries, LeasePlan is a trusted partner for its corporate, SME, private and mobility customers.

[CarNext.com](https://www.car-next.com) is a pan-European digital marketplace for high-quality used cars seamlessly delivering any car, anytime, anywhere and is supplied with vehicles from LPC's own fleet as well as trusted third party suppliers.

Through these two businesses, LPC plays across the entire automotive value chain outside of car manufacturing and distribution. LPC launched LeasePlan Bank in 2010, an online savings bank in the Netherlands, aimed at retail clients. Since September 2015, LeasePlan Bank has also had an online savings bank in Germany. LeasePlan Bank attracted retail deposits of around EUR 9.11 billion by the end of 2020.

LPC's long term credit ratings are: BBB- (stable outlook) from S&P Global Ratings, Baa1 (stable outlook) from Moody's Investors Service and BBB+ (negative outlook) from Fitch Ratings.

THE INTEREST RATE SWAP COUNTERPARTY

Banco Santander, S.A. is the parent bank of Grupo Santander (“**Santander**”). It was established on 21 March 1857 and incorporated in its present form by a public deed executed in the city of Santander, Spain, on 14 January 1875.

Banco Santander, S.A. and its consolidated subsidiaries are a financial group operating through a network of offices and subsidiaries across Spain, the United Kingdom and other European countries, Brazil and other Latin American countries and the US, offering a wide range of financial products. In Latin America, Santander has majority shareholdings in banks in Argentina, Brazil, Chile, Colombia, Mexico, Peru and Uruguay.

At 31 December 2020, Santander had a market capitalization of €44.0 billion, stockholders’ equity of €81.5 billion and total assets of €1,508.2 billion. Santander had €1,056.1 billion total customer funds at that date.

As of 31 December 2020, we had 83,976 employees and 4,846 branch offices in Europe (of which 26,961 employees and 2,939 branches in Spain and 22,931 employees and 564 branches in the United Kingdom), 38,371 employees and 1,958 branches in North America, 65,252 employees and 4,431 branches in South America (of which 43,258 employees and 3,571 branches in Brazil), 1,898 employees and one branch in Santander Global Platform and 1,692 employees in Corporate Activities.

Banco Santander, S.A has a long- term credit rating of “A-“by Fitch, “A” by Standard & Poor’s, “A2” by Moody’s and “A (high)” by DBRS.

THE ACCOUNT BANK, PRINCIPAL PAYING AGENT AND REGISTRAR

BNP Paribas Securities Services, a wholly-owned subsidiary of the BNP Paribas Group, is a leading global custodian and securities services provider backed by the strength of a universal bank. It provides integrated solutions for all participants in the investment cycle, from the buy-side and sell-side to corporates and issuers.

Covering over 100 markets, with own offices in 35 countries, the BNP Paribas network is one of the most extensive in the industry. It brings together local insight and a global network to enable clients to maximize their market and investment opportunities worldwide.

As of 30 September 2020, BNP Paribas Securities Services had USD 12.063 billion in assets under custody, USD 2.976 billion in assets under administration, 10,661 funds administered and over 12,510 employees.

THE CASH MANAGER

Intertrust Administrative Services B.V. has been appointed as Cash Manager under the Cash Management Agreement.

Intertrust Administrative Services B.V. is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under Dutch law on 20 June 1963. It has its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered office at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands. Intertrust Administrative Services B.V. is registered with the Trade Register under number 33210270.

This description of the Cash Manager does not purport to be a summary of, and is therefore subject to, and qualified in its entirety by reference to, the detailed provisions of the Cash Management Agreement, the Servicing Agreement and the other Transaction Documents.

The delivery of this Prospectus will not create any implication that there has been no change in the affairs of Intertrust Administrative Services B.V. since the date hereof, or that the information contained or referred to in this section is correct as of any time subsequent to its date.

THE REPORTING AGENT

Intertrust Administrative Services B.V. is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under Dutch law on 20 June 1963. It has its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered office at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands. Intertrust Administrative Services B.V. is registered with the Trade Register under number 33210270.

The objects of Intertrust Administrative Services B.V. are (a) to represent financial, economic and administrative interests in the Netherlands and other countries, (b) to act as trust company, as well as to participate in, manage and administer other enterprises, companies and legal entities and (c) to perform any and all acts which are related, incidental or which may be conducive to the above.

The managing directors of Intertrust Administrative Services B.V. are E. M. van Ankeren, and T.T.B. Leenders. The sole shareholder of the Intertrust Administrative Services B.V. is Intertrust (Netherlands) B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under Dutch law and having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands.

This description of the Reporting Agent does not purport to be a summary of, and is therefore subject to, and qualified in its entirety by reference to, the detailed provisions of the Servicing Agreement and the other Transaction Documents.

The delivery of this Prospectus will not create any implication that there has been no change in the affairs of the Reporting Agent since the date hereof, or that the information contained or referred to in this section is correct as of any time subsequent to its date.

RATINGS OF THE NOTES

The Class A Notes are expected to be assigned AAA(sf) by DBRS and Aaa(sf) by Moody's. The Class B Note is not expected to be assigned a rating by Rating Agencies.

It is a condition of the issue of the Notes that each Class of Notes receives the rating indicated above (if any).

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal by the Rating Agencies at any time. If the ratings initially assigned to 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 with respect to such Class of Notes.

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

TAXATION

United Kingdom Taxation

The following is a summary of the Issuer's understanding of current United Kingdom law and published HM Revenue and Customs ("**HMRC**") practice relating only to the United Kingdom withholding taxation treatment of payments of interest (as that term is understood for United Kingdom taxation purposes) in respect of the Notes. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of the Notes. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their position should seek their own professional advice.

Payments of Interest on the Notes

Payments of interest on the Class A Notes may be made without deduction of or withholding on account of United Kingdom income tax **provided that** the Class A Notes carry a right to interest and the Class A Notes are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007 (the "**Act**"). Euronext Dublin is a recognised stock exchange. The Class A Notes will satisfy this requirement if they are officially listed in Ireland in accordance with provisions corresponding to those generally applicable in EEA states and are admitted to trading on the regulated market of Euronext Dublin. Provided, therefore, that the Class A Notes carry a right to interest and are and remain so listed on a "recognised stock exchange", interest on the Class A Notes will be payable without deduction of or withholding on account of United Kingdom income tax.

Payments of interest on the Class B Note may be made without deduction of or withholding on account of United Kingdom tax **provided that** (i) the Issuer reasonably believes (and any person by or through whom interest on the Class B Note is paid reasonably believes) that the Class B Noteholder is a United Kingdom resident company and is beneficially entitled to the payments of interest; and (ii) HMRC has not given a direction (in certain circumstances) that such interest should be paid under deduction of tax.

Payments of interest on the Notes may also be paid without deduction of or withholding on account of United Kingdom income tax where the maturity of the Notes is less than 365 days and those Notes do not form part of a scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days. In other cases, an amount must generally be withheld from payments of interest on the Notes that has a United Kingdom source on account of United Kingdom income tax at the basic rate (currently 20%) subject to any other available exceptions or reliefs. However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to the Issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

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 the United Kingdom) 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 passthru payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally

would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. Holders should consult their own tax advisors 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.

SUBSCRIPTION AND SALE

Banco Santander, S.A. and BNP Paribas (together, the "**Joint Lead Managers**") have, pursuant to a subscription agreement dated on or about 11 March 2021 amongst the Seller, the Joint Lead Managers and the Issuer (the "**Subscription Agreement**"), agreed with the Issuer (subject to certain conditions) to subscribe and pay for (i) £400,000,000 of the Class A Notes at the issue price of 100% of the aggregate principal amount of the Class A Notes. Additionally, pursuant to the Subscription Agreement, LPUK as Class B Note Purchaser has agreed with the Issuer (subject to certain conditions) to subscribe and pay for £150,000,000 of the Class B Note at the issue price of 100% of the aggregate principal amount of the Class B Note.

LPUK, as Originator will retain a material net economic interest of not less than 5% in the securitisation as required by Article 6(1) of the UK Securitisation Regulation and Article 5(1)(d) of the EU Securitisation Regulation (as such article is interpreted and applied on the date hereof and not taking into account any relevant national measures). As at the Closing Date and while any of the Notes remain outstanding, such interest will be comprised of an interest in the Class B Note in accordance with Article 6(3)(d) of the UK Securitisation Regulation. Any change to the manner in which such interest is held will be notified to Noteholders.

Except with the prior written consent of LPUK and where such sale falls within the exemption provided by Section __.20 of the U.S. Risk Retention Rules, the Notes (which term for the purposes of this section will be deemed to include any interest in the Notes, including Book-Entry Interests) offered and sold by the Issuer may not be purchased by, or for the account or benefit of, any Risk Retention U.S. Person.

The Issuer has agreed to indemnify LPUK and the Joint Lead Managers against certain liabilities and to pay certain costs and expenses in connection with the issue of the Notes.

Other than admission of the Notes to the Official List and the admission to trading on Euronext Dublin, no action has been taken by the Issuer, the Joint Lead Managers or LPUK, which would or has been intended to permit a public offering of the Notes, or possession or distribution of this Prospectus or other offering material relating to the Notes, in any country or jurisdiction where action for that purpose is required.

This Prospectus does not constitute, and may not be used for the purpose of, an offer or a solicitation by anyone to subscribe for or purchase any of the Notes in or from any country or jurisdiction where such an offer or solicitation is not authorised or is unlawful.

United Kingdom

Each of the Joint Lead 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 FSMA) received by it in connection with the issue or sale of any notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Class A Notes in, from or otherwise involving the United Kingdom.

United States

The Class A 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 any other relevant jurisdiction of the United States and therefore may not be offered, sold, resold or otherwise transferred, directly or indirectly within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from the registration requirements of the Securities Act. Accordingly, the Notes are being offered outside the United States to persons other than U.S. persons.

Each of the Joint Lead Managers has agreed that, except as permitted by the Subscription Agreement, it will not offer or sell the Class A Notes (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering of the Class A Notes and the closing date (the "**Distribution Compliance Period**") within the United States or to, or for the account or benefit of, U.S. persons. Each of the Joint Lead Managers has further agreed that it will have sent to each affiliate or other person receiving a selling commission, fee or other remunerations that purchases Class A Notes from it during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of the Class A Notes within the United States or to, or for the account of, U.S. persons.

In addition, until the expiration of the Distribution Compliance Period, an offer or sale of the Class A Notes within the United States by any Joint Lead Manager may violate the registration requirements of the Securities Act. Terms used in this section that are defined in Regulation S under the Securities Act are used herein as defined therein.

The Seller, the Issuer, the Arranger and the Joint Lead Managers have agreed that the determination of the proper characterisation of potential investors for such restriction or for determining the availability of the exemption provided for in the U.S. Risk Retention Rules is solely the responsibility of LPUK, and none of the Joint Lead Managers or any person who controls such person or any director, officer, employee, agent or affiliate of such person shall have any responsibility for determining the proper characterisation of potential investors for such restriction or for determining the availability of the exemption provided for in the U.S. Risk Retention Rules, and none of the Joint Lead Managers or any person who controls it or any director, officer, employee, agent or affiliate of such person accepts any liability or responsibility whatsoever for any such determination or characterisation. Prospective investors should consult their own advisors as to the U.S. Risk Retention Rules.

Prior to any Notes which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person, the purchaser of such Notes must first disclose to the Arranger and the Joint Lead Managers that it is a Risk Retention U.S. Person and obtain the written consent of the Seller in the form of a U.S. Risk Retention Waiver.

Each purchaser of the Notes and any subsequent transferee of the Notes (which term for the purposes of this section will be deemed to include any interests in the Notes, including Book-Entry Interests) will be deemed to have acknowledged, represented and agreed, and in certain circumstances will be required, to represent and agree as follows:

- (a) if the purchaser purchased the Notes during the initial syndication thereof, the purchaser (1) either (i) is not a Risk Retention U.S. Person or (ii) has obtained a U.S. Risk Retention Waiver, (2) is acquiring such Note, or beneficial interest therein, for its own account and not with a view to distribute such Notes and (3) is not acquiring such Note, or beneficial interest therein, as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules);
- (b) the Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, pledged or otherwise transferred in the United States or to, or for the account or benefit of, a U.S. Person (as defined in Regulation S) unless registered under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act, and, in each case, only in accordance with any applicable securities laws of any state or other jurisdiction of the United States. If the purchaser is purchasing the Notes within the Distribution Compliance Period, such purchaser is not a U.S. Person (as defined in Regulation S) and is not acquiring the Notes for the account or benefit of such a U.S. Person;
- (c) unless the relevant legend set out on the Notes has ceased to be effective such purchaser shall notify each transferee of Notes (as applicable) from it that (i) such Notes have not been registered under the Securities Act, (ii) the holder of such Notes is subject to the restrictions on the resale or other transfer thereof described in paragraph (a) above, (iii) such transferee shall be deemed to have represented that such transferee is acquiring the Notes in an offshore transaction and that such transfer is made pursuant to an exemption from registration in accordance with Rule 903 or Rule 904 of Regulation S and (iv) such transferee shall be deemed to have agreed to notify its subsequent transferees as to the foregoing;

- (d) the purchaser will promptly (i) inform the Issuer if, during any time it holds a Note, there shall be any change in the acknowledgements, representations and agreements contained above or if they shall become false for any reason and (ii) deliver to the Issuer such other representations and agreements as to such matters as the Issuer may, in the future, request in order to comply with applicable law and the availability of any exemption therefrom; and
- (e) the Issuer, the Seller (being LPUK), the Registrar, the Joint Lead Managers and their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

The Notes and related documentation may be amended or supplemented from time to time to modify the restrictions on and procedures for resales and other transfers of the Notes to reflect any change in applicable law or regulation (or the interpretation thereof) or in practices relating to the resales or transfer of securities such as the Notes generally, and that the purchaser will be deemed, by its acceptance of such Notes, to have agreed to any such amendment or supplement.

The Issuer may receive a list of participants holding positions in its securities from one or more book-entry depositaries, and those participants may further disclose to the Issuer the names and positions of holders of its securities.

"U.S. person" has the meaning given to it in Regulation S.

Ireland

Each of the Joint Lead Managers has represented and agreed that:

- (a) it will not underwrite the issue of, or place the Class A Notes, otherwise than in conformity with the provisions of the European Union (Markets in Financial Instruments) Regulations 2017 (as amended), including, without limitation, Regulation 5 (Requirement for authorisations (and certain provisions concerning MTFs and OTFs)) thereof and in connection with the MiFID Regulations, any applicable codes of conduct or rules and any conditions or requirements, or any other enactment, imposed or approved by the Central Bank, Regulation (EU) No 600/2014, as amended, and any delegated or implementing acts adopted thereunder any codes of conduct made thereunder and the provisions of the Investor Compensation Act 1998 of Ireland (as amended);
- (b) it will not underwrite the issue of, or place, the Class A Notes, otherwise than in conformity with the provisions of the Central Bank Acts –2014 of Ireland, the Central Bank Acts 1942 - 2018 (as amended) and any codes of practice made under Section 117(1) of the Central Bank Act 1989 of Ireland, as amended thereof; and
- (c) it will not underwrite the issue of, or place, or do anything in Ireland with respect to the Notes otherwise than in conformity with the provisions of the European Union (Prospectus Regulations, 2019 and any rules issued by the Central Bank under Section 1363 of the Companies Act; and
- (d) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Class A Notes, otherwise than in conformity with the provisions of the Market Abuse Regulation (EU 596/2014) (as amended), the European Union (Market Abuse) Regulations 2016 (as amended) and any rules and guidance issued under Section 1370 of the Companies Act 2014 by the Central Bank of Ireland.

General

Each of the Joint Lead Managers and the Arranger has undertaken that it will not, directly or indirectly, offer or sell any Class A Notes or have in its possession, distribute or publish any offering circular, prospectus, form of application, advertisement or other document or information in respect of the Class A Notes in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief, result in compliance with any applicable laws and regulations and all offers and sales of Class A Notes by it will be made on the same terms.

Prohibition of Sales to EEA Retail Investors

Each of the Joint Lead Managers has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Class A Notes to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - (ii) a customer within the meaning of Regulation (EU) 2016/97 (as amended or supplemented), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) a person who is not a qualified investor as defined in Regulation (EU) 2017/1129.

Prohibition of Sales to UK Retail Investors

Each of the Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
 - (ii) a customer the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA

Investor Compliance

Persons into whose hands this Prospectus comes are required by the Issuer and the Arranger to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Notes or have in their possession, distribute or publish this Prospectus or any other offering material relating to the Notes, in all cases at their own expense.

DESCRIPTION OF THE NOTES IN GLOBAL FORM AND THE CLASS B NOTE

General

The Notes of each Class or sub-Class will be offered and sold outside the United States to non-U.S. persons in reliance on Regulation S and will be represented on issue by one or more Global Notes of such class in fully registered form without interest coupons or principal receipts attached (each a "**Global Note**"). Beneficial interests in the Class A Notes may only be held through Euroclear or Clearstream, Luxembourg or their participants at any time.

All capitalised terms not defined in this paragraph shall be as defined in the Conditions of the Notes.

