

£386,400,000.00

Globaldrive Auto Receivables UK 2019-A plc

(a public limited company incorporated under the laws of England and Wales with registered number 11969343)

FCE Bank plc
Seller and Servicer

Before you purchase any notes, be sure you understand the structure and the risks. You should consider carefully the risk factors beginning on page 20 of this prospectus.

The notes will be obligations of the issuer only and will not be obligations of or interests in FCE Bank plc or its affiliates.

The issuer will issue:

	<u>Principal Amount</u>	<u>Issue Price</u>	<u>Interest Rate</u>	<u>Final Legal Maturity Date</u>
Class A notes (1)	£ 350,000,000.00	100%	Compounded Daily SONIA + 0.54% with a 0% floor	20 September 2026
Class B notes (1)	£ 36,400,000.00		Compounded Daily SONIA + 1.50% with a 0% floor	20 September 2026
Class C notes (2)	£ 86,580,667.18	100%	5.00% fixed rate	20 September 2026
Total.....	£ 472,980,667.18	100%		

(1) If Compounded Daily SONIA plus the spread for the Class A notes and/or for the Class B notes is less than zero, the interest rate will be 0.00%.
(2) The Class C notes are not being offered by this prospectus.

- The notes will be backed by a pool of new and used car and light commercial vehicle receivables originated in the United Kingdom by FCE Bank plc.
- The issuer will pay interest and principal on the notes on the 20th day of each month (or, if not a business day, the next business day). The first payment date will be 21 October 2019. The issuer will pay each class of notes in full on its final legal maturity date (or if not a business day, the next business day) if not paid in full before that date.
- The issuer will pay principal sequentially to each class of notes in order of seniority until each class is paid in full.
- The Class A notes and Class B notes are being offered by this prospectus outside the United States to non U.S. persons as defined in Regulation S under the U.S. Securities Act of 1933, as amended in reliance on Regulation S. The Class A notes and the Class B notes are referred to as the "listed notes". The Class C notes are not offered under this prospectus.
- The credit enhancement for the Class A notes and the Class B notes will be a reserve account, subordination and excess spread.
- The issuer will enter into an interest rate swap agreement to hedge the interest rate risk on the Class A notes and the Class B notes.

This prospectus has been approved by the Central Bank of Ireland or the "Central Bank" as competent authority under Regulation (EU) 2017/1129, 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 the quality of the listed notes that are the subject of this prospectus and investors should make their own assessment as to the suitability of investing in the listed notes. Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin or "Euronext Dublin" for the listed notes to be admitted to the official list and trading on its regulated market. Such approval relates only to the listed notes which are to be admitted to trading on the regulated market of Euronext Dublin or other regulated markets for the purposes of the Markets in Financial Instruments Directive 2014/65/EU or which are to be offered to the public in a Member State of the European Economic Area or "EEA". This document is a prospectus for the purposes of the Prospectus Regulation.

Under Article 23(1) of the Prospectus Regulation, every significant new factor, material mistake or material inaccuracy relating to the information included in a prospectus which may affect the assessment of the securities and which arises or is noted between the time when the prospectus is approved and the closing of the offer period or the time when trading on a regulated market begins, whichever occurs later, shall be mentioned in a supplement to the prospectus without undue delay.

This prospectus is valid for a period of twelve months from the date hereof. The obligation to supplement the prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when the prospectus is no longer valid.

The listed notes will be issued in registered form and in the denominations of £100,000 and integral multiples of £1,000 in excess of £100,000, up to and including £199,000. Interests in each of the Class A notes and Class B notes will be represented by an unrestricted global registered note each, a "global note", without interest coupons attached. The global note representing the Class A notes will be deposited on the closing date with a nominee for one of Euroclear Bank S.A./N.V., or "Euroclear" or Clearstream Banking S.A. or "Clearstream, Luxembourg" which will act as the common safekeeper for the Class A notes. The global note representing the Class B notes will be deposited on or around the closing date with, and registered in the name of, a nominee of a common depository for Clearstream, Luxembourg and Euroclear. Except in certain limited circumstances, the global notes will not be exchangeable for unrestricted registered definitive notes, or "definitive notes", and no definitive notes will be issued with a denomination above £199,000.

The Class A global note will be issued under the NSS. The Class A notes are intended to be held in a manner which will allow Eurosystem eligibility. This does not mean that the Class A notes will be recognised as Eurosystem eligible collateral and the Class A notes will not satisfy all of the applicable criteria that are currently in force to be recognised as Eurosystem eligible collateral on issue.