In a press release dated 22 October 2008, "Evolution of the custody arrangement for international debt securities and their eligibility in Eurosystem credit operations", the ECB announced that it has assessed the new holding structure and custody arrangements for registered notes which the ICSDs had designed in co-operation with market participants and that notes to be held under the new structure (the "**New Safekeeping Structure**" or "**NSS**") would be in compliance with the "Standards for the use of EU securities settlement systems in ESCB credit operations" of the central banking system for the Euro (the "**Eurosystem**"), subject to the conclusion of the necessary legal and contractual arrangements. The press release also stated that the new arrangements for notes to be held in NSS form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2010 and that registered debt securities in global registered form held issued through Euroclear and Clearstream, Luxembourg after 30 September 2010 will only be eligible as collateral in Eurosystem operations if the New Safekeeping Structure is used.

The Class A Notes will be held under the NSS and will be deposited with the common safekeeper for Euroclear and Clearstream, Luxembourg (the "**Common Safekeeper**"). The Class B Note will be in dematerialised form and will not be cleared. The Notes are not currently Eurosystem eligible. However, it is intended that the Class A Notes which are to be held under the NSS will be held in a manner to enable Eurosystem eligibility, however, it cannot be confirmed that the Class A Notes to be held under NSS will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria has been met. The Class A Notes will be deposited with the Common Safekeeper and registered in the name of a nominee of Euroclear and Clearstream. The Issuer will procure the Registrar to maintain a register in which it will register the nominee for the Common Safekeeper as the owner of the Global Notes.

Upon confirmation by the the Common Safekeeper that it has custody of the Global Notes, Euroclear or Clearstream, Luxembourg, as the case may be, will record book-entry interests representing beneficial interests (the "**Book-Entry Interests**") in the Global Notes attributable thereto.

Book-Entry Interests in respect of Global Notes will be recorded in denominations of £100,000, and, for so long as or Clearstream, Luxembourg so permit integral multiples of £1,000 in excess thereof (a "**Minimum Denomination**"). Ownership of Book-Entry Interests is limited to persons that have accounts with Euroclear or Clearstream, Luxembourg ("**Participants**") or persons that hold interests in the Book-Entry Interests through Participants ("**Indirect Participants**"), including, as applicable, banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with Euroclear or Clearstream, Luxembourg, either directly or indirectly. Indirect Participants shall also include persons that hold beneficial interests through such Indirect Participants. Book-Entry Interests will not be held in definitive form. Instead, Euroclear and Clearstream, Luxembourg, as applicable, will credit the Participants' accounts with the respective Book-Entry Interests beneficially owned by such Participants on each of their respective book-entry registration and transfer systems. The accounts initially credited will be designated by the Arranger. Ownership of Book-Entry Interests will be shown on, and transfers of Book-Entry Interests or the interests therein will be effected only through, records maintained by Euroclear or Clearstream, Luxembourg (with respect to the interests of their Participants) and on the records of Participants or Indirect Participants (with respect to the interests of Indirect Participants). The laws of some jurisdictions or other applicable rules may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may therefore impair the ability to own, transfer or pledge Book-Entry Interests.

So long as a nominee of the Common Safekeeper is the registered holder of the Global Notes underlying the Book-Entry Interests, the nominee for the Common Safekeeper will be considered the sole Noteholder of the Global Note for all purposes under the Trust Deed. Except as set forth under "Issuance of Registered Definitive Notes", below, Participants or Indirect Participants will not be entitled to have Notes registered in their names, will not receive or be entitled to receive physical delivery of Notes in definitive registered form and will not be considered the holders thereof under the Trust Deed. Accordingly, each person holding a Book-Entry Interest must rely on the rules and procedures of Euroclear or Clearstream, Luxembourg, as the case may be, and Indirect Participants must rely on the procedures of the Participants or Indirect Participants through which such person owns its interest in the relevant Book-Entry Interests, to exercise any rights and obligations of a holder of Notes under the Trust Deed. See "Action in Respect of the Global Note and the Book-Entry Interests", below.

Unlike legal owners or holders of the Notes, holders of the Book-Entry Interests will not have the right under the Trust Deed to act upon solicitations by the Issuer or consents or requests by the Issuer for waivers or other actions from Noteholders. Instead, a holder of Book-Entry Interests will be permitted to act only to the extent it has received appropriate proxies to do so from Euroclear or Clearstream, Luxembourg, as the case may be, and, if applicable, their Participants. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of Book-Entry Interests to vote on any requested actions on a timely basis. Similarly, upon the occurrence of an Event of Default under the Global Notes, holders of Book-Entry Interests will be restricted to acting through Euroclear or Clearstream, Luxembourg unless and until Registered Definitive Notes are issued in accordance with the Conditions. There can be no assurance that the procedures to be implemented by Euroclear or Clearstream, Luxembourg under such circumstances will be adequate to ensure the timely exercise of remedies under the Trust Deed.

In the case of a Global Note, unless and until Book-Entry Interests are exchanged for Registered Definitive Notes, the Global Note held by the Common Safekeeper, may not be transferred except as a whole by the Common Safekeeper to a successor of the Common Safekeeper .

Purchasers of Book-Entry Interests in a Global Note pursuant to Regulation S will hold Book-Entry Interests in the Global Notes relating thereto. Investors may hold their Book-Entry Interests in respect of a Global Note directly through Euroclear or Clearstream, Luxembourg (in accordance with the provisions set forth under "Transfers and Transfer Restrictions", below), if they are account holders in such systems, or indirectly through organisations which are account holders in such systems. Euroclear and Clearstream, Luxembourg will hold Book-Entry Interests in each Global Note, as the case may be, on behalf of their account holders through securities accounts in the respective account holders' names on Euroclear's and Clearstream, Luxembourg's respective book-entry registration and transfer systems.

Trading between Euroclear and/or Clearstream, Luxembourg participants

Secondary market sales of book-entry interests in the notes held through Euroclear or Clearstream, Luxembourg to purchasers of book-entry interests in the notes held through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional Eurobonds and sterling denominated bonds.

Payments on the Global Notes

Payment of principal and interest on, and any other amount due in respect of, the Global Notes will be made in Sterling by or to the order of BNP Paribas Securities Services, Luxembourg Branch as the Principal Paying Agent on behalf of the Common Safekeeper or its nominee as the registered holder thereof. Each holder of Book-Entry Interests must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of any amounts paid by or on behalf of the Issuer to the Common Safekeeper or their nominees , in respect of those Book-Entry Interests. All such payments will be distributed without deduction or withholding for or on account of any taxes, duties, assessments or other governmental charges of whatever nature except as may be required by law. If any such deduction or withholding is required to be made, then neither the Issuer, the Paying Agents nor any other person will be obliged to pay additional amounts in respect thereof.

In accordance with the rules and procedures for the time being of Euroclear or, as the case may be, Clearstream, Luxembourg, after receipt of any payment from the Principal Paying Agent to the order of

the Common Safekeeper, the respective systems will promptly credit their Participants' accounts with payments in amounts proportionate to their respective ownership of Book-Entry Interests as shown in the records of Euroclear or Clearstream, Luxembourg. On each record date, Euroclear and Clearstream, Luxembourg will determine the identity of the Noteholders for the purposes of making payments to the Noteholders. The record date, in respect of the Class A Notes shall be one Clearing System Business Day prior to the relevant Interest Payment Date where "**Clearing System Business Day**" means a day on which each clearing system for which the Class A Notes are being held is open for business. The Issuer expects that payments by Participants to owners of interests in Book-Entry Interests held through such Participants or Indirect Participants will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participants or Indirect Participants. None of the Issuer, any agent of the Issuer, the Arranger, the Note Trustee or the Issuer Security Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of a Participant's ownership of Book-Entry Interests or for maintaining, supervising or reviewing any records relating to a Participant's ownership of Book-Entry Interests.

Information Regarding Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg have advised the Issuer as follows:

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each hold securities for their account holders and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders, thereby eliminating the need for physical movements of certificates and any risk from lack of simultaneous transfers of securities.

Euroclear and Clearstream, Luxembourg each provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg each also deal with domestic securities markets in several countries through established depositary and custodial relationships. The respective systems of Euroclear and of Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective account holders may settle trades with each other.

Account holders in both Euroclear and Clearstream, Luxembourg are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to both Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

An account holder's overall contractual relations with either Euroclear or Clearstream, Luxembourg are governed by the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any applicable laws. Both Euroclear and Clearstream, Luxembourg act under such rules and operating procedures only on behalf of their respective account holders, and have no record of or relationship with persons holding through their respective account holders.

The Issuer understands that under existing industry practices, if any of the Issuer, the Note Trustee or the Issuer Security Trustee requests any action of owners of Book-Entry Interests or if an owner of a Book-Entry Interest desires to give instructions or take any action that a holder is entitled to give or take under the Trust Deed or the Issuer Deed of Charge, Euroclear or Clearstream, Luxembourg as the case may be, would authorise the Participants owning the relevant Book-Entry Interests to give instructions or take such action, and such Participants would authorise Indirect Participants to give or take such action or would otherwise act upon the instructions of such Indirect Participants.

Redemption

In the event that any Global Note (or portion thereof) is redeemed, the Principal Paying Agent will deliver all amounts received by it in respect of the redemption of such Global Note to the nominee of the Common Safekeeper and, upon final payment, will surrender such Global Note (or portion thereof) to or to the order of the Principal Paying Agent for cancellation. Appropriate entries will be made in the Register. The redemption price payable in connection with the redemption of Book-Entry Interests will be equal to the amount received by the Principal Paying Agent in connection with the redemption of the

Global Note (or portion thereof) relating thereto. For any redemptions of the Global Note in part, selection of the relevant Book-Entry Interest relating thereto to be redeemed will be made by Euroclear or Clearstream, Luxembourg, as the case may be, on a pro rata basis (or on such basis as Euroclear or Clearstream, Luxembourg, as the case may be, deems fair and appropriate). Upon any redemption in part, the Principal Paying Agent will mark down the schedule to such Global Note by the principal amount so redeemed.

Cancellation

All Notes redeemed in full will be cancelled forthwith by the Issuer and may not be reissued or resold.

Transfers and Transfer Restrictions

All transfers of Book-Entry Interests will be recorded with the book-entry systems maintained by Euroclear or Clearstream, Luxembourg, as applicable, pursuant to the customary procedures established by each respective system and its Participants.

Beneficial interests in the Global Notes may be held only through Euroclear and Clearstream, Luxembourg. Neither the Global Notes nor any beneficial interest therein may be transferred except in compliance with the transfer restrictions set forth in the legend appearing in the Global Notes.

Settlement and transfer of notes

Subject to the rules and procedures of each applicable clearing system, purchases of notes held within a clearing system must be made by or through Participants, which will receive a credit for such notes on the clearing system's records. The ownership interest of each actual purchaser of each such note (the "**beneficial owner**") will in turn be recorded on the Participant's records. Beneficial owners will not receive written confirmation from any clearing system of their purchase, but beneficial owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the direct and indirect participant through which such beneficial owner entered into the transaction. Transfers of ownership interests in notes held within the clearing system will be effected by entries made on the books of Participants acting on behalf of beneficial owners. **Beneficial owners will not receive individual notes representing their ownership interests in such notes unless use of the book-entry system for the notes described in this section is discontinued.**

No clearing system has knowledge of the actual beneficial owners of the notes held within such clearing system and their records will reflect only the identity of the direct participants to whose accounts such notes are credited, which may or may not be the beneficial owners. Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the clearing systems to direct participants, by direct participants to indirect participants, and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

All transfers of Book-Entry Interests will be recorded in accordance with the book-entry systems maintained by Euroclear or Clearstream, Luxembourg, as applicable, pursuant to customary procedures established by each respective system and its Participants. See "General", above.

Issuance of Registered Definitive Notes

Holders of Book-Entry Interests in the Global Note will be entitled to receive certificates evidencing definitive notes in registered form ("**Registered Definitive Notes**") in exchange for their respective holdings of Book-Entry Interests if (a) both Euroclear and Clearstream, Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announce an intention permanently to cease business and do so cease to do business and no alternative clearing system satisfactory to the Note Trustee is available or (b) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom (or of any political subdivision thereof) or of any authority therein or thereof having power to tax or in the interpretation or administration by a revenue authority or a court or in the administration of such laws or regulations which becomes effective on or after the Closing Date, the Issuer or any Paying Agent is or will be required to make any deduction or

withholding from any payment in respect of the Notes which would not be required were the Notes in definitive form.

Any Registered Definitive Note issued in exchange for Book-Entry Interests in a Global Note will be registered by the Registrar in such name or names as the Issuer shall instruct the Principal Paying Agent based on the instructions of Euroclear or Clearstream, Luxembourg. It is expected that such instructions will be based upon directions received by Euroclear or Clearstream, Luxembourg from their Participants with respect to ownership of the relevant Book Entry Interests. Holders of Registered Definitive Notes issued in exchange for Book-Entry Interests in a Global Note, as the case may be, will not be entitled to exchange such Registered Definitive Note, for Book-Entry Interests in a Global Note. Any Notes issued in definitive form will be issued in registered form only and will be subject to the provisions set forth under "Transfers and Transfer Restrictions" above **provided that** no transfer shall be registered for a period of 15 days immediately preceding any due date for payment in respect of the Note or, as the case may be, the due date for redemption. Registered Definitive Notes will not be issued in a denomination that is not an integral multiple of the Minimum Denomination or for any amount in excess thereof, in integral multiples of £1,000. As the Notes have a denomination consisting of the Minimum Denomination plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of £100,000 (or its equivalent) that are not integral multiples of £100,000 (or its equivalent). In such case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the Minimum Denomination may not receive a Registered Definitive Note in respect of such holding (should Registered Definitive Notes be issued) and would need to purchase a principal amount of Notes such that its holding amounts to the Minimum Denomination.

Action in Respect of the Global Note and the Book-Entry Interests

Not later than 10 days after receipt by the Issuer of any notices in respect of the Global Notes or any notice of solicitation of consents or requests for a waiver or other action by the holder of the Global Notes, the Issuer will deliver to Euroclear and Clearstream, Luxembourg a notice containing (a) such information as is contained in such notice, (b) a statement that at the close of business on a specified record date Euroclear and Clearstream, Luxembourg will be entitled to instruct the Issuer as to the consent, waiver or other action, if any, pertaining to the Book-Entry Interests or the Global Notes and (c) a statement as to the manner in which such instructions may be given. Upon the written request of Euroclear and Clearstream, Luxembourg, as applicable, the Issuer shall endeavour insofar as practicable to take such action regarding the requested consent, waiver or other action in respect of the Book-Entry Interests or the Global Notes in accordance with any instructions set forth in such request. Euroclear or Clearstream, Luxembourg are expected to follow the procedures described under "General" above, with respect to soliciting instructions from their respective Participants. The Registrar will not exercise any discretion in the granting of consents or waivers or the taking of any other action in respect of the Book-Entry Interests or the Global Notes.

Reports

The Issuer will send to Euroclear and Clearstream, Luxembourg a copy of any notices, reports and other communications received relating to the Issuer, the Global Note or the Book-Entry Interests. In addition, notices regarding the Notes may be published in a leading newspaper having a general circulation in the United Kingdom (which is expected to be the Financial Times); provided that if, at any time, the Issuer procures that the information contained in such notice shall appear on a page of the Reuters screen, the Bloomberg screen or any other medium for electronic display of data as may be previously approved in writing by the Note Trustee or if notices have been submitted to Euroclear and Clearstream, Luxembourg, publication in the Financial Times shall not be required with respect of such information.

The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange on which the Class A Notes (other than the Class B Note) are for the time being listed or any other relevant authority.

Class B Note

The Class B Note will be issued in dematerialised registered form and no certificate evidencing entitlement to the Class B Note will be issued. The Issuer will also maintain a register, to be kept on the Issuer's behalf by the Registrar, in which the Class B Note will be registered in the name of the Class B

Noteholder. Transfers of the Class B Note may be made only through the register maintained by the Issuer and are subject to the transfer restrictions set out in Condition 1.2 (Title).

USE OF PROCEEDS

The net proceeds of the Notes in an amount of £549,998,448.37 will be used on the Closing Date towards payment of the Initial Purchase Price with the remainder in an amount of £1,551.63 being deposited in the Replenishment Ledger.

On the Closing Date, the Issuer will use the entire proceeds of the Liquidity Reserve Advance to credit an amount equal to the Required Liquidity Reserve Amount in the Liquidity Reserve Ledger.

GENERAL INFORMATION

1. Authorisation

The issue of the Notes has been authorised by a resolution of the Board of Directors of the Issuer passed on 4 March 2021.

2. Irish Listing

It is expected that admission of the Class A Notes to the Official List of Euronext Dublin and to trading on its regulated market will be granted on or about the Closing Date, subject only, in the case of the Notes, to the issue of the Global Notes of each Class of Notes. The issue of the Notes will be cancelled, if the related Global Notes as applicable are not issued. The estimated aggregate cost of the foregoing applications for admission to the Official List of Euronext Dublin and admission to trading on its regulated market, is approximately €8,500.

This Prospectus has been approved by the Central Bank, as competent authority under the Prospectus Regulation. Application has been made to Euronext Dublin for the Notes to be admitted to the Official List and trading on its regulated market. The Issuer has appointed Arthur Cox Listing Services Limited as Listing Agent for Euronext Dublin. Prior to such listing of the Notes, the constitutional documents of the Issuer and legal notices relating to the issue of the Notes will be registered with the Registrar of Companies where such documents are available for inspection and copies of these documents may be obtained, free of charge, upon request.

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to the Official List of Euronext Dublin or to trading on its regulated market for the purposes of the Prospectus Regulation.

3. LEI

The Issuer's LEI number is 213800HWLX78IL7UG990.

4. Clearing Codes

The Class A Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg as follows:

	<u>ISIN</u>	<u>Common Code</u>
Class A Notes.....	XS2306948774	230694877

5. Litigation

The Issuer is not and has not been involved in any legal, governmental or arbitration proceedings which may have or have had since its date of incorporation a significant effect on its financial position or profitability and the Issuer is not aware that any such proceedings are pending or threatened.

6. Financial Statements, Financial Position of the Issuer

No financial statements have been prepared in respect of the Issuer.

Since 2 July 2020 (being the date of incorporation of the Issuer), there has been (a) no significant change in the financial or trading position of the Issuer and (b) no material adverse change in the financial position or prospects of the Issuer.

7. **Material Change**

Save as disclosed in this Prospectus, there has been (1) no material adverse change in the prospects of the Issuer and (2) no significant change in the financial performance of the Issuer since its incorporation.

8. **Availability of Documents**

Copies of the following documents are available in physical form for inspection during usual business hours at the offices of the Principal Paying Agent and the Issuer for the life of this Prospectus:

- (a) the memorandum and articles of association of the Issuer;
- (b) the Master Definitions Schedule;
- (c) the Issuer Deed of Charge;
- (d) the LPUK Deed of Charge;
- (e) the Trust Deed;
- (f) Corporate Services Agreement;
- (g) Purchase Agreement;
- (h) Servicing Agreement;
- (i) Sub Maintenance Coordinator Agreement;
- (j) Bank Account Agreement;
- (k) Cash Management Agreement;
- (l) Realisation Agency Agreement;
- (m) Agency Agreement; and
- (n) Reserve Loan Agreement.

The memorandum and articles of association of the Issuer and the Prospectus and all Transaction Documents referred to in this Prospectus will be available on the the website of European Data Warehouse at <https://editor.eurodw.co.uk>.

9. **Reporting**

The Reporting Entity (as originator) will procure that the information and reports as more fully set out in the section of this Prospectus headed "Regulatory Requirements – Reporting" are published when and in the manner set out in such section.

10. **Clearing Systems**

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records).

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels. The address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

11. **Miscellaneous**

No website referred to herein forms part of this Prospectus.

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

GLOSSARY OF DEFINED TERMS

1. DEFINITIONS

Except where the context otherwise requires, the following defined terms used in the Transaction Documents and herein shall have the meanings set out below:

"Accelerated Amortisation Event"	means the delivery of a Note Acceleration Notice.
"Accelerated Amortisation Period Priority of Payments"	has the meaning given on page 75.
"Account Bank"	means BNP Paribas Securities Services, London Branch or, as the case may be, any other Eligible Bank which would subsequently be appointed as Account Bank pursuant to the Bank Account Agreement.
"Additional Account"	means an additional bank account, Additional Swap Collateral Account or replacement bank account opened by the Issuer in accordance with the terms of the Bank Account Agreement.
"Additional Cut-Off Date"	means the last day of the Monthly Collection Period.
"Additional Final Balloon Payment Receivables"	means the Final Balloon Payment Receivables sold, or to be sold by the Seller to the Issuer on any Additional Portfolio Purchase Date in accordance with the Purchase Agreement.
"Additional Lease Receivables"	means Lease Receivables sold, or to be sold by the Seller to the Issuer on any Additional Portfolio Purchase Date in accordance with the Purchase Agreement.
"Additional Portfolio"	means any Lease Receivables, RV Claims and Final Balloon Payment Receivables purchased (or to be purchased) by the Purchaser from the Seller during the Revolving Period after the Initial Purchase Date.
"Additional Portfolio Purchase Date"	means (i) each Interest Payment Date during the Revolving Period excluding the Initial Purchase Date, (ii) any other Business Day during the Revolving Period on which an Additional Portfolio is purchased by the Purchaser from the Seller, or (iii) any Revised Purchase Date during the Revolving Period.
"Additional Portfolio Purchase Price"	means the purchase price paid by the Purchaser to the Seller on each Additional Portfolio Purchase Date for the acquisition of the Additional Portfolio out of: (a) on any Interest Payment Date, the Available Distribution Amount in accordance with the Revolving Period Priority of Payments; or (b) on any Business Day (other than an Interest Payment Date) funds standing to the credit of the Replenishment Ledger, which will be equal to the Aggregate Discounted Balance of the Additional Lease Receivables, the Additional RV Claims and/or the Additional Final Balloon Payment Receivables comprised in the Additional Portfolio as of the relevant Additional Cut-Off Date.
"Additional Portfolio Schedule"	means a schedule describing details of the relevant Additional Portfolio, substantially in the form set out in Schedule 2 to the Purchase Agreement.

"Additional RV Claims"	means the RV Claims sold, or to be sold by the Seller to the Issuer on any Additional Portfolio Purchase Date in accordance with the Purchase Agreement.
"Additional Swap Collateral Account"	means any other bank account opened with the Account Bank and/or such other banks (with the prior consent of the Issuer Security Trustee) and designated as such for the purposes of holding collateral posted by the Interest Rate Swap Counterparty pursuant to the Interest Rate Swap Agreement in accordance with the provisions of the Bank Account Agreement.
"Administrator Incentive Recovery Fee"	<p>means the fee (inclusive of VAT) payable to the Insolvency Official of LPUK following an Insolvency Event of LPUK in relation to the sale of the Leased Vehicles in an amount equal to the sum of:</p> <p>(a) the reasonable costs and expenses of such Insolvency Official (including VAT in respect thereof, other than to the extent the Insolvency Official is entitled to credit or repayment in respect of such VAT) incurred in relation to the sale of such Leased Vehicles; and</p> <p>(b) an amount equal to 1% of the corresponding Vehicle Realisation Proceeds or such amount to be agreed by the Servicer with the Insolvency Official of LPUK pursuant to the Servicing Agreement,</p> <p>and section 89 of the Value Added Tax Act 1994 shall not apply to affect the amount of such fee.</p>
"Advance"	has the meaning given on page 164.
"Agency Agreement"	means the agency agreement entered into on or prior to the Closing Date between the Issuer, the Note Trustee, the Principal Paying Agent, the Registrar and the Agent Bank.
"Agent Bank"	means BNP Paribas Securities Services Luxembourg Branch, acting through its registered office at 60 avenue J.F. Kennedy, L-1855 Luxembourg, Luxembourg, appointed pursuant to the Agency Agreement.
"Aggregate Defaulted Balance"	means the sum of the Defaulted Balances of all Lease Agreements which became Defaulted Lease Agreements until and including the Cut-Off Date immediately preceding the relevant Interest Payment Date.
"Aggregate Discounted Balance"	means the aggregate discounted balance of the Portfolio or, as the context requires, Lease Receivables, RV Claims and/or Final Balloon Payment Receivables or Additional Portfolio, as of the end of any Monthly Collection Period (or when determining the Initial Purchase Price or the Additional Portfolio Purchase Price, the discounted balance of the Initial Portfolio or the Additional Portfolio or the Repurchase Price in each case as at the relevant Cut-off Date) being equal to the present value (calculated using the Discount Rate) of all Lease Interest Components and Lease Principal Components in respect of Performing Lease Receivables together with the present value of all estimated RV Claims in respect of Performing RV Claims and the present value of all estimated Final Balloon Payment Receivables in respect of Performing Final Balloon Payment Receivables.
"Aggregate Discounted Balance Increase Amount"	has the meaning given on page 136.
"Aggregate Discounted Balance Reduction"	has the meaning given on page 136.

Amount"

"Aggregate Principal Amount Outstanding" means with respect to a Class of Notes, at any time, the sum of the Principal Amount Outstanding of each Note.

"Amortisation Event" means either a Revolving Period Termination Event or an Accelerated Amortisation Event.

"Ancillary Rights" means certain rights related to each Lease Agreement transferred by the Seller pursuant to the Purchase Agreement (to the extent that the same are capable of transfer) including rights of action against the relevant Lessee, rights to the proceeds arising from any Insurance Compensation Payments and rights against any person or entity guaranteeing the obligations (in whole or in part) of the Lessee under the applicable Lease Agreement.

"Appointee" means any attorney, manager, agent, delegate, nominee, Receiver, custodian or other person properly appointed by the Note Trustee under the Trust Deed or the Issuer Security Trustee under the Issuer Deed of Charge (as applicable) to discharge any of its functions.

"Appointment Trigger" means the earlier of the occurrence of (a) LPC ceasing to have at least an Investment Grade Rating, or (b) a Pre-Crystallisation Trigger Event.

"Authorised Entity" means any entity (a) which satisfies the Minimum Required Ratings, (b) is an institution authorised to carry on banking business (including accepting deposits) under the FSMA and (c) is a bank for the purposes of section 878 of the Income Tax Act 2007.

"Authorised Investments" means:

- (a) Sterling gilt-edged securities;
- (b) UK Treasury Bills; and
- (c) Sterling demand or time deposits, certificates of deposit and short-term debt obligations (including commercial paper) other than asset-backed commercial paper or asset-backed securities,

provided that in all cases such investments (i) have a maturity on or before the next following Interest Payment Date, (ii) may be broken or demanded by the Issuer (with no reduction in the value of such investment and at no cost to the Issuer) on or before the next following Interest Payment Date, (iii) do not include any contractual provisions that would permit a redemption of such authorised investments in an amount less than the amount paid for such investments by the Issuer, and (a) have an expected rate of return equal to or higher than would be obtained on amounts standing to the credit of the Issuer Transaction Account, (b) do not include transferable securities, as defined in point (24) of Article 2(1) of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 and (c) the unsecured, unguaranteed and unsubordinated debt obligations of the issuing or guaranteeing entity or the entity with which the demand or time deposits are made (being an authorised person under the FSMA) or if the relevant investments have a rating which is distinct from the rating of the issuing or guaranteeing entity then the rating of those investments, are rated at least:

- (a) a short term rating of "R-1(high)" and a long term rating of AAA by DBRS; and
- (b) a rating of Aaa by Moody's.

"Automatic Crystallisation Event"	has the meaning given on page 162.
"Available Distribution Amount"	has the meaning given on page 69.
"Back-Up Realisation Agent Stand-By Fee"	means the fee to be paid to the Back-Up Realisation Agent following the appointment of the Back-Up Realisation Agent in accordance with the Realisation Agency Agreement but as long as the Back-Up Realisation Agent has not taken over the services of the Realisation Agent.
"Back-Up Realisation Agent Role"	has the meaning given on page 156.
"Back-Up Servicer Fee"	means the fee to be paid by the Issuer to the Back-Up Servicer, once the Back-Up Servicer has taken over the services of the Servicer, on each Interest Payment Date according to the applicable Priority of Payments in an amount equal to the Servicer Fee or such other amount as may be agreed between the Issuer, the Issuer Security Trustee and the Back-Up Servicer.
"Back-Up Servicer Stand-By Fee"	means the fee to be paid to the Back-Up Servicer following the appointment of the Back-Up Servicer in accordance with the Servicing Agreement as long as the Back-Up Servicer has not taken over the role of the Servicer.
"Back-Up Servicer Role"	has the meaning given on page 154.
"Back-Up Sub-Maintenance Coordinator "	means the Suitable Entity appointed within 120 calendar days of an Appointment Trigger to act as the back-up sub-maintenance coordinator pursuant to the Back-Up Sub-Maintenance Coordinator Agreement.
"Back-Up Sub-Maintenance Coordinator Agreement"	means the back-up sub-maintenance coordinator agreement to be entered into by and between, the Issuer, the Back-Up Sub-Maintenance Coordinator and the Issuer Security Trustee following the occurrence of an Appointment Trigger.
"Back-Up Sub-Maintenance Coordinator Stand-By Fee"	means the fee to be paid to the Back-Up Sub-Maintenance Coordinator once it has been appointed.
"Bank Account Agreement"	means the agreement entered into on or prior to the Closing Date between the Issuer and the Account Bank, under which the Account Bank will provide the Issuer with certain banking functions including the establishment and operation of the Issuer Transaction Account and the Sterling Swap Collateral Account.
"Bank Accounts"	means the Issuer Transaction Account, the Sterling Swap Collateral Account, any Additional Swap Collateral Account and any Additional Account opened with the Account Bank.
"Basic Terms Modification"	means any proposal: <ul style="list-style-type: none"> (a) to change any date fixed for payment of principal or interest in respect of the Notes of any class, to change the amount of principal or interest due on any date in respect of the Notes of any class or to alter the method of calculating the amount of any payment in respect of the Notes of any class (other than a Base Rate Modification);

- (b) (except in accordance with Clause 25 (Substitution) of the Trust Deed) to effect the exchange, conversion or substitution of the Notes of any Class for, or the conversion of such Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;
- (c) to change the currency in which amounts due in respect of the Notes are payable;
- (d) (other than any new fee arrangement upon replacement of any Transaction Party) to alter the priority of payment of interest or principal in respect of the Notes;
- (e) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or
- (f) to amend this definition.

"Business Day"	means a day (other than a Saturday or a Sunday) on which banks are open for general business in London (United Kingdom), Dublin (Ireland), Luxembourg City (Luxembourg) and Amsterdam (the Netherlands) and which is also a day on which Target2 is open for settlement of payments in Euro.
"Calculation Date"	means the date falling three Business Days prior to each Interest Payment Date.
"Cash Management Agreement"	means the agreement entered into on the Closing Date between the Issuer, the Cash Manager, the Seller, and the Issuer Security Trustee, governing the provision of certain cash management and bank account and ledger operation services to the Issuer in respect of the Portfolio and the Notes.
"Cash Manager"	Intertrust Administrative Services B.V, appointed pursuant to the Cash Management Agreement.
"CCA"	means the Consumer Credit Act 1974, as amended from time to time.
"Charged Vehicles"	means each Leased Vehicle or in respect of those Leased Vehicles which relate to Lease Agreements to which section 8 of the Supply of Goods (Implied Terms) Act 1973 or section 12(2) of the Sale of Goods Act 1979 applies, those Leased Vehicles which are no longer the subject of a Lease Agreement by reason of (i) termination of the Lease Agreement on the Lease Maturity Date or (ii) termination by the Lessee or LPUK of such Lease Agreement, in each case where such Leased Vehicles relate to a Lease Agreement from which a Lease Receivable, RV Claim and/or Final Balloon Payment Receivable comprised in a Portfolio is, or has been derived.
"Class" or "Class of Notes"	means the Class A Notes and the Class B Note, as applicable.
"Class A Notes"	means the £400,000,000 class A floating rate Notes due December 2030.
"Class B Note"	means the £150,000,000 class B fixed rate notes due December 2030.
"Clean-up Call"	has the meaning given on page 147.
"Clearing Systems"	means Clearstream, Luxembourg and Euroclear.
"Closed Calculation"	means products for which the Originator provides the vehicles for a fixed period and at a fixed cost. The Originator accepts responsibility for depreciation, funding costs, administration and (usually) the provision of

maintenance at a fixed cost – which means that the Originator will absorb any profit or deficit arising from any difference between actual costs and lease instalments paid to the Originator by the Lessee.