The issuance of the notes is not designed to comply with the U.S. Risk Retention Rules other than under the "foreign offering" exemption under Section 20 of the U.S. Risk Retention Rules, and no other steps have been taken by the issuer, the seller or the joint lead managers or any of their affiliates or any other party to accomplish such compliance.

Joint Lead Managers for the Class A notes and the Class B notes

BNP PARIBAS

Lloyds Bank Corporate Markets

NatWest Markets

Santander Corporate and Investment Banking

IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS

THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED OR THE "SECURITIES ACT" OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE NOTES MAY NOT BE OFFERED OR SOLD DIRECTLY OR INDIRECTLY WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT) EXCEPT UNDER AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS AND UNDER CIRCUMSTANCES DESIGNED TO PRECLUDE THE ISSUER FROM HAVING TO REGISTER UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED, OR THE "INVESTMENT COMPANY ACT". THE NOTES WILL ONLY BE OFFERED AND SOLD OUTSIDE THE UNITED STATES TO NON U.S. PERSONS IN COMPLIANCE WITH THE REQUIREMENTS OF REGULATIONS UNDER THE SECURITIES ACT. THERE IS NO UNDERTAKING TO REGISTER THE NOTES UNDER STATE OR FEDERAL SECURITIES LAW IN THE UNITED STATES. THE NOTES CANNOT BE SOLD IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS UNLESS THEY ARE LATER REGISTERED OR AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT IS AVAILABLE.

NO LIABILITY FOR ANY FAILURE BY THE ISSUER TO PAY ANY AMOUNT DUE UNDER THE NOTES WILL BE ACCEPTED BY THE SELLER, THE SWAP COUNTERPARTY, THE JOINT LEAD MANAGERS, THE SERVICER, THE CASH MANAGER, THE ACCOUNT BANK, THE PRINCIPAL PAYING AGENT, THE CALCULATION AGENT, THE TRUSTEE, THE SECURITY TRUSTEE, THE CORPORATE SERVICES PROVIDER, OR BY ANY PERSON OTHER THAN THE ISSUER.

This prospectus contains information about Globaldrive Auto Receivables UK 2019-A plc and the terms of the notes to be issued by the issuer. You should rely only on information provided or referenced in this prospectus.

This prospectus starts with a transaction overview setting out:

- *Diagrams* – separate diagrams show the structure of this securitisation transaction, the credit enhancement available to the notes, the interest and principal collections available to the issuer of this securitisation transaction, the priority of payments for this securitisation transaction, and the role that each transaction party and each transaction document plays in this securitisation transaction,
- *Overview of the Notes and this Securitisation Transaction* – provides an overview of the notes, the assets of the issuer, the cash flows in this securitisation transaction and the credit enhancement available to the notes, and
- *Risk Factors* – describes the most significant risks of investing in the notes.

The other sections of this prospectus contain more details about the notes and the structure of this securitisation transaction. Cross-references refer you to more details about a particular topic or related information elsewhere in this prospectus. The table of contents on page (vi) contains references to key topics.

An index of defined terms is at the end of this prospectus.

This prospectus has been prepared by the issuer and may not be copied or used for any purpose other than for your evaluation of an investment in the notes.

The delivery of this prospectus at any time does not imply that the information in this prospectus is correct as at any time after its date.

The issuer accepts responsibility for the information in this prospectus. To the best of the knowledge and belief of the issuer (which has taken all reasonable care to ensure that such is the case) the information in this prospectus is in accordance with the facts and contains no omission likely to affect the import of such information.

FCE Bank plc or "FCE" accepts responsibility for the information in the sections entitled "*Seller and Servicer*" and "*Receivables*". To the best of the knowledge and belief of FCE (which has taken all reasonable care to ensure that such is the case) the information in the sections entitled "*Seller and Servicer*" and "*Receivables*" is in accordance with the facts and contains no omission likely to affect the import of such information.

Lloyds Bank Corporate Markets plc accepts responsibility for the information about itself in the section entitled "*Swap Counterparty*". To the best of the knowledge and belief of Lloyds Bank Corporate Markets plc (which has taken all reasonable care to ensure that such is the case) the information about itself in the section entitled "*Swap Counterparty*" is in accordance with the facts and contains no omission likely to affect the import of such information.