- "Closed Calculation Contract Hire Lease Agreement"** means a closed calculation contract hire lease agreement entered into between a Lessee and the Originator.
- "Closed Calculation Contract Purchase Lease Agreement"** means a closed calculation contract purchase lease agreement entered into between a Lessee and the Originator.
- "Closing Date"** means 11 March 2021.
- "Collection Ledger"** has the meaning given on page 166.
- "Collections"** means any amounts received from a Lessee pursuant to a Lease Agreement, for the avoidance of doubt including any Final Balloon Payments, the Lease Principal Collections, the Lease Interest Collections, the Lease Servicing Collections and any amount in respect of or otherwise representing VAT.
- "Commercial Vehicle"** means any vehicle which is not a Passenger Vehicle, a Light Commercial Vehicle or a Heavy Goods Vehicle.
- "Company Group"** means all companies which are either directly or indirectly held by the same holding company.
- "Compounded Daily SONIA"** means the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Agent Bank as at the Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SONIA_{i-5LBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

Where:

"d" is the number of calendar days in the relevant Interest Period;

"d_o" is the number of London Banking Days in the relevant Interest Period;

"i" is a series of whole numbers from one to d_o, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in the relevant Interest Period;

"LBD" or "London Banking Day" means a day (other than a Saturday or Sunday or public holiday) on which banks are open generally for business in London;

"n_i", for any day "i", means the number of calendar days from and including such day "i" up to but excluding the following London Banking Day; and

"SONIA_{i-5LBD}" means in respect of any London Banking Day falling in

	the relevant Interest Period, the SONIA Reference Rate for the London Banking Day falling five London Banking Days prior to that London Banking Day “i”;
"Consumer Credit Directive"	means Directive 2008/48/EC of 23 April 2008 on credit agreements for consumers.
"Contract Purchase Lease Agreement"	means a Closed Calculation Contract Purchase Lease Agreement or an Open Calculation Contract Purchase Lease Agreement.
"COR"	means the critical obligation rating assigned and published by DBRS.
"Corporate Lease Agreement"	means any Lease Agreement that is not (i) an SME/Retail Lease Agreement or (ii) a Public Sector Lease Agreement.
"Corporate Lessee"	means any Lessee who has entered into a Corporate Lease Agreement.
"Corporate Services Agreement"	means the agreement entered into on or before the Closing Date between the Issuer, the Corporate Services Provider and the Issuer Security Trustee, pursuant to which the Corporate Services Provider will provide the Issuer with certain corporate and administrative functions.
"Corporate Services Provider"	means Intertrust Management Limited, a company incorporated in England and Wales with limited liability (registered number 3853947), and having its registered office at 1 Bartholomew Lane, London, EC2N 2AX.
"Corporate Warranties"	has the meaning given on page 140.
"Covid-19 Payment Holiday"	means the permission granted to a Lessee to (i) defer making the full payments or (ii) being granted extended payment terms of more than 90 days above the original payment terms, under the Lease Agreement, for a period of three months or more and due to hardship caused by the Covid-19 Pandemic.
"Credit and Collection Processing Procedures"	means the credit and collection processing procedures of LPUK as set out in the Servicing Agreement, as amended from time to time, in accordance with the Servicing Agreement.
"Credit Policy"	means the origination and underwriting principles of the Originator, as amended from time to time in accordance with the Servicing Agreement.
"Crystallisation Threshold"	has the meaning given on page 162.
"Cumulative Default Ratio"	means the ratio, whereby the numerator is the Aggregate Defaulted Balance until the Cut-Off Date preceding the relevant date of calculation and the denominator is the sum of the Aggregate Discounted Balance of the Initial Portfolio as of the Initial Cut-Off Date and the Aggregate Discounted Balances of all Additional Portfolios as of the relevant Additional Cut-Off Date preceding their Purchase Date purchased during the Revolving Period.
"Cut-Off Date"	means the Initial Cut-Off Date or an Additional Cut-Off Date.
"DBRS"	means DBRS Ratings Limited.
"DBRS Equivalent Rating"	means with respect to any issuer rating or senior unsecured debt rating (or other rating equivalent), (a) if public ratings by Fitch, Moody's and S&P are all available, (i) the remaining rating (upon conversion on the basis of the DBRS Equivalent Rating Table) once the highest and the lowest rating have been excluded or (ii) in the case of two or more same ratings, any of such ratings (upon conversion on the basis of the DBRS Equivalent Rating Table);

(b) if the DBRS Equivalent Rating cannot be determined under paragraph (a) 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 Rating Table); and (c) if the DBRS Equivalent Rating cannot be determined under paragraph (a) or paragraph (b) 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 Rating Table).

"DBRS Equivalent Rating Table"

has the meaning given to it on page 91.

"Decryption Key"

means the decryption key required to decrypt, where relevant, any Records or other information subject to Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).

"Deemed Collection"

means an amount due by the Seller on any Interest Payment Date in an amount equal to:

- (a) an amount unpaid under a Lease Receivable if the non-payment was caused by reasons other than circumstances relating exclusively to credit risk;
- (b) the Aggregate Discounted Balance Reduction Amount; and
- (c) any amounts incurred or paid by the Servicer on behalf of a Lessee towards the payment of a principal amount or an interest, that reduce the amount due by the Lessee to the Servicer.

"Defaulted Balance"

means the present value of the Lease Receivables, RV Claims and Final Balloon Payment Receivables, calculated using a discount rate equal to the Discount Rate which would have been received if the Defaulted Lease Agreement was not a Defaulted Lease Agreement. The Defaulted Balance shall be calculated as at the date the Lease Agreement first was declared a Defaulted Lease Agreement.

"Defaulted Lease Agreement"

means, a Lease Agreement which is the subject of:

- (a) an Insolvency Event with respect to a Lessee; or
- (b) in respect of a Corporate Lease Agreement or a Public Sector Lease Agreement, the Servicer has determined in accordance with the LPUK Servicing Procedures that there is no reasonable chance that the customer is able to pay and that the outstanding amounts will be collected; or
- (c) in respect of an SME/Retail Lease Agreement, (i) the earlier of (i) the Lessee is in arrears with respect to its Lease Instalments by more than 90 days from their due date and (ii) the Servicer has determined in accordance with the LPUK Servicing Procedures that there is no reasonable chance that the customer is able to pay and that the outstanding amounts will be collected,

and, for all other purposes, means a Lease Agreement which under its terms is in default and that LPUK has the right to enforce its rights against the relevant Lessee for the return and repossession of the relevant Lease Vehicle, except that a Lease Agreement subject to a Covid-19 Payment Holiday only shall not

	qualify as a Defaulted Lease Agreement.
"Deferred Purchase Price"	has the meaning given on page 72.
"Definitive Notes"	means the Global Notes in definitive form.
"Delinquency Ratio"	means the aggregate amount of Performing Lease Receivables that are overdue by 61 or more days divided by the Aggregate Discounted Balance on the last day of the previous Monthly Collection Period.
"Discount Rate"	means 5% per annum.
"DMR"	means the Financial Services (Distance Marketing) Regulations Act 2004, as amended from time to time.
"Early Termination Event"	has the meaning given to "Termination Event" and/or "Event of Default" in the Interest Rate Swap Agreement.
"Eligibility Criteria"	has the meaning given on page 140.
"Eligible Bank"	means a bank or credit institution that is an Authorised Entity.
"Encumbrance"	means any mortgage, charge (whether legal or equitable or otherwise), pledge, lien, hypothecation or other encumbrance or other security interest securing any obligation of any person or any other type of agreement, trust or arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect but, for the avoidance of doubt shall not include (a) a right of counterclaim or (b) a right of set-off or analogous rights arising by contract or operation of law not constituting a mortgage, charge or other encumbrance under applicable law.
"Estimated Residual Value"	means the estimated residual value of a Leased Vehicle at the Lease Maturity Date as calculated and recalculated from time to time by the Servicer in accordance with Clause 3 (Standard of Care) of the Servicing Agreement.
"Euro", or "euro", "EUR" or "€"	means the single currency introduced at the start of the third stage of European Economic Monetary Union pursuant to the Treaty of Rome of 25 March, 1957, as amended by, inter alia, the Single European Act of 1986 and the Treaty of European Union of 7 February, 1992 and the Treaty of Amsterdam of 2 October, 1997 establishing the European Community, as further amended from time to time.
"EU Article 7 ITS"	means Commission Implementing Regulation (EU) 2020/1225 including any relevant guidance and policy statements in relation thereto published by the EBA, the ESMA, the EIOPA (or their successor) or by the European Commission.
"EU Article 7 RTS"	means Commission Delegated Regulation (EU) 2020/1224 including any relevant guidance and policy statements in relation thereto published by the EBA, the ESMA, the EIOPA (or their successor) or by the European Commission
"EU Article 7 Technical Standards"	means the EU Article 7 RTS and the EU Article 7 ITS.
"EU EMIR"	means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories, as amended from time to time.
"EU Insolvency"	means Regulation (EU) No. 2015/848 of the European Parliament and of the

"Regulation"	Council of 20 May 2015 on insolvency proceedings (recast).
"EU Securitisation Regulation"	means Regulation (EU) 2017/2402, as amended, including (i) relevant regulatory and/or implementing technical standards or delegated regulation in relation thereto (including any applicable transitional provisions); and/or (ii) any relevant guidance and policy statements in relation thereto published by the EBA, the ESMA, the EIOPA and/or the European Commission.
"EUWA"	means the European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020), as amended, varied, superseded or substituted from time to time.
"Excess Collection Amount"	means, on any Interest Payment Date during the Revolving Period, the amount, as calculated on the immediately preceding Calculation Date, by which the Required Replenishment Amount exceeds any Additional Portfolio Purchase Price to be disbursed by the Issuer on such Interest Payment Date.
"Expected Collections"	means all Collections in respect of the Lease Receivables or Final Balloon Payments (and all Vehicle Realisation Proceeds (unless such Vehicle Realisation Proceeds relate to a disposal of Leased Vehicles by the Realisation Agent) in respect of the RV Claims expected to be received at any time during the Monthly Collection Period in the calendar month following an Interest Payment Date .
"Extraordinary Resolution"	has the meaning given to it in Schedule 3 (Provisions for Meetings of Noteholders) of the Trust Deed.
"FATCA"	means Sections 1471 through 1474 of the United States Internal Revenue Code of 1986, as amended (or any regulations or agreements thereunder or official interpretations thereof) or any intergovernmental agreement between the United States and another jurisdiction entered into in connection with the implementation thereof (or any law implementing such an intergovernmental agreement).
"Final Balloon Payment"	means, the payments made by the Lessee under a Hire Purchase Lease Agreement on or around the maturity of the relevant Hire Purchase Lease Agreement (including any Option to Purchase Fees made by the Lessee in order to purchase a Leased Vehicle) where such payments are optional in the case of Contract Purchase Lease Agreements and mandatory in the case of Lease Purchase Lease Agreements.
"Final Balloon Payment Receivables"	means any and all claims and rights of the Seller to amounts payable by the Lessee in respect of any Final Balloon Payment pursuant to a Lease Agreement included in the Portfolio.
"Final Discharge Date"	means the date on which the Issuer Security Trustee notifies the Issuer and the Issuer Secured Creditors that it is satisfied that all the Issuer Secured Liabilities have been paid or discharged in full.
"Final Payment"	has the meaning given to it on page 114.
"Finance Lease Agreements"	means a finance lease agreement entered into between a Lessee and the Originator.
"Fitch"	means Fitch Ratings Limited.
"FSMA"	means the Financial Services and Markets Act 2000.
"Further Maintenance Reserve Advance"	has the meaning given on page 164.

"Heavy Goods Vehicle"	means any vehicle constructed for transporting goods with a gross weight of more than 3.5 tonnes.
"Hire Purchase Lease Agreement"	means the Contract Purchase Lease Agreement and the Lease Purchase Lease Agreement.
"Holdings"	means Bumper UK 2021-1 Finance Holdings Limited (registered number 12713176), a limited company incorporated under the laws of England and Wales whose registered office is at 1 Bartholomew Lane, London, EC2N 2AX.
"Initial Cut-Off Date"	means 31 January 2021.
"Initial Portfolio"	means the portfolio consisting of Lease Receivables, RV Claims and Final Balloon Payment Receivables purchased (or to be purchased) by the Purchaser from the Seller on the Initial Purchase Date.
"Initial Portfolio Schedule"	means a schedule describing details of the Initial Portfolio, substantially in the form set out in Schedule 2 to the Purchase Agreement.
"Initial Purchase Date"	means the Closing Date.
"Initial Purchase Price"	means the amount paid by the Issuer to the Seller on the Closing Date being equal to the Aggregate Discounted Balance of the Lease Receivables, the RV Claims and the Final Balloon Payment Receivables comprised in the Initial Portfolio, as calculated per the Initial Cut-Off Date.
"Insolvency Act"	means the Insolvency Act 1986, as amended.
"Insolvency Event"	means in respect of a relevant entity (each a " Relevant Entity "): <ul style="list-style-type: none"> (a) an order is made or an effective resolution passed for the winding up of the Relevant Entity (or it proposes or makes any compromise or arrangement with its creditors), except a winding-up for the purposes of or pursuant to an amalgamation or reconstruction the terms of which have previously been approved by the Note Trustee (in the case of the Issuer), or as the case may be, the Issuer Security Trustee in writing or (in the case of the Issuer) by the Noteholders by Extraordinary Resolution in accordance with the provisions of Schedule 3 (Provisions for Meetings of Noteholders) of the Trust Deed; or (b) the Relevant Entity, otherwise than for the purposes of such amalgamation or reconstruction as is referred to in paragraph (a) above, ceases or through an authorised action of its board of directors, threatens to cease to carry on all or substantially all of its business or admits its inability to pay debts as they fall due or is unable to pay its debts within the meaning of Section 123(1) of the Insolvency Act (other than, except in the case of the Issuer, subsection 123(1)(a)) or 123(2) of the Insolvency Act or, where applicable, Section 222 to 224 of the Insolvency Act; or (c) proceedings, corporate action or other steps shall be initiated against the Relevant Entity under any applicable liquidation, insolvency, bankruptcy, composition, reorganisation or other similar laws (including, but not limited to, presentation of a petition for an administration order, the filing of documents with the court for the appointment of an administrator, the service of a notice of intention to appoint an administrator or the taking of any steps to appoint an administrator) and (except in the case of presentation of a petition for

an administration order, the filing of documents with the court for the appointment of an administrator, the service of a notice of intention to appoint an administrator or the taking of any steps to appoint an administrator) such proceedings are not, in the opinion of the Issuer Security Trustee, being disputed in good faith with a reasonable prospect of success or an administration order shall be granted or the appointment of an administrator takes effect or an administrative receiver or other receiver, liquidator, trustee in sequestration, monitor or other similar official shall be appointed in relation to the Relevant Entity or in relation to the whole or any substantial part of the undertaking or assets of the Relevant Entity, or an encumbrancer (other than the Issuer, the Issuer Security Trustee or the Note Trustee) shall take possession of the whole or any substantial part of the undertaking or assets of the Relevant Entity, or a distress, execution or diligence or other process shall be levied or enforced upon or sued out against the whole or any substantial part of the undertaking or assets of the Relevant Entity and such possession or process (as the case may be) shall not be discharged or otherwise ceases to apply within thirty days of its commencement, or the Relevant Entity (or its directors or shareholders) initiates or consents to judicial proceedings relating to itself under applicable liquidation, insolvency, bankruptcy, composition, reorganisation or other similar laws or makes a conveyance or assignment or assignation for the benefit of its creditors generally or takes steps with a view to obtaining a moratorium in respect of any indebtedness; and

- (d) any event occurs which, under English law or any applicable law, has an analogous effect to any of the events referred to in paragraphs (a), (b) or (c) above.

"Insolvency Official"	means a liquidator, administrator, receiver or similar such official appointed with respect to LPUK or the Issuer, as applicable.
"Insurance Compensation Payment"	means compensation payments by insurance companies received in respect of a Leased Vehicle.
"Interest Determination Date"	means the fifth London Banking Day before the Interest Payment Date for which the relevant Note Rate and Interest Amount will apply.
"Interest Payment Date"	means 20 April 2021 (being the first Interest Payment Date) and thereafter each 20th day of a month or, in the event such day is not a Business Day, then the next following Business Day, unless that day falls in the next calendar month, in which case the date will be the first preceding day that is a Business Day.
"Interest Period"	means the period from and including the Closing Date to but excluding the first Interest Payment Date and each successive period from and including an Interest Payment Date to but excluding the next succeeding Interest Payment Date.
"Interest Rate Swap Agreement"	means the swap agreement, consisting of an ISDA 2002 Master Agreement, a schedule and a credit support annex thereto and a confirmation thereunder, entered into on or about the Closing Date between the Issuer and the Interest Rate Swap Counterparty.
"Interest Rate Swap Counterparty"	means Banco Santander, S.A.
"Interest Residual"	has the meaning given on page 192.

"Amount"	
"Interest Shortfall Ledger"	has the meaning given on page 168.
"Investment Earnings"	means the interest accrued and paid on the Issuer Transaction Account and any Additional Account during the preceding Monthly Collection Period and any earning received on Authorised Investments.
"Investment Grade Rating"	means the long term, unsecured, unsubordinated and unguaranteed debt obligations which are rated at least as high as BBB(low) by DBRS (or an equivalent from another rating agency) and Baa3 by Moody's.
"ISDA"	means the International Swaps and Derivatives Association Inc.
"Issuer"	means Bumper UK 2021-1 Finance PLC, a company incorporated with limited liability under the laws of England and Wales with registered number 12724583.
"Issuer Charged Assets"	means all of the property, assets and undertakings of the Issuer the subject of any security created by the Issuer Deed of Charge.
"Issuer Charged Documents"	means the Transaction Documents to which the Issuer is a party and all other contracts, documents, agreements and deeds to which it is, or may become, a party (other than the Issuer Deed of Charge and the Trust Deed).
"Issuer Deed of Charge"	means the deed of charge and assignment dated the Closing Date and made between, among others, the Issuer and the Issuer Security Trustee.
"Issuer Event of Default"	means any of the following events: <ul style="list-style-type: none"> (a) an Insolvency Event occurs with respect to the Issuer; or (b) the Issuer defaults in the payment of any interest on the Most Senior Class Outstanding when the same becomes due and payable, and such default continues for a period of ten Business Days; or (c) the Issuer defaults in the payment of principal on any Class A Note or (subject to the Class A Notes being redeemed in full) any Class B Note when the same becomes due and payable, and such default continues for a period of five Business Days; or (d) the Issuer fails to perform or observe any of its other obligations under the Conditions or any Transaction Document to which it is a party (excluding, for the avoidance of doubt, its obligations to make payments of principal or interest on the Notes) and such default is, in the opinion of the Note Trustee, to be certified in writing, materially prejudicial to the interests of the Noteholders of the Most Senior Class Outstanding and is either (i) in the opinion of the Note Trustee, incapable of remedy or (ii) in the opinion of the Note Trustee, capable of remedy, but remains unremedied for a period of thirty days or such longer period as the Note Trustee may agree after the Note Trustee has given written notice of such default to the Issuer.
"Issuer Potential Event of Default"	means any event which with the giving of notice, lapse of time, making of any determination or any combination thereof would constitute an Issuer Event of Default.
"Issuer Secured Creditors"	means the Note Trustee and any Appointee thereof, the Issuer Security Trustee and any Appointee thereof, the LPUK Security Trustee and any

LPUK Security Trustee Appointee thereof, the Noteholders, the Servicer, the Back-Up Servicer, the Realisation Agent, the Back-Up Realisation Agent, the Sub-Maintenance Coordinator, the Back-Up Sub-Maintenance Coordinator, the Reserve Loan Provider, the Interest Rate Swap Counterparty, the Account Bank, the Agent Bank, the Cash Manager, the Principal Paying Agent, the Registrar, the Corporate Services Provider, any Receiver appointed by the LPUK Security Trustee under the LPUK Deed of Charge (or an Insolvency Official of LPUK with respect to payment of any Administrator Incentive Recovery Fee or Liquidation Fee) and any Receiver appointed by the Issuer Security Trustee under the Issuer Deed of Charge and any other entity that accedes to the Issuer Deed of Charge from time to time in such capacity.

"Issuer Secured Liabilities"	means any and all monies, obligations and liabilities and all other amounts due, owing, payable or owed by the Issuer to the Issuer Secured Creditors under the Notes and/or the Transaction Documents and references to Issuer Secured Liabilities includes references to any of them.
"Issuer Security"	means the security created in favour of the Issuer Security Trustee pursuant to the Issuer Deed of Charge.
"Issuer Security Trustee"	means BNP Paribas Trust Corporation UK Limited, a company incorporated in England and Wales with limited liability (registered number 04042668), having its registered office at 10 Harewood Avenue, London NW1 6AA appointed pursuant to the Issuer Deed of Charge.
"Issuer Transaction Account"	means the account in the name of the Issuer held at the Account Bank or such additional or replacement bank account at such other Account Bank and/or other banks as may for the time being be in place with the prior consent of the Issuer Security Trustee and designated as such.
"Issuer Transaction Account Ledgers"	means the Collection Ledger, the Replenishment Ledger, the Liquidity Reserve Ledger, the Maintenance Reserve Ledger, the Operating Ledger, the Interest Shortfall Ledger, the Retained Profit Ledger, and the Junior Deferred Purchase Price Reserve Ledger maintained by the Cash Manager (on behalf of the Issuer) on the Issuer Transaction Account and "Issuer Transaction Account Ledger" means any one of them.
"Junior Deferred Purchase Price"	has the meaning given on page 72.
"Lease Agreement"	means an agreement entered into between the Originator and the relevant Lessee (including under or pursuant to any Master Agreements and the relevant schedules thereto) in relation to a Lease Vehicle under which Lease Receivables and (where applicable) Final Balloon Payments are generated as amended from time to time and subject to and in accordance with the Servicing Agreement.
"Lease Agreement Early Termination"	means the voluntary termination of a Lease Agreement at least thirty (30) days prior to the Lease Maturity Date, for the avoidance of doubt such a Lease Agreement is not a Defaulted Lease Agreement.
"Lease Agreement Early Termination Date"	means any date on which a Lease Agreement terminates prior to the Lease Maturity Date, for the avoidance of doubt excluding Defaulted Lease Agreements.
"Lease Agreement Recalculation"	means the recalculation of the Aggregate Discounted Balance of the Lease Receivables, the RV Claims and/or the Final Balloon Payment Receivables to be performed by the Servicer from time to time in accordance with the Servicing Agreement and the relevant Lease Agreements.
"Lease Agreement"	means the circumstances where the Lessee does not return the Leased Vehicle

"Silent Extension"	at the Lease Maturity Date and continues to pay the Lease Instalment, on similar terms and conditions.
"Lease Instalment"	means the sum of (a) the Lease Principal Component, (b) the Lease Interest Component, (c) the Lease Servicing Component and (d) the VAT Component due under a Lease Agreement and relating to a Monthly Collection Period.
"Lease Interest Collections"	means the aggregate Lease Interest Components actually collected during the relevant Monthly Collection Period.
"Lease Interest Component"	means the interest component included in any Collections and calculated in accordance with the Credit and Collection Processing Procedures.
"Lease Maturity Date"	means the termination date as agreed upon by and between the Originator (as lessor) and the Lessee upon the entering into of the Lease Agreement, as amended from time to time, as the case may be to a date which may fall prior to the original Lease Maturity Date at the time the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables were transferred to the Issuer pursuant to the Purchase Agreement in accordance with the Servicing Agreement and the relevant Lease Agreement.
"Lease Maturity Extension"	means a Lease Agreement Silent Extension, Permitted Lease Maturity Extension and Prohibited Lease Maturity Extension.
"Lease Maturity Extension Date"	means the amended termination date as agreed upon by and between the Servicer and the Lessee, which falls after the Lease Maturity Date as agreed upon the entering into the Lease Agreement.
"LeasePlan Go"	means an LPUK SME brand.
"LeasePlan Group"	means LPC and any other company whose share capital is at least 50% owned directly or indirectly by LPC, including LPUK.
"Lease Principal Collections"	means the aggregate Lease Principal Components actually received during the relevant Monthly Collection Period.
"Lease Principal Component"	means the principal component included in any Collections and calculated in accordance with the Credit and Collection Processing Procedures.
"Lease Purchase Lease Agreement"	means a lease purchase lease agreement entered into between a Lessee and the Originator.
"Lease Receivables"	means any and all claims and rights of the Seller against the Lessee under or in connection with the use of the Leased Vehicles under the relevant Lease Agreements originated by LPUK included in the Portfolio (including, for the avoidance of doubt, all payments due from the Lessee under the relevant Lease Agreement (including any VAT, maintenance charge or related fees and expenses due and payable by the Lessee under the terms of the Lease Agreement) and any Ancillary Rights) but excluding any amounts in respect of the RV Claims and the Final Balloon Payment Receivables.
"Lease Receivable Material Adverse Effect"	has the meaning given to it on page 138.
"Lease Services"	means the optional maintenance, other services or other obligations owed by the Originator under a Lease Agreement, to a Lessee (including any maintenance and repair services, tyre supply, and breakdown service) the optional payment of road fund licences, and the optional provision of rental cars as applicable to the relevant Leased Vehicles.

"Lease Servicing Collections"	means the aggregate Lease Servicing Components actually received by the Issuer.
"Lease Servicing Component"	means the servicing component included in any Collections and calculated in accordance with the relevant Lease Agreement.
"Lease Termination Date"	means a Lease Maturity Date or a Lease Agreement Early Termination Date, as the case may be.
"Leased Vehicle"	means a Vehicle which is or has been subject of a Lease Agreement which relates to a RV Claim or Final Balloon Payment Receivable included in the Portfolio.
"Lease Warranties"	has the meaning given on page 139.
"Lessee(s)"	means the Lessees under the Lease Agreements, provided that for the purposes of the Replenishment Criteria such Lessees that belong to the same Company Group are deemed to be one Lessee.
"Lessee Notification Event"	means the occurrence of: <ul style="list-style-type: none"> (a) a Servicer Termination Event; (b) a Seller Event of Default; (c) a Realisation Agent Termination Event; (d) a Sub-Maintenance Coordinator Termination Event; (e) an Automatic Crystallisation Event; and/or (f) a Seller Credit Quality Event.
"Liability"	means any losses, damages, costs, charges, claims, demands, expenses, judgments, decrees, actions, proceeding or other liability whatsoever (including, without limitation in respect of taxes, duties, levies, imposts and other charges (other than taxes in respect of net income or profit)) and including any VAT or similar tax charged or chargeable in respect thereof and legal fees and expenses on a full indemnity basis.
"LIBOR"	means London Interbank Offered Rate.
"Light Commercial Vehicle"	means any 4-wheel vehicle or light van constructed for transporting goods with a gross weight of no more than 3.5 tonnes. Such vehicle may include specialist conversions to a minibus (or any other substantially similar vehicle).
"Liquidation Fee"	means the amount (inclusive of VAT) paid to an Insolvency Official of LPUK, in an amount equal to any cost, expense or liability of LPUK or any Insolvency Official (including VAT in respect thereof other than to the extent the Insolvency Official is entitled to credit or repayment in respect of such VAT) arising in respect of LPUK's obligation to carry out the Lease Services where such obligations are being carried out by the Back-Up Sub-Maintenance Coordinator or any other entity (acting as maintenance coordinator).
"Liquidity Reserve"	has the meaning given on page 77.
"Liquidity Reserve"	has the meaning given on page 167.

"Ledger"	
"Loan Interest Period"	has the meaning given to it in Clause 6.1 (Interest Periods) of the Reserve Loan Agreement.
"LPC"	means LeasePlan Corporation N.V., incorporated in the Netherlands by notarial deed of 27 February 1963 as a public limited company (<i>naamloze vennootschap</i>) under the laws of the Netherlands, having its registered office at Gustav Mahlerlaan 360, 1082 ME Amsterdam, The Netherlands.
"LPUK"	means LeasePlan UK Limited, a company incorporated in England and Wales under registered number 01397939 having its registered office at 165 Bath Road, Slough, Berkshire, SL1 4AA.
"LPUK Deed of Charge"	means the security deed entered into on the Closing Date between, among others, the Issuer and the LPUK Security Trustee.
"LPUK Secured Creditor"	means the LPUK Security Trustee, any LPUK Security Trustee Appointee, the Issuer, any Receiver appointed by the LPUK Security Trustee under the LPUK Deed of Charge and any other entity that accedes to the LPUK Deed of Charge from time to time in such capacity.
"LPUK Security"	means the LPUK Security Interests created in favour of the LPUK Security Trustee under or pursuant to the LPUK Deed of Charge.
"LPUK Security Interest"	means any mortgage, sub mortgage, standard security, charge, sub charge, assignment, assignation in security, pledge, lien, right of set off or other encumbrance or security interest.
"LPUK Security Trustee"	means BNP Paribas Trust Corporation UK Limited, a company incorporated in England and Wales with limited liability (registered number 04042665), having its registered address at 10 Harewood Avenue, London NW1 6AA, appointed pursuant to the LPUK Deed of Charge.
"LPUK Security Trustee Appointee"	means any attorney, manager, agent, delegate, nominee, custodian or other person appointed by the LPUK Security Trustee under the LPUK Deed of Charge including, for the avoidance of doubt, any Trustee Agent.
"LPUK Servicing Procedures"	means the policies and procedures of the Servicer in place to regulate its servicing of auto leases.
"Maintenance Coordinator Fee"	means £1,000 per month payable to the Issuer in its role as Maintenance Coordinator pursuant to the Purchase Agreement.
"Maintenance Reserve Advance"	has the meaning given on page 164.
"Maintenance Reserve Ledger"	has the meaning given on page 167.
"Maintenance Settlement Ledger"	means the ledger maintained by the Servicer which tracks amounts received from Lessees for expected maintenance costs up to the immediately preceding Cut-Off Date as a credit and actual maintenance costs up to the immediately preceding Cut-Off Date in relation to the provision of Lease Services.
"Master Agreement"	means the master agreement entered into by the Originator and a Lessee as such form may be amended from time to time in accordance with the Servicing Agreement.
"Master Definitions Schedule"	means the master definitions and construction schedule entered into on the Closing Date between, inter alios, the Issuer, the Paying Agents and the Note

Trustee.

"Material Adverse Effect"

means with respect to any person or entity, a material adverse effect on: (a) the business, operations, property, condition (financial or otherwise) or prospects of such person or entity and, in the case of LPUK, the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables (including, without limitation, to the origination or servicing of the Lease Receivables); (b) the ability of such person or entity to perform its obligations under any Transaction Document to which it is a party or any of the rights or remedies of any other party to such Transaction Document; or (c) the validity or enforceability of any Transaction Document to which it is a party.

"Minimum Required Ratings"

means:

- (a) with respect to the Account Bank (or any Eligible Bank):
 - (i) a COR of at least A(high) by DBRS, or if a COR from DBRS is not available, a long-term, senior, unsecured debt rating of A by DBRS (either by way of public rating, or in its absence, by way of private rating supplied by DBRS), provided that if the Account Bank is not rated by DBRS, a DBRS Equivalent Rating at least equal to A by DBRS; and
 - (ii) long-term bank deposits rated at least A2 by Moody's.

or, failing which, such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then rating of the Class A Notes, or

- (b) with respect to the Interest Rate Swap Counterparty (or its successors):
 - (i) a Long-Term DBRS Rating of at least "BBB";

where:

"Long-Term DBRS Rating" means, at any time, with respect to an entity:

- (A) its Critical Obligations Rating; or
- (B) if no Critical Obligations Rating has been assigned by DBRS, the higher of (I) the solicited public issuer rating assigned by DBRS to such entity or (II) the solicited public rating assigned by DBRS to such entity's long-term senior unsecured debt obligations; or
- (C) if no such solicited public rating has been assigned by DBRS, the corresponding DBRS Equivalent Rating;

"Critical Obligations Rating" means the rating assigned to a relevant entity by DBRS to address the risk of default of particular obligations and/or exposures of certain banks that 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; and

	(ii) long-term unsecured and unsubordinated debt obligations which are rated by Moody's at least as high as "Baa1(cr)".
"Monthly Collection Period"	means the period commencing on and including the first day of a calendar month and ending on (but excluding) the first day of the next calendar month.
"Moody's"	means Moody's Investors Services Limited.
"NACE Hierarchical Classification "	means the hierarchic classifications of the NACE, Rev. 2 sections (as most recently published in 2008) being the classification of economic activities as set out by Eurostat, the statistical department of the European Union.
"Net Swap Payments"	means the higher of: <ul style="list-style-type: none"> (a) zero; and (b) the aggregate of any amounts due to be paid by the Issuer to the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement, other than any Swap Termination Payment due to be paid by the Issuer under the Interest Rate Swap Agreement.
"Net Swap Receipts"	means the higher of: <ul style="list-style-type: none"> (a) zero; and (b) an amount equal to the sum of: <ul style="list-style-type: none"> (i) the aggregate of any amounts due by the Interest Rate Swap Counterparty to the Issuer, other than costs in connection with a termination of the Interest Rate Swap Agreement; and (ii) (A) any Replacement Swap Premium which is received by the Issuer to the extent that such premium is not utilised in paying any Swap Termination Payment to the outgoing Interest Rate Swap Counterparty and (B) any Swap Termination Payment received by the Issuer from the outgoing Interest Rate Swap Counterparty to the extent such payment is not utilised in purchasing a replacement swap from a replacement swap counterparty.
"Non-Insolvency Realisation Agent Termination Event"	means each of the events not relating to an Insolvency Event in respect of the Realisation Agent listed in Clauses 19.1 (a) to (e) inclusive of the Realisation Agency Agreement.
"Non-Insolvency Servicer Termination Event"	means each of the events not relating to an Insolvency Event in respect of the Servicer listed in Clause 22.1 (a) to (c) inclusive of the Servicing Agreement.
"Non-Insolvency Sub-Maintenance Coordinator Termination Event"	means each of the events not relating to an Insolvency Event in respect of the Sub-Maintenance Coordinator listed in Clause 19.1 (a) to (e) inclusive of the Sub-Maintenance Coordinator Agreement.
"Non VAT Collections"	means the aggregate of the Non VAT Components actually received.
"Non VAT Component"	means the Lease Instalments other than amounts representing VAT Components pertaining to a Lease Agreement.
"Normal Amortisation"	has the meaning given on page 73.

Period Priority of Payments"

"Note Acceleration Notice"	means a notice given to the Issuer by the Note Trustee of an Issuer Event of Default.
"Note Rate"	for each Interest Period means in respect of the Class A Notes, Compounded Daily SONIA determined as at the related Interest Determination Date plus the relevant Margin in respect of such class and for these purposes if the Note Rate is less than zero, the Note Rate shall be deemed to be zero;
"Note Trustee"	means BNP Paribas Trust Corporation UK Limited, a company incorporated in England and Wales with limited liability (registered number 04042668), having its registered office at 10 Harewood Avenue, London NW1 6AA, appointed pursuant to the Trust Deed.
"Notes"	means the Class A Notes and the Class B Note.
"OFT"	means the Office of Fair Trading.
"Observation Period"	means the period from and including the date falling five London Banking Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Closing Date) and ending on, but excluding, the date falling five London Banking Days prior to the Interest Payment Date for such Interest Period (or, if applicable, the date falling five London Banking Days prior to any other date on which a payment of interest is to be made in respect of the Notes).
"Ombudsman"	means the Financial Ombudsman Service.
"Open Calculation Contract Hire Lease Agreement"	means an open calculation contract hire lease agreement entered into between a Lessee and the Originator.
"Open Calculation"	means a product which benefits from a settlement account where the positive difference between the lease instalments paid and the actual costs of running the fleet are refunded to the Lessee. The Originator's income is derived from a monthly management fee plus an interest margin. At the end of each vehicle term, the actual residual value and maintenance costs are compared to the respective budget, providing a net surplus or loss per ended vehicle, which is added to a settlement account. Annual settlement with client takes place on the basis of a pool of all vehicles which have ended in the previous year. Positive results are for the Lessee (if the Lessee meets set eligibility conditions). Negative results are for the Originator (and are accounted for when expected). In some cases the Originator and the Lessee have a profit-sharing arrangement, where only a percentage of the profit is shared with the Lessee.
"Open Calculation Contract Purchase Lease Agreement"	means an open calculation contract purchase lease agreement entered into between a Lessee and the Originator.
"Operating Lease Agreements"	means the Open Calculation Contract Hire Lease Agreements and the Closed Calculation Contract Hire Lease Agreements.
"Operating Ledger"	means the ledger to which all Available Distribution Amounts will be credited and applied in accordance with the relevant Priority of Payments.
"Option to Purchase Fee"	means the final nominal option to purchase fee due under a relevant Open Calculation Contract Purchase Lease Agreement, Closed Calculation Contract Purchase Lease Agreement or Lease Purchase Lease Agreement, as

applicable.