U.S. Bank Trustees Limited accepts responsibility for the information about itself in the section entitled "*Trustee and Security Trustee*". To the best of the knowledge and belief of U.S. Bank Trustees Limited (which has taken all reasonable care to ensure that such is the case) the information about itself in the section entitled "*Trustee and Security Trustee*" is in accordance with the facts and contains no omission likely to affect the import of such information.

Elavon Financial Services DAC, U.K. Branch accepts responsibility for the information about itself in the section entitled "*Account Bank*". To the best of the knowledge and belief of Elavon Financial Services DAC, U.K. Branch (which has taken all reasonable care to ensure that such is the case) the information about itself in the section entitled "*Account Bank*" is in accordance with the facts and contains no omission likely to affect the import of such information.

U.S. Bank Global Corporate Trust Limited accepts responsibility for the information about itself in the section entitled "*Cash Manager*". To the best of the knowledge and belief of U.S. Bank Global Corporate Trust Limited (which has taken all reasonable care to ensure that such is the case) the information about itself in the section entitled "*Cash Manager*" is in accordance with the facts and contains no omission likely to affect the import of such information.

The notes are obligations solely of the issuer and are not obligations of, are not guaranteed by and are not the responsibility of any other entity. In particular, the notes are not the obligations of, are not guaranteed by and are not the responsibility of FCE, the joint lead managers, the swap counterparty, the cash manager, the account bank, the paying agents, the security trustee or the trustee.

The information in this prospectus about FCE, the swap counterparty, the cash manager and the account bank relates to and has been obtained from each of them.

The delivery of this prospectus will not create an implication that there has been no change in the activity of FCE, the swap counterparty, the cash manager or the account bank since the date of this prospectus or that the information contained or referred to in it is correct as at any time after its date. The information provided by FCE, the swap counterparty, the cash manager and the account bank to the issuer has been accurately reproduced and, as far as the issuer is aware, and is able to ascertain from information provided, no facts have been omitted that would make the reproduced information inaccurate or misleading. The issuer has taken no steps to verify independently this information.

No person has been authorised in connection with the issue, offering, subscription or sale of the notes to give information or to make representations not in this prospectus and, if given or made, such information or representation must not be relied on as having been authorised by or on behalf of the issuer, the directors of the issuer or FCE.

Purchasers of the notes should conduct such independent investigation and analysis of the issuer, FCE, the swap counterparty, the receivables and the notes as they deem appropriate to evaluate the

merits and risks of an investment in the notes. FCE, the joint lead managers, the swap counterparty, the cash manager, the account bank, the paying agents, the security trustee and the trustee make no representation, recommendation or warranty, express or implied, about the accuracy, adequacy, reasonableness or completeness of the information in this prospectus or in any further information, notice or other document which may be supplied by or on behalf of the issuer in connection with the notes and accept no responsibility or liability for such information. None of the joint lead managers nor any of their respective affiliates will be responsible for, or for investigating, any matter which is the subject of any statement, representation, warranty or covenant of the issuer contained in the notes, or any other agreement or document relating to the notes, or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence of the notes or any such other agreement or document. None of FCE, the joint lead managers, the swap counterparty, the cash manager, the account bank, the paying agents, the security trustee or the trustee will review the financial position or activity of the issuer while the notes are outstanding nor, unless required by applicable law, will advise investors or potential investors in the notes of information coming to its attention.

Amounts payable on the Class A notes and the Class B notes are calculated by reference to the Sterling Overnight Index Average, or "SONIA". As at the date of this prospectus, the administrator of SONIA does not appear on the register of administrators and benchmarks established and maintained by European Securities and Markets Authority in accordance with Article 36 of Regulation (EU) No. 2016/1011, or the "Benchmarks Regulation". The transitional provisions in Article 51 of the Benchmarks Regulation apply, such that the Bank of England is not currently required to obtain authorisation/registration (or, if located outside the European Union, recognition, endorsement or equivalence).

Nothing in this prospectus is an offer of securities for sale or the solicitation of an offer to buy the securities of the issuer 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 U.S. Securities Act of 1933, as amended, or "Securities Act", or the securities laws of any state of the United States and 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, or "Regulation S", except under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws and under circumstances designed to preclude the issuer from having to register under the U.S. Investment Company Act of 1940, as amended, or the "Investment Company Act".