"Original Maturity" means for any Lease Agreement, the number of months between the date of the Lease Agreement and the original Lease Maturity Date.

"Ordinary Resolution" has the meaning given to it in Schedule 3 (Provisions for Meetings of Noteholders) of the Trust Deed.

"Originator" means LPUK.

"Passenger Vehicle" means any 4-wheel passenger vehicle that can carry no more than eight passengers (excluding the driver).

"Paying Agents" means the institutions (including, where the context permits, the Principal Paying Agent) at their respective specified offices initially appointed as paying agents in relation to the Notes by the Issuer pursuant to the Agency Agreement and/or, if applicable, any successor paying agents at their respective specified offices.

"Performing Final Balloon Payment Receivables" means a Final Balloon Payment Receivable relating to a Lease Agreement which does not constitute a Defaulted Lease Agreement.

"Performing Lease Receivable" means a Lease Receivable relating to a Lease Agreement which is not a Defaulted Lease Agreement.

"Performing RV Claims" means a RV Claim relating to a Leased Vehicle in respect of which the relevant Lease Agreement does not constitute a Defaulted Lease Agreement.

"Permitted Encumbrance" means:

- (a) any lien or rights of set-off arising by operation of law, statute, regulation or other mandatory provisions (including but not limited to consumer protection law);
- (b) any netting or set-off arrangement entered into by the Originator or the Servicer in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances in accordance with the general business terms of such bank;
- (c) in relation to any assets other than Leased Vehicles any title transfer or retention of title arrangement entered into by the Originator or the Servicer in the ordinary course of its business;
- (d) any Encumbrance created pursuant to the Issuer Deed of Charge or the LPUK Deed of Charge; and
- (e) any Encumbrances created over the Originator's right, title, interest and benefit in, to and under any receivables or residual value claims that are not Lease Receivables, RV Claims or Final Balloon Payment Receivables,

provided that any encumbrance over or in relation to (1) any Lease Receivable, RV Claim and/or Final Balloon Payment Receivable; (2) any right, title or interest of the Issuer in relation to any Lease Receivable, RV Claims and/or Final Balloon Payment Receivables; (3) any proceeds of or sums received or payable in respect of any Lease Receivable, RV Claim and/or Final Balloon Payment Receivable; or (4) the interest of the Issuer in any amount from time to time standing to the credit of a Bank Account, shall only be a Permitted Encumbrance under items (a) or (d) above.

"Permitted Lease Maturity Extension"	means an amendment of the termination date as agreed upon by and between the Servicer and the Lessee, to a date which is up to a maximum duration of 18 months from the date the Lease Agreement was entered into between the Lessee and the Originator.
"Portfolio"	means the Initial Portfolio and each Additional Portfolio.
"Portfolio Schedule"	means a schedule substantially in the form set out in Schedule 2 to the Purchase Agreement.
"Pre-Crystallisation Trigger Event"	means where any person levies or attempts to levy distress, execution or other process against any of the Charged Vehicles which (when combined with any other levy, distress, execution or other process against any of the Charged Vehicles) is in an amount above an aggregate amount equal at any point in time to £20,000,000.
"Principal Amount Outstanding"	means the amount of a Note on any date shall be its original principal amount less the aggregate amount of all principal payments in respect of such Note which have become due and payable and received by the relevant Noteholder since the Closing Date except if and to the extent that any such payment has been improperly withheld or refused.
"Principal Paying Agent"	means BNP Paribas Securities Services, Luxembourg Branch, acting through its registered office at 60 avenue J.F. Kennedy, L-1855, Luxembourg, appointed pursuant to the Agency Agreement.
"Priority of Payments"	means the Revolving Period Priority of Payments, the Normal Amortisation Period Priority of Payments and the Accelerated Amortisation Period Priority of Payments.
"Prohibited Lease Maturity Extension"	means an amendment of the termination date as agreed upon by and between the Servicer and the Lessee, to a date which exceeds a maximum duration of 18 months from the date the Lease Agreement was entered into between the Lessee and the Originator.
"Public Sector Lease Agreement"	means a Lease Agreement entered into between the Originator and a local authority or other public sector entity.
"Public Sector Lessee"	means any Lessee who has entered into a Public Sector Lease Agreement.
"Purchase Agreement"	means the sale and purchase agreement entered into by the Seller, the Issuer and the Issuer Security Trustee on or about the Closing Date.
"Purchase Date"	means the Initial Purchase Date or an Additional Portfolio Purchase Date.
"Purchaser"	means the Issuer.
"Class A Notes"	means the Class A Notes rated AAA(sf) by DBRS and Aaa(sf) by Moody's.
"Rating Agencies"	means DBRS and Moody's and "Rating Agency" means any one of them.
"Ratings Confirmation"	has the meaning given to it on page 28.
"Realisation Agency Agreement"	means the realisation agency agreement to be entered into on or about the Closing Date between the Issuer, the Realisation Agent, the Seller and the Issuer Security Trustee.
"Realisation Agent"	means LPUK.

"Realisation Agent Termination Event"

means each of the following events:

- (a) the occurrence of an Insolvency Event in relation to the Realisation Agent; or
- (b) the Realisation Agent fails to pay any amount due under the Realisation Agency Agreement on the due date or on demand, if so payable, or to direct the Account Bank in respect of such amount, and such failure has continued unremedied for a period of five Business Days; or
- (c) without prejudice to paragraph (b) above, the Realisation Agent (i) fails to observe or perform in any material respect any of its covenants and obligations under or pursuant to the Realisation Agency Agreement or (ii) breaches any term of the Realisation Agency Agreement or any other Transaction Document to which it is a party in any material respect and such failure continues unremedied for a period of 20 Business Days after the earlier of an officer of the Realisation Agent becoming aware of such default and written notice of such failure being received by the Realisation Agent from the Issuer or the Issuer Security Trustee (such notice requiring the same to be remedied); or
- (d) the Realisation Agent ceases or threatens to cease to carry on a substantial part of its business (which cessation or threat thereof would be likely to result in a Material Adverse Effect on its ability to perform its obligations hereunder) which it now conducts directly or indirectly or the Realisation Agent is deemed unable to pay its debts or becomes unable to pay its debts as they fall due or otherwise becomes insolvent; or
- (e) it becomes unlawful for the Realisation Agent to perform any of the services under the Realisation Agency Agreement in any material respect.

"Realisation Agent Fee"

has the meaning given on page 156.

"Realisation Services"

means the services provided by the Realisation Agent pursuant to the Realisation Agency Agreement and as further set out in Schedule 1 to the Realisation Agency Agreement.

"Receiver"

means any person or persons appointed (and any additional person or persons appointed or substituted) as an administrative receiver, receiver, manager or receiver and manager.

"Records"

means:

- (a) in respect of the Seller and the Servicer, the Lease Agreements and all files, microfiches, correspondence, notes of dealing and other documents, books, books of account, registers, records and other information and all computer tapes and discs relating to the Lease Agreements from which the Lease Receivables, RV Claims and/or Final Balloon Payment Receivables derive and relating to the Lessees in respect thereof (which, for the avoidance of doubt, includes electronic records);
- (b) in respect of the Realisation Agent, all files, microfiches, correspondence, notes of dealing and other documents, books, books of account, registers, records and other information and all computer

tapes and discs relating to the Realisation Services, (including without limitation the list of all seller intermediaries used by the Realisation Agent, their correspondence addresses and any contracts entered into with them) the relevant Leased Vehicles and relating to the Lessees in respect thereof; and

- (c) in respect of the Sub-Maintenance Coordinator, all files, microfiches, correspondence, notes of dealing and other documents, books, books of account, registers, records and other information and all computer tapes and discs relating to the Lease Services, (including without limitation the list of all garages/repairers used by the Sub-Maintenance Coordinator, their correspondence addresses and any contacts entered into with them) the Lease Agreements and the Lessees in respect thereof.

"Registrar" means BNP Paribas Securities Services, Luxembourg Branch, acting through its registered office at 60 avenue J.F. Kennedy, L-1855, Luxembourg, appointed pursuant to the Agency Agreement.

"Regulated Lease Agreement" means a Lease Agreement regulated by the CCA.

"Remaining Maturity" means for any Lease Agreement, the number of months between the Cut-Off Date and the Lease Maturity Date.

"Replacement Swap Premium" means an amount received by the Issuer from a replacement swap counterparty upon entry by the Issuer into an agreement with such replacement swap provider to replace the Interest Rate Swap Counterparty, which shall be paid directly by the Issuer to the Interest Rate Swap Counterparty.

"Replenishment Criteria" has the meaning given on page 143.

"Replenishment Ledger" has the meaning given on page 167.

"Reporting Agent" means Intertrust Administrative Services B.V.

"Reporting Agent Fee" means the fee payable by the Issuer to the Reporting Agent pursuant to a fee letter dated on or about the Closing Date between the Issuer and the Reporting Agent.

"Reporting Entity" means LPUK.

"Repurchase Price" has the meaning given on page 55.

"Repurchaser" means LPUK.

"Required Liquidity Reserve Amount" means an amount equal to:

- (a) on the Closing Date, £2,520,000;
- (b) thereafter an amount equal to the higher of (i) 0.63% of the sum of the Principal Amount Outstanding of the Class A Notes, on each Interest Payment Date and (ii) the lesser (a) of £2,000,000 and (b) the sum of the Principal Amount Outstanding of the Class A Notes, on each Interest Payment Date; and
- (c) on the date on which the Aggregate Discounted Balance has been reduced to zero, the Required Liquidity Reserve Amount shall be

equal to zero.

"Required Maintenance Reserve Amount"

means an amount equal to:

- (a) as long as no Reserves Trigger Event has occurred and is continuing and no Insolvency Event in respect of LPUK has occurred, zero;
- (b) following the Interest Payment Date on which the Class A Notes have been redeemed in full, and all amounts of interest thereon have been paid, zero; and
- (c) in all other circumstances an amount equal to the balance of the Maintenance Settlement Ledger in respect of each Lease Agreement in the Portfolio.

"Required Principal Redemption Amount"

means an amount equal to the higher of:

- (a) zero; and
- (b) the lower of:
 - (i) the Theoretical Principal Amount; and
 - (ii) the Available Distribution Amount remaining after the payment of items (a) to (i) of the Normal Amortisation Period Priority of Payments (and solely in the calculation of item (l) in the Normal Amortisation Period Priority of Payments, after also deducting amounts paid pursuant to item (k) thereunder).

"Required Replenishment Amount"

means an amount equal to the higher of:

- (a) zero; and
- (b) the lower of:
 - (i) the Theoretical Principal Amount; and
 - (ii) the Available Distribution Amount remaining after the payment of items (a) to (h) of the Revolving Period Priority of Payments.

"Required Reserve Amount"

means the Required Liquidity Reserve Amount and the Required Maintenance Reserve Amount, as applicable.

"Reserve Loan"

means the reserve loan provided to the Purchaser by the Reserve Loan Provider pursuant to the terms of the Reserve Loan Agreement.

"Reserve Loan Agreement"

means the Reserve Loan agreement entered into on or about the Closing Date between the Reserve Loan Provider, the Issuer and the Issuer Security Trustee.

"Reserve Loan Provider"

means LPUK in its capacity as Reserve Loan provider pursuant to the Reserve Loan Agreement.

"Reserves Trigger Event"

means:

- (a) LPC ceasing to have at least the following ratings:
 - (i) by DBRS: a long term rating of BBB(low) (or, if LPC has

no public or private rating from DBRS, the corresponding DBRS Equivalent Rating); or

(ii) by Moody's: Baa3.

- (b) LPC ceases to directly or indirectly own more than 50% of the shares of LPUK or LPUK otherwise ceases to be a subsidiary of LPC for the purposes of section 1159 of the Companies Act 2006;
- (c) the occurrence of an Insolvency Event with respect to LPUK; or
- (d) LPUK fails in its duty to perform or comply with its obligations under Clause 4.2 of the Servicing Agreement in relation to the procurement of the payment of Collections into the Issuer Transaction Account (which shall, for the avoidance of doubt, include upon the insolvency of the bank with which the Seller Collection Accounts are held) and if such failure is capable of being remedied, such failure, is not remedied within 5 Business Days after notice thereof has been given by the Purchaser or the Issuer Security Trustee to LPUK or such other party.

"Retained Profit Ledger"

has the meaning given on page 168.

"Revised Purchase Date"

means the revised date indicated on a revised Transfer Notice on which the Seller wishes to sell and assign to the Issuer an Additional Portfolio in accordance with Clause 2 of the Purchase Agreement.

"Revolving Period"

means the period commencing on (and including) the Closing Date and ending on (but excluding) the earlier of (a) the Interest Payment Date falling in April 2022, (b) the date on which an Amortisation Event occurs and (c) the date on which all the Notes are redeemed following the repurchase of all Lease Receivables, RV Claims and/or Final Balloon Payment Receivables by the Seller in accordance with Clause 7.8 (Optional redemption) of the Purchase Agreement.

"Revolving Period Priority of Payments"

has the meaning given on page 71.

"Revolving Period Termination Event"

means the occurrence of any of the following:

- (a) the amount deposited and remaining in the Replenishment Ledger after the application of the Priority of Payments on two consecutive Interest Payment Dates exceeds 10% of the Aggregate Discounted Balance on the Initial Cut-Off Date;
- (b) the Cumulative Default Ratio exceeds 3%;
- (c) the Aggregate Discounted Balance plus the amount standing to the credit of the Replenishment Ledger is on any Interest Payment Date lower than the sum of (i) the Aggregate Principal Amount Outstanding of the Class A Notes and (ii) the Aggregate Principal Amount Outstanding of the Class B Note on any Interest Payment Date (for the avoidance of doubt, calculated after the application of the Revolving Period Priority of Payments);
- (d) a Seller Event of Default;
- (e) a Servicer Termination Event;
- (f) a Realisation Agent Termination Event;

- (g) a Sub-Maintenance Coordinator Termination Event;
- (h) an event of default or an Early Termination Event, as defined in the Interest Rate Swap Agreement;
- (i) the Delinquency Ratio exceeds 0.4%;
- (j) any regulatory and/or tax issues preventing the Issuer from purchasing the Lease Receivables, the RV Claims and/or the Final Balloon Payment Receivables;
- (k) if the Liquidity Reserve is not funded to the Required Liquidity Reserve Amount; or
- (l) if the Reserve Loan Provider fails to fund the Reserve Loan up to the relevant Required Reserve Amount in accordance with its obligations under the Reserve Loan Agreement.

"RV Claims" means (i) the right to receive all proceeds derived from the Leased Vehicles other than Lease Receivables (including, for the avoidance of doubt, any sale proceeds or amounts arising as a result of entering into a new lease with respect to such Leased Vehicle which does not constitute a Lease Receivable) and Final Balloon Payment Receivables.

"S&P" means Standard & Poor's Rating Services, a division of Standard & Poor's Credit Market Services Europe Limited.

"Screen" means Reuters Screen SONIA; or

- (a) such other page as may replace Reuters Screen SONIA on that service for the purpose of displaying such information; or
- (b) if that service ceases to display such information, such page as displays such information on such service (or, if more than one, that one previously selected by the Issuer) as may replace such screen.

"UK Securitisation Repository Operational Standards" means Commission Delegated Regulation (EU) 2020/1229 (the "**2020/1229 RTS**") as it forms part of domestic law by virtue of the EUWA, including any applicable regulations, rules, guidance or other implementing measures of the FCA (or its successor) in relation thereto.

"Seller" means LPUK.

"Seller Collection Accounts" means each bank account in the name of the Seller, into which payments in respect of the Lease Agreements are made by the Lessees.

"Seller Credit Quality Event" means LPC ceasing to have at least the following ratings:

- (a) by DBRS: B(high) (or an equivalent rating by another rating agency); and
- (b) by Moody's: B1.

"Seller Event of Default" means with respect to LPUK in its capacity as Seller and Repurchaser (but excluding, for the avoidance of doubt, in its capacity as Servicer), the earliest to occur of the following:

- (a) a default is made by LPUK in the payment on the due date of any amount due and payable by it under any Transaction Document to which it is a party and such failure is not remedied within five

Business Days after notice thereof has been given by the Purchaser or the Issuer Security Trustee to LPUK;

- (b) LPUK fails duly to perform or comply with any of its obligations under any Transaction Document to which it is a party and (a) such failure would, in the opinion of the Note Trustee, to be certified in writing be materially prejudicial to the interests of the Noteholders of the Most Senior Class Outstanding and (b) if such failure is capable of being remedied, such failure, is not remedied within 20 Business Days after notice thereof has been given by the Purchaser or the Issuer Security Trustee to LPUK or such other party;
- (c) an Insolvency Event has occurred in respect of LPUK;
- (d) LPUK is dissolved or other procedures are initiated which will or may result in a liquidation of LPUK (other than due to an intra-group merger where LPUK is the surviving entity);
- (e) any representation or warranty in the Purchase Agreement granted by LPUK or in any report provided by LPUK, is materially false or incorrect and such inaccuracy, if capable of remedy, is not remedied within ten Business Days of notice from the Issuer and has a material adverse effect in relation to the Issuer.

"Senior Deferred Purchase Price"

means the amount payable to the Seller prior to (i) the occurrence of a Seller Event of Default or (ii) the appointment of LPUK as Sub-Maintenance Coordinator being terminated under the Sub-Maintenance Coordinator Agreement in an amount equal to the Lease Servicing Collections payable to the Seller in accordance with the terms of the Cash Management Agreement.

"Senior Expenses"

means the amounts payable (a) to the Note Trustee, the LPUK Security Trustee and Issuer Security Trustee under the Trust Deed, the LPUK Deed of Charge and the Issuer Deed of Charge and in each case, its Appointees or LPUK Security Trustee Appointees (as applicable), (b) to the Paying Agents, the Registrar and the Agent Bank under the Agency Agreement, (c) to the Account Bank under the Bank Account Agreement, (d) to the Cash Manager under the Cash Management Agreement, (e) to the Corporate Services Provider under the Corporate Services Agreement, (f) to the Rating Agency for the fees concerning the monitoring, (g) to the directors of the Issuer, and (h) in respect of other costs and expenses of the Issuer (including any part thereof which represents VAT thereof) payable to a person other than a Transaction Party (subject to compliance with the Transaction Documents) including any costs relating to the listing of the Notes and maintenance and related costs not covered by LPUK measured by or on behalf of the Purchaser.

"Servicer"

means LPUK.

"Servicer Fee"

means the fee (inclusive of VAT) payable by the Issuer to the Servicer on each Interest Payment Date according to the applicable Priority of Payments and calculated as (a) 0.15% per annum divided by (b) 12 and multiplied by (c) the Aggregate Discounted Balance as at the commencement of the Monthly Collection Period (for the avoidance of doubt, after inclusion of any Additional Portfolio) ending immediately prior to the relevant Interest Payment Date.

"Servicer Replacement Event"

has the meaning given on page 77.

"Servicer Termination Event"

means:

- (a) the Servicer fails to pay any amount due under the Servicing Agreement on the due date or on demand, if so payable, or to direct the Account Bank in respect of such amount, and such failure has continued unremedied for a period of five Business Days; or
- (b) without prejudice to paragraph (a) above the Servicer in any material respect (i) fails to observe or perform any of its covenants and obligations under or pursuant to the Servicing Agreement or (ii) breaches any term of the Servicing Agreement or any other Transaction Document to which it is a party and such failure continues unremedied for a period of 20 Business Days after the earlier of the Servicer becoming aware of such default and written notice of such failure being received by the Servicer from the Issuer or the Issuer Security Trustee (such notice requiring the same to be remedied); or
- (c) any representation or warranty in the Purchase Agreement or in any report provided by the Seller or the Servicer, is materially false or incorrect and such inaccuracy, if capable of remedy, is not remedied within ten Business Days of the earlier of the Servicer becoming aware of such default and receipt by the Servicer of a notice from the Issuer or the Issuer Security Trustee requiring the same to be remedied; or
- (d) the occurrence of an Insolvency Event in relation to the Servicer or in relation to any party to which the Servicer has assigned its rights under the Servicing Agreement;

"Servicing Agreement" means the servicing agreement entered into on or around the Closing Date between the Issuer, the Note Trustee, the Issuer Security Trustee and LPUK pursuant to which LPUK will be instructed to act as Servicer and to carry out certain management, collection and recovery activities in relation to the Lease Receivables.

"SME/Retail Lease Agreement" means any Lease Agreement entered into with (i) an individual or (ii) pursuant to Network, LeasePlan Go or LeasePlan standard documentation entered into by LPUK pursuant to such standard documentation under the Network, LeasePlan Go or LeasePlan brand.

"SME/Retail Lessee" means any Lessee who has entered into a SME/Retail Lease Agreement.

"SONIA Reference Rate" means in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Screen or, if the Screen is unavailable, as otherwise published by such authorised distributors (on the London Banking Day immediately following such London Banking Day).

If, in respect of any London Banking Day in the relevant Observation Period, the Agent Bank determines that the SONIA Reference Rate is not available on the Screen or has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate shall be: (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Banking Day; plus (ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.

"Specific Industry Group"	means, in respect of a Lease Agreement, the specific industry group in which the relevant Lessee in respect of such Lease Agreement is classified by the Servicer according to NACE Hierarchical Classification. "Section T – Activities of Households as Employers, Undifferentiated Goods and Services-Producing Activities of Households for own Use" shall not be deemed a specific industry group for this purpose.
"Sterling" and "£"	means the lawful currency for the time being of the United Kingdom of Great Britain and Northern Ireland.
"Sterling LIBOR"	means LIBOR for Sterling deposits.
"Sterling Swap Collateral Account"	means the Sterling swap collateral account in the name of the Issuer held at the Account Bank.
"Sub-Maintenance Coordinator"	means LPUK.
"Sub-Maintenance Coordinator Agreement"	means the sub-maintenance coordinator agreement entered into on the Closing Date between, inter alios, the Issuer, the Sub-Maintenance Coordinator and the Issuer Security Trustee.
"Sub-Maintenance Coordinator Fee"	means £1,000 per month payable by the Issuer to the Sub-Maintenance Coordinator in respect of performing the role of the Sub-Maintenance Coordinator.
"Sub-Maintenance Coordinator Termination Event"	<p>(a) the Sub-Maintenance Coordinator fails to pay any amount due under the Sub-Maintenance Coordinator Agreement on the due date or on demand, if so payable, or to direct the Account Bank in respect of such amount, and such failure has continued unremedied for a period of five Business Days; or</p> <p>(b) without prejudice to paragraph (a) above, the Sub-Maintenance Coordinator fails to observe or perform in any material respect any of its covenants and obligations under or pursuant to the Sub-Maintenance Coordinator Agreement (other than the covenant that the Sub-Maintenance Coordinator shall, as soon as the same become available, but in any event within 120 days after the end of each financial year, deliver to the Issuer and, following the occurrence of an Issuer Event of Default, the Issuer Security Trustee, the Sub-Maintenance Coordinator audited annual financial statements (including balance sheet, profit and loss and cashflow statements and the related auditor's reports)) or any other Transaction Document to which it is a party in any material respect and such failure continues unremedied for a period of 20 Business Days after the earlier of the Sub-Maintenance Coordinator becoming aware of such default and written notice of such failure being received by the Sub-Maintenance Coordinator from the Issuer or the Issuer Security Trustee (such notice requiring the same to be remedied); or</p> <p>(c) the Sub-Maintenance Coordinator ceases or threatens to cease to carry on a substantial part of its business (save where the Sub-Maintenance Coordinator certifies by two directors that the same would not result in a Material Adverse Effect) which it now conducts directly or indirectly or the Sub-Maintenance Coordinator is deemed unable to pay its debts or becomes unable to pay its debts as they fall due or otherwise becomes insolvent; or</p> <p>(d) it becomes unlawful for the Sub-Maintenance Coordinator to perform any of the services under the Sub-Maintenance Coordinator</p>

Agreement in any material respect; or

- (e) the occurrence of an Insolvency Event in relation to the Sub-Maintenance Coordinator.

"Subordinated Termination Payment"	means any Swap Termination Payment resulting from a close-out of one or more transactions under the Interest Rate Swap Agreement due to either (i) the occurrence of an Event of Default (as defined in the Interest Rate Swap Agreement) under such Interest Rate Swap Agreement in respect of which the Interest Rate Swap Counterparty is the Defaulting Party (as such term is defined in the Interest Rate Swap Agreement) or (ii) the occurrence of an Additional Termination Event (as defined in the Interest Rate Swap Agreement) as a result of a downgrade of the Interest Rate Swap Counterparty.
"Suitable Entity"	means, an entity which (i) is located in England and Wales, (ii) is (if applicable) authorised as Back-Up Servicer, Trustee Agent, Back-Up Sub-Maintenance Coordinator or Back-Up Realisation Agent, as the case may be and (iii) is capable of performing the Back-Up Servicer Role in the case of the Back-Up Servicer, the Back-Up Realisation Agent Role in the case of the Back-Up Realisation Agent, the Back-Up Sub-Maintenance Coordinator Role in the case of the Back-Up Maintenance Coordinator and the Trustee Agent Role in the case of the Trustee Agent.
"Swap Collateral"	means, at any time, any asset (including, without limitation, cash and/or securities) which is paid or transferred by the Interest Rate Swap Counterparty to the Issuer as collateral to secure the performance by such Interest Rate Swap Counterparty of its obligations under the Interest Rate Swap Agreement together with any income or distributions received in respect of such asset and any equivalent of such asset into which such asset is transformed.
"Swap Collateral Account"	means the Sterling Swap Collateral Account and any Additional Swap Collateral Account, as the context may permit.
"Swap Termination Payments"	means any payment due to or, as the case may be, from the Interest Rate Swap Counterparty upon early termination of a transaction under the Interest Rate Swap Agreement.
"Target2"	means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System and which was launched on 17 November 2007.
"Tax Authority"	means any government, state or municipality or any local, state, federal or other authority, body or official anywhere in the world exercising a fiscal, revenue, customs or excise function (including, without limitation, Her Majesty's Revenue and Customs).
"Tax Credit"	means any tax credit payable by the Issuer to the Interest Rate Swap Counterparty pursuant to the Interest Rate Swap Agreement and the Issuer Deed of Charge.
"Theoretical Principal Amount"	means on any Interest Payment Date, the difference by which (a) exceeds (b): <ul style="list-style-type: none">(a) the Aggregate Principal Amount Outstanding of the Notes on the previous Interest Payment Date; and(b) (i) the Aggregate Discounted Balance of the Portfolio (which for the avoidance of doubt includes the application of the Aggregate Discounted Balance Increase Amount or the Aggregate Discounted

Balance Reduction Amount (as applicable)) at the end of the Monthly Collection Period before the relevant Interest Payment Date); or (ii) for so long as a Servicer Replacement Event is continuing, zero.

"Title Documents"	means the documents relating to or otherwise evidencing the title to the Charged Vehicles or possession thereof and including, for the avoidance of doubt, any vehicle registration documents.
"Transaction Documents"	means the Agency Agreement, the Bank Account Agreement, the Cash Management Agreement, the Corporate Services Agreement, the Issuer Deed of Charge, the LPUK Deed of Charge, the Master Definitions Schedule, the Purchase Agreement, any Transfer Notice, the Realisation Agency Agreement, the Servicing Agreement, the Sub-Maintenance Coordinator Agreement, the Reserve Loan Agreement, the Interest Rate Swap Agreement, the Trust Deed and any other agreement or document from time to time designated as such by the Issuer and the Issuer Security Trustee.
"Transaction Party"	means any person who is a party to a Transaction Document and "Transaction Parties" means some or all of them.
"Transfer Notice"	means a transfer notice from the Seller to the Issuer, the Issuer Security Trustee and the Cash Manager, substantially in the form as set out in Schedule 1 to the Purchase Agreement.
"Trigger Reserve Ledger"	means the Maintenance Reserve Ledger and the Liquidity Reserve Ledger.
"Trust Deed"	means the trust deed entered into on the Closing Date between the Issuer and the Note Trustee pursuant to which the Notes are constituted.
"Trustee Agent Role"	has the meaning given on page 163.
"UK Article 7 ITS"	means Commission Implementing Regulation (EU) 2020/1225 as it forms part of domestic law by virtue of the EUWA, including any relevant legislation, instruments, rules, policy statements, guidance, transitional relief or other implementing measures of the FCA, the Bank of England, the PRA, the Pensions Regulator or other relevant UK regulator (or their successor) in relation thereto.
"UK Article 7 RTS"	means the Commission Delegated Regulation (EU) 2020/1224 as it forms part of domestic law by virtue of the EUWA, including any relevant legislation, instruments, rules, policy statements, guidance, transitional relief or other implementing measures of the FCA, the Bank of England, the PRA, the Pensions Regulator or other relevant UK regulator (or their successor) in relation thereto.
"UK Article 7 Technical Standards"	means the UK Article 7 RTS and the UK Article 7 ITS.
"UK CRR"	means Regulation (EU) No 575/2013 as it forms part of domestic law by virtue of the EUWA, including any applicable regulations, rules, guidance or other implementing measures of the FCA, the Bank of England or the PRA (or their successor) in relation thereto.
"UK EMIR"	means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories as it forms part of domestic law of the United Kingdom by virtue of the EUWA.
"UK Insolvency"	means Regulation (EU) 2015/848 as it forms part of domestic law by virtue of

Regulation"	the EUWA and the Insolvency (Amendment) (EU Exit) Regulations 2009, SI 2019/146.
"UK Securitisation Repository Operational Standards"	means Commission Delegated Regulation (EU) 2020/1229 (the " 2020/1229 RTS ") as it forms part of domestic law by virtue of the EUWA, including any applicable regulations, rules, guidance or other implementing measures of the FCA (or its successor) in relation thereto.
"UK Securitisation Regulation"	means Regulation (EU) 2017/2402 as it forms part of the domestic law by virtue of the EUWA, including any relevant binding technical standards, regulations, instruments, rules, policy statements, guidance, transitional relief or other implementing measures of the FCA, the Bank of England, the PRA, the Pensions Regulator or other relevant UK regulator (or their successor) in relation thereto.
"UK STS Notification Technical Standards"	mean Commission Delegated Regulation (EU) 2020/1226 and Commission Implementing Regulation (EU) 2020/1227 as these form part of domestic law by virtue of the EUWA, including any applicable regulations, rules, guidance or other implementing measures of the FCA or other relevant UK regulator (or their successor) in relation thereto.
"UK STS Requirements"	means the requirements of Articles 18 to 22 of the UK Securitisation Regulation.
"VAT" or "Value Added Tax"	means value added tax imposed by the United Kingdom as referred to in VATA and legislation (whether delegated or otherwise) replacing the same or supplemental thereto or in any primary or subordinate legislation promulgated by the European Union or any official body or agency thereof, and any similar turnover tax replacing or introduced in addition to any of the same or any similar sales, purchase or turnover tax chargeable outside the European Union, if any amount or fee payable by the Issuer is expressed to be inclusive of VAT, section 89 of VATA shall not apply to such amount.
"VAT Collections"	means the aggregate VAT Components actually received.
"VAT Component"	means in relation to each supply made by LPUK in relation to a Leased Vehicle for which any Collections and/or Vehicle Realisation Proceeds and/or RV Claims and/or Final Balloon Payment Receivables (or any part thereof) are the consideration for VAT purposes, such part of such Collections and/or Vehicle Realisation Proceeds and/or RV Claims and/or Final Balloon Payment Receivables received by the Issuer as equals the amount of VAT on that supply for which LPUK is required to account to the relevant Tax Authority.
"VAT Deferred Purchase Price"	in relation to each calendar month , means an amount payable to the Seller in accordance with the Purchase Agreement in an amount equal to all the VAT Components received by the Issuer during that calendar month in relation to any Leased Vehicles relating to the Portfolio.
"VATA"	means the Value Added Tax Act 1994.
"Vehicle"	means any Passenger Vehicle, Commercial Vehicle, Light Commercial Vehicle or any Heavy Goods Vehicle.
"Vehicle Realisation Proceeds"	means the sum of: the Vehicle Sale Proceeds resulting from the realisation (sale or other disposal) of each Leased Vehicle less any realisation costs incurred in connection with such realisation and any other proceeds, if any, substituting such Leased Vehicle or otherwise constituting an RV Claim and/or Final Balloon Payment Receivable (but not already calculated as a

Collection).

**"Vehicle Sale
Proceeds"**

means the sale proceeds arising from the sale of a Leased Vehicle.