The notes sold as part of the initial distribution of the notes may not be purchased by any person except for persons that are not "U.S. persons" as defined in the U.S. Risk Retention Rules, or "Risk Retention U.S. Persons". "U.S. Risk Retention Rules" means Regulation RR (17 C.F.R Part 246) implementing the risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended. Prospective investors should note that, although the definition of "U.S. person" in the U.S. Risk Retention Rules is similar to the definition of "U.S. person" in Regulation S, the definitions are not identical and persons who are not "U.S. persons" under Regulation S may be "U.S. persons" under the U.S. Risk Retention Rules.

Each purchaser of notes, including beneficial interests in such notes will be deemed, and in certain circumstances will be required, to have made certain representations and agreements, including that it (1) is not a Risk Retention U.S. Person, (2) is acquiring such note or a beneficial interest in such notes for its own account and not with a view to distribute such note, and (3) is not acquiring such note or a beneficial interest in such notes as part of a scheme to evade the requirements of the U.S. Risk Retention Rules. Each prospective investor will be required to make these representations as a condition to placing any offer to purchase the notes. The issuer, the seller and the joint lead managers will rely on these representations, without further investigation.

Notwithstanding the foregoing, the issuer can, with the consent of, and in reliance on, the seller, sell a limited portion of the notes to, or for the account or benefit of, Risk Retention U.S. Persons under the "foreign offering" exemption under Section 20 of the U.S. Risk Retention Rules.

No action has been taken by the issuer or the joint lead managers, other than as described in this prospectus that would permit a public offering of the notes, or possession or distribution of this

prospectus or other offering materials in any country or jurisdiction where action for that purpose is required. No notes may be offered or sold, directly or indirectly, and neither this prospectus, nor a part of this prospectus, nor an information memorandum, offering circular, form of application, advertisement or other offering materials may be issued, distributed or published in any country or jurisdiction except in compliance with applicable laws, orders, rules and regulations. The issuer and the joint lead managers have represented that all offers and sales by them have been made on these terms.

Other than the approval of the Central Bank of this prospectus as a prospectus under the Prospectus Regulation, no action has been or will be taken to permit a public offering of the notes or the distribution of this prospectus in any jurisdiction.

This prospectus may only be used for the purposes for which it has been published. This prospectus is not and does not form part of an offer to sell or the solicitation of an offer to buy securities other than the securities to which it relates or an offer to sell or the solicitation of an offer to buy the securities offered by this prospectus in circumstances in which such offer, solicitation or sale is not permitted. The distribution of this prospectus and the offering and sale of the notes in some jurisdictions may be restricted by law. Persons into whose possession this prospectus comes are required by the issuer and the joint lead managers to inform themselves about and to observe those restrictions. This prospectus is not and may not be used for, or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is not permitted to make such offer or solicitation.

Each initial and subsequent purchaser of the notes will be deemed, by its acceptance of such notes, to have made certain acknowledgements, representations and agreements intended to restrict the resale or other transfer of such notes as set forth therein and described in this prospectus and may be required to provide confirmation of its compliance with such resale and other transfer restrictions in certain cases.

For a further description of certain restrictions on offerings and sales of the notes and distribution of this prospectus you should read "Subscription and Sale".

If you are in any doubt about the contents of this prospectus you should consult your advisers. An investment in the notes is only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such investment and who have sufficient resources to be able to bear any losses that may result from such investment. It should be remembered that the price of the notes and the income from them may decrease.

In connection with the issue and distribution of the Class A notes and the Class B notes, NatWest Markets Plc (in such capacity, the "stabilising manager") or a person acting on behalf of the stabilising manager may over allot Class A notes and/or the Class B notes or effect transactions with a view to supporting the market price of the Class A notes and/or the Class B notes at a level higher than that which might otherwise prevail. However, stabilisation may not occur. Stabilisation action may begin on or after the date that adequate public disclosure of the terms of the offer of the Class A notes and the Class B notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the closing date of the Class A notes and the Class B notes and 60 days after the date of the allotment of the Class A notes and the Class B notes. Stabilisation action or over allotment must be conducted by the stabilising manager or a person acting on behalf of the stabilising manager in compliance with all applicable laws and rules.

FORWARD-LOOKING STATEMENTS

Any projections, expectations and estimates in this prospectus are not historical in nature but are forward-looking statements based on information and assumptions FCE and the issuer consider reasonable. Forward-looking statements are about circumstances and events that have not yet taken place and may vary materially from actual events. Neither FCE nor the issuer is obligated to update or revise any forward-looking statements including changes in economic conditions, portfolio or asset pool performance or other circumstances or developments after the date of this prospectus.