INDEX OF DEFINED TERMS

£	ix, 252	Back-Up Sub-Maintenance Coordinator	
€	231	Stand-By Fee	226
2020/1229 RTS	250, 255	Bank Account Agreement	169, 226
Accelerated Amortisation Event.....	223	Bank Accounts.....	226
Accelerated Amortisation Period Priority		Bank Rate	252
of Payments.....	223	Banking Act.....	41
Account Bank.....	50, 223	Base Rate Modification	185
Act.....	208	Base Rate Modification Certificate.....	185
Additional Account	223	Basic Terms Modification	183, 226
Additional Cut-Off Date	223	BCBS	29
Additional FCA Covid-19 Guidance	5, 106	BCM.....	117
Additional Final Balloon Payment		BEIS.....	103
Receivables	223	Benchmarks Regulation.....	iv
Additional Lease Receivables	223	beneficial owner.....	217
Additional Portfolio.....	i, 223	BoE	47
Additional Portfolio Purchase Date	223	Book-Entry Interests	214
Additional Portfolio Purchase Price	223	Breathing Space Regulations.....	30
Additional Portfolio Schedule.....	223	BRRD.....	42
Additional RV Claims	224	BRRD II	42
Additional Swap Collateral Account	224	Business Day	227
Administrator Incentive Recovery Fee	224	Calculation Date	227
Advance.....	163, 224	Cash Management Agreement.....	165, 227
Advances	163	Cash Manager	49, 165, 227
Agency Agreement.....	169, 172, 224	CCA	31, 96, 98, 227
Agent Bank	51, 172, 224	Central Bank.....	ii
Aggregate Defaulted Balance.....	224	Charged Vehicle	161
Aggregate Discounted Balance	224	Charged Vehicles.....	227
Aggregate Discounted Balance Increase		Class.....	227
Amount.....	136, 224	Class A Notes	172, 227, 245
Aggregate Discounted Balance		Class A Notes Interest Amount.....	177
Reduction Amount	136, 225	Class A Notes Interest Rate	176
Aggregate Principal Amount		Class B Note.....	172, 227
Outstanding.....	225	Class B Note Interest Amount	177
Alternative Base Rate	185	Class B Note Interest Rate.....	177
Amortisation Event.....	225	Class B Note Purchaser.....	51
Ancillary Rights	225	Class of Notes	227
Appointee.....	225	Clean-up Call.....	147, 228
Appointment Trigger	225	Clearing Obligation.....	46
Arranger.....	51	Clearing System Business Day.....	216
Authorised Entity	225	Clearing Systems	228
Authorised Investments	225	Clearstream, Luxembourg	172
Automatic Crystallisation Event.....	162, 226	Closed Calculation	228
Available Distribution Amount.....	69, 226	Closed Calculation Contract Hire Lease	
Back-Up Realisation Agency Agreement.....	58	Agreement	228
Back-Up Realisation Agent.....	57	Closed Calculation Contract Purchase	
Back-Up Realisation Agent Role	156, 226	Lease Agreement	228
Back-Up Realisation Agent Stand-By		Closing Date.....	i, 172, 228
Fee.....	226	CMA	101
Back-Up Servicer	56	COBS	viii
Back-Up Servicer Fee.....	226	Code.....	178
Back-Up Servicer Role	153, 226	Collection Agent.....	117
Back-Up Servicer Stand-By Fee	226	Collection Ledger.....	228
Back-Up Servicing Agreement	56, 153	Collections.....	228
Back-Up Sub-Maintenance Coordinator.....	57, 226	Commercial Vehicle.....	228
Back-Up Sub-Maintenance Coordinator		Commissions	101
Agreement.....	57, 226	Common Safekeeper	ix, 214
Back-Up Sub-Maintenance Coordinator		Company Group.....	228
Role	157	Compounded Daily SONIA.....	228

CONC.....	96	Eurosystem	214
Conditions.....	172	Eurosystem eligible collateral.....	47
consumer.....	100	EUWA.....	viii, 232
Consumer Credit Directive	229	Excess Collection Amount	232
Contract Purchase Lease Agreement	229	Expected Collections.....	232
COR.....	229	Extraordinary Resolution.....	232
Corporate Lease Agreement.....	229	Fair Wear and Tear	120
Corporate Lessee	229	FATCA.....	178, 232
Corporate Services Agreement.....	168, 229	FCA.....	iii
Corporate Services Provider	51, 229	FCA Covid-19 Guidance.....	5, 105
Corporate Warranties.....	140, 229	FCs.....	46
Corresponding Sub-Maintenance Invoice.....	148	fi fa.....	10
Counterparty Criteria.....	16, 187	Final Balloon Payment.....	232
Covid-19	25	Final Balloon Payment Receivables.....	232
Covid-19 Pandemic	25	Final Discharge Date.....	233
Covid-19 Payment Holiday.....	229	Final Maturity Date.....	179
CPR	195	Final Payment.....	114, 233
CPUTR.....	34	Finance Lease Agreements.....	233
CRA.....	33, 100	Fitch	90, 233
Credit and Collection Processing		foreign passthru payments.....	208
Procedures.....	12, 149, 229	FSMA.....	31, 96, 98, 233
Credit Policy	229	Further Maintenance Reserve Advance.....	164, 233
Critical Obligations Rating	88, 241	GCRMS.....	115
Crystallisation Threshold.....	161, 229	Global Note	172, 214
Cumulative Default Ratio	229	Heavy Goods Vehicle.....	233
Cut-Off Date	230	Hire Purchase Lease Agreement	233
Data File	135	HMRC.....	208
DBRS	88, 230	Holdings	49, 197, 233
DBRS Equivalent Rating.....	88, 91, 230	ICSDs.....	ii
DBRS Equivalent Rating Table.....	91, 230	IGAs.....	208
Decryption Key	230	Indirect Participants	214
Deemed Collection	230	Information Regulations.....	33
Defaulted Balance	230	Initial Cut-Off Date.....	233
Defaulted Lease Agreement.....	230	Initial Portfolio.....	i, 233
Deferred Purchase Price.....	72, 231	Initial Portfolio Schedule.....	233
Definitive Notes	231	Initial Purchase Date	233
Delinquency Ratio.....	231	Initial Purchase Price.....	233
Discount Rate	231	Insolvency Act	233
Distribution Compliance Period	211	Insolvency Event.....	233
distributor.....	viii	Insolvency Official.....	234
DMR.....	231	Insurance Compensation Payment	234
DMR Agreements	103	Insurance Distribution Directive.....	viii
DMRs	33	Interest Amount	177
Early Termination Event.....	170, 231	Interest Determination Date.....	234
EEA.....	v, viii, 23	Interest Payment Date	176, 235
Electronic Resolution	66	Interest Period.....	176, 235
Eligibility Criteria	140, 231	Interest Rate.....	177
Eligible Bank	231	Interest Rate Swap	77
Eligible Swap Counterparty	23	Interest Rate Swap Agreement.....	235
Encumbrance.....	231	Interest Rate Swap Counterparty	50, 235
Estimated Residual Value	231	Interest Residual Amount	190, 235
EU	23	Interest Shortfall Ledger.....	235
EU Article 7 ITS	231	Investment Earnings.....	235
EU Article 7 RTS.....	232	Investment Grade Rating.....	235
EU Article 7 Technical Standards	232	Investor Report	94
EU Benchmarks Regulation.....	25	ISDA	235
EU CRR.....	29	Issuer	49, 172, 235
EU EMIR.....	14, 184, 232	Issuer Charged Assets	192, 235
EU Insolvency Regulation	232	Issuer Charged Documents.....	235
EU Securitisation Regulation.....	38, 232	Issuer Deed of Charge.....	160, 172, 235
Euroclear.....	172	Issuer Event of Default.....	181, 235
Euronext Dublin.....	ii	Issuer Potential Event of Default	236

Issuer Secured Creditors	236	Maintenance Coordinator Fee	240
Issuer Secured Liabilities	236	Maintenance Invoice	148
Issuer Security	236	Maintenance Reserve Advance	163, 240
Issuer Security Trustee	50, 172, 236	Maintenance Reserve Ledger	240
Issuer Transaction Account	236	Maintenance Settlement Ledger	240
Issuer Transaction Account Ledger	236	Master Agreement	240
Issuer Transaction Account Ledgers	166, 236	Master Definitions Schedule	172, 240
Joint Lead Managers	51, 210	Material Adverse Effect	240
Junior Deferred Purchase Price	72, 237	MiFID II	viii
Junior Deferred Purchase Price Reserve Ledger	72	Minimum Denomination	214
LBD	229	Minimum Required Ratings	240
Lease Agreement	237	Monthly Collection Period	241
Lease Agreement Early Termination	237	Moody's	241
Lease Agreement Early Termination Date	237	MOST Senior Class Outstanding	60, 181
Lease Agreement Recalculation	237	MOT	111
Lease Agreement Silent Extension	237	NACE Hierarchical Classification	241
Lease Instalment	237	Net Swap Payments	241
Lease Interest Collections	237	Net Swap Receipts	241
Lease Interest Component	237	New Safekeeping Structure	214
Lease Maturity Date	237	NFC+s	46
Lease Maturity Extension	237	NFCs	46
Lease Maturity Extension Date	237	NFC-s	46
Lease Principal Collections	237	Non VAT Collections	242
Lease Principal Component	238	Non VAT Component	242
Lease Purchase Lease Agreement	238	Non-Insolvency Realisation Agent Termination Event	242
Lease Receivable Material Adverse Effect	138, 238	Non-Insolvency Servicer Termination Event	242
Lease Receivables	238	Non-Insolvency Sub-Maintenance Coordinator Termination Event	242
Lease Services	238	Non-RV Receivables Percentage	144
Lease Servicing Collections	238	Normal Amortisation Period Priority of Payments	73, 242
Lease Servicing Component	238	Note Acceleration Notice	181, 242
Lease Termination Date	238	Note Rate	242
Lease Warranties	139, 238	Note Trustee	50, 172, 242
Leased Vehicle	238	Noteholder	173
LeasePlan Go	237	Noteholders	173
LeasePlan Group	237	Notes	172, 242
LEI	i	NSS	214
Lessee Notification Event	238	Observation Period	242
Lessee(s)	238	Official List	ii
Liability	239	OFT	242
LIBOR	239	Ombudsman	98, 242
Light Commercial Vehicle	239	onerous property	44
Liquidation Fee	239	Open Calculation	243
Liquidity Reserve	77, 239	Open Calculation Contract Hire Lease Agreement	243
Liquidity Reserve Advance	163	Open Calculation Contract Purchase Lease Agreement	243
Liquidity Reserve Ledger	239	Operating Lease Agreements	243
Listing Agent	51	Operating Ledger	243
Loan Interest Period	239	Option to Purchase Fee	243
London Banking Day	229	Ordinary Resolution	243
Long-Term DBRS Rating	88, 241	Original Maturity	243
LPC	202, 239	Originator	49, 243
LPUK	239	Participants	214
LPUK Deed of Charge	161, 239	Passenger Vehicle	243
LPUK Secured Creditor	239	Paying Agents	172, 243
LPUK Security	239	PCS UK	iii
LPUK Security Interest	239	Performing Final Balloon Payment Receivables	243
LPUK Security Trustee	50, 239		
LPUK Security Trustee Appointee	240		
LPUK Servicing Procedures	240		
Maintenance Coordinator	49		

Performing Lease Receivable.....	243	Reserve Loan Agreement	163, 248
Performing RV Claims	243	Reserve Loan Provider	50, 248
Permitted Encumbrance.....	244	Reserves Trigger Event	248
Permitted Lease Maturity Extension.....	244	Restructuring Plan.....	4
Portfolio	i, 244	Retained Profit Ledger	248
Portfolio Schedule	244	Retention	iii
Pre-Crystallisation Trigger Event.....	244	Revised Purchase Date.....	248
Presentation Date.....	178	Revolving Period	249
PRIIPs Regulation	viii	Revolving Period Priority of Payments ..	71, 249
Principal Amount Outstanding.....	180, 244	Revolving Period Termination Event.....	249
Principal Paying Agent.....	50, 172, 244	Risk Mitigation Requirements	46
Priority of Payments	245	Risk Retention U.S. Persons	i, vii, 36
Procure.....	80	RV Claims	249
Prohibited Lease Maturity Extension.....	245	S&P	90, 249
Prospectus	i, ii	Screen.....	250
Prospectus Regulation	ii	Securities Act.....	i
Public Sector Lease Agreement.....	245	Securitisation Tax Regulations	40
Public Sector Lessee.....	245	Seller	49, 250
Purchase Agreement.....	135, 245	Seller Collection Accounts	250
Purchase Date.....	245	Seller Credit Quality Event.....	250
Purchaser	49, 245	Seller Event of Default.....	250
RAO	31, 96	Senior Deferred Purchase Price	250
rating.....	26	Senior Expenses	251
Rating Agencies	245	Servicer	49, 56, 251
Rating Agency.....	245	Servicer Fee.....	251
ratings	26	Servicer Replacement Event.....	77, 251
Ratings Confirmation	27, 245	Servicer Termination Event.....	251
Realisation	63, 192	Servicing Agreement.....	56, 149, 252
Realisation Agency Agreement.....	57, 154, 245	SFCs.....	46
Realisation Agent.....	49, 57, 245	Share Trustee	198
Realisation Agent Fee.....	155, 246	SME	115
Realisation Agent Termination Event.....	245	SME/Retail Lease Agreement.....	252
Realisation Procedure Rules	154	SME/Retail Lessee.....	252
Realisation Services.....	246	SONIA	25, 252
Receiver	182, 246	SONIA Reference Rate	252
Records	246	Specific Industry Group	252
Register.....	173	Sterling.....	ix, 252
Registered Definitive Notes	173, 217	Sterling Day Count Fraction	177
Registrar	51, 172, 246	Sterling LIBOR.....	252
Regulated Lease Agreement	246	Sterling Swap Collateral Account.....	252
Regulated Lease Agreements.....	96	STS Verification	iii
Relevant Class of Notes.....	67	Sub-Maintenance Coordinator	49, 252
Relevant Date.....	180	Sub-Maintenance Coordinator	
Relevant Entity.....	233	Agreement	148, 156, 252
Relevant Screen.....	190	Sub-Maintenance Coordinator Fee.....	253
Remaining Maturity.....	246	Sub-Maintenance Coordinator	
Replacement Swap Premium	246	Termination Event	253
Replenishment Criteria.....	143, 247	Subordinated Termination Payment.....	253
Replenishment Ledger	247	Subscription Agreement	210
Reporting Agent.....	50, 247	Suitable Entity	253
Reporting Agent Fee.....	247	Swap Collateral.....	254
Reporting Entity	49, 247	Swap Collateral Account.....	254
Repurchase Price.....	55, 147, 247	Swap Termination Payments	254
Repurchased Hire Purchase Lease		Target2	254
Agreements.....	145	Tax Authority	254
Repurchaser	247	Tax Credit.....	254
Required Liquidity Reserve Amount.....	247	Taxes	62, 180
Required Maintenance Reserve Amount	247	TCE FC	46
Required Principal Redemption Amount.....	247	TCE NFC-	46
Required Replenishment Amount	248	TCE NFC+	46
Required Reserve Amount.....	248	Theoretical Principal Amount.....	254
Reserve Loan	248	Title Documents.....	254

Trade and Cooperation Agreement.....	23	UK MiFIR Product Governance Rules.....	ix
Transaction Documents	254	UK PRIIPs Regulation	viii
Transaction Parties	254	UK Securitisation Regulation	255
Transaction Party.....	254	UK Securitisation Repository	
Transfer Notice	255	Operational Standards	250, 255
Trigger Reserve Ledger	255	UK STS Notification.....	iii
Trust Deed	158, 172, 255	UK STS Notification Technical	
Trustee Agent.....	58	Standards	255
Trustee Agent Role.....	162, 255	UK STS Requirements	256
U.S. person.....	212	UNFCOG	101
U.S. Risk Retention Rules	i, iii, vii	UTCCR	32
U.S. Risk Retention Waiver	i, vii	Value Added Tax.....	256
UCTA	101	VAT	109, 256
UCTD	103	VAT Collections.....	256
UK	viii, 23	VAT Component.....	256
UK Article 7 ITS.....	255	VAT Deferred Purchase Price	256
UK Article 7 RTS.....	255	VATA	256
UK Article 7 Technical Standards.....	255	Vehicle	256
UK Benchmarks Regulation	25	Vehicle Realisation Proceeds.....	256
UK CRR	255	Vehicle Sale Proceeds	256
UK EMIR	14, 184, 255	Vehicle Schedule	109
UK Insolvency Regulation.....	255	Volcker Rule.....	iii, 40
UK MiFIR.....	viii	WAL	195

Issuer

Bumper UK 2021-1 Finance plc
1 Bartholomew Lane
London, EC2N 2AX

Corporate Services Provider of the Issuer

Intertrust Management Limited
1 Bartholomew Lane
London, EC2N 2AX

Arranger

LeasePlan Corporation N.V.
Gustav Mahlerlaan 360
1082 ME Amsterdam
The Netherlands

Joint Lead Managers

Banco Santander, S.A.
Pasco de Pereda 9-12
39004 Santander
Spain

BNP Paribas
16 Boulevard des Italiens
75009 Paris
France

Seller, Servicer, Sub-Maintenance Coordinator Realisation Agent and Reserve Loan Provider

LeasePlan UK Limited
165 Bath Road
Slough, Berkshire
SL1 4AA

Interest Rate Swap Counterparty

Banco Santander, S.A.
Ciudad Grupo Santander Edificio Dehesa, Planta 1,
Avenida de Cantabria, s/n,
28660 Boadilla del Monte (Madrid), Spain

Note Trustee, Issuer Security Trustee and LPUK Security Trustee

BNP Paribas Trust Corporation UK Limited
10 Harewood Avenue
London NW1 6AA

Irish Listing Agent

Arthur Cox Listing Services Limited
Ten Earlsfort Terrace
Dublin 2, Ireland

Account Bank

BNP Paribas Securities Services, London Branch
10 Harewood Avenue
London NW1 6AA

Principal Paying Agent, Registrar and Agent Bank

BNP Paribas Securities Services, Luxembourg Branch

60 avenue J.F. Kennedy, L-1855, Luxembourg

Cash Manager

Intertrust Administrative Services B.V 6PA1097 JB Amsterdam
Prins Bernhardplein 200
The Netherlands

External Auditors of the Issuer

KPMG LLP
Arlington Business Park
Reading RG7 4SD

Legal Advisor of LeasePlan UK Limited and LeasePlan Corporation N.V. as to English law

Allen & Overy LLP
One Bishops Square
London E1 6AD

Legal Advisor of the Joint Lead Managers, Note Trustee, Issuer Security Trustee and LPUK Security Trustee as to English law

Hogan Lovells International LLP
Atlantic House
50 Holborn Viaduct
London EC1A 2FG