PRIIPs REGULATION

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, or "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 or superseded), or "MiFID II"; or (ii) a customer within the meaning of Directive 2016/97/EU (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014, or 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.

FEE DISCLOSURE

The joint lead managers may have a conflict of interest as they will receive fees for their roles in the transaction. Certain of the joint lead managers and their affiliates, in the ordinary course of business, have engaged or may in the future engage in lending, advisory, investment banking and corporate finance services for the issuer or the seller and servicer, their parent and group companies and to companies involved directly or indirectly in the sector in which the issuer or the seller and servicer operate. Certain of the joint lead managers and their affiliates may make or hold a broad array of investments and actively trade bank loans, debt and equity securities (or related derivative securities) and financial instruments for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the issuer or the seller and servicer or their affiliates. The joint lead managers and their affiliates that have a lending relationship with the issuer or the seller and servicer routinely hedge their credit exposure to such counterparties consistent with their customary risk management policies. Typically the joint lead managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the notes issued. Any such short positions could adversely affect future trading prices of the notes issued.

TARGET MARKET

Solely for the purposes of the joint lead managers' 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, or a "distributor", should take into consideration the joint lead managers' 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 joint lead managers' target market assessment) and determining appropriate distribution channels.

SIMPLE, TRANSPARENT AND STANDARDISED SECURITISATION

The securitisation transaction described in this prospectus is intended to qualify as a simple, transparent and standardised securitisation, or an "STS securitisation" within the meaning of Article 18 of Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down common rules on securitisation and creating a European framework for simple, transparent and standardised securitisation and amending Directives 2009/65/EC, 2009/38/EC, 2011/61/EU and Regulations (EC) No.1060/2009 and (EU) No. 648/2012, or the "Securitisation Regulation" and will be notified on the closing date by the seller, as originator, to be included in the register published by ESMA referred to in Article 27(5) of the Securitisation Regulation by way of a STS notification. The STS notification will be available for download on the website of ESMA. ESMA has, in accordance with Articles 27(6) and(7) of the Securitisation Regulation developed and published on 16 July 2018 a final draft regulatory technical standard specifying the information that the originator, sponsor and SSPE are required to provide in order to comply with their STS notification requirements. As of the date hereof, such regulatory technical standard still has to be adopted by the

European Commission. ESMA is obliged to maintain on its website a list of all securitisations which the originators and sponsors have notified as meeting the STS requirements in accordance with Article 27(5) of the Securitisation Regulation. For this purpose, ESMA has set up a register on an interim basis under <https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation>. According to ESMA, a more established register is to be launched in due course and placed on the dedicated section of its website under <https://registers.esma.europa.eu/publication/>.

The seller, as originator, and the issuer, as SSPE (as defined in the Securitisation Regulation), have used the service of Prime Collateralised Securities (PCS) UK Limited, or "PCS", a third party authorised pursuant to Article 28 of the Securitisation Regulation, to verify whether the securitisation transaction described in this prospectus complies with Articles 19 to 22 of the Securitisation Regulation and the compliance with such requirements is expected to be verified by PCS on the closing date. No assurance can be provided that the securitisation transaction described in this prospectus does or continues to qualify as an STS securitisation under the Securitisation Regulation at any point in time in the future. Noteholders and potential investors should verify the current status of the securitisation transaction on the website of ESMA. None of the issuer, the joint lead managers, the trustee, the security trustee, the servicer, the seller or any of the other transaction parties makes any representation that the securitisation transaction described in this prospectus does qualify or will qualify as an STS securitisation under the Securitisation Regulation on the closing date or at any point in time in the future or accepts any liability in respect of the securitisation transaction described in this prospectus not qualifying as an STS securitisation.

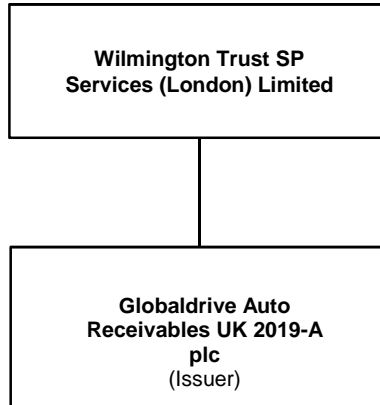
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TRANSACTION OVERVIEW

Ownership Structure Diagram of the Issuer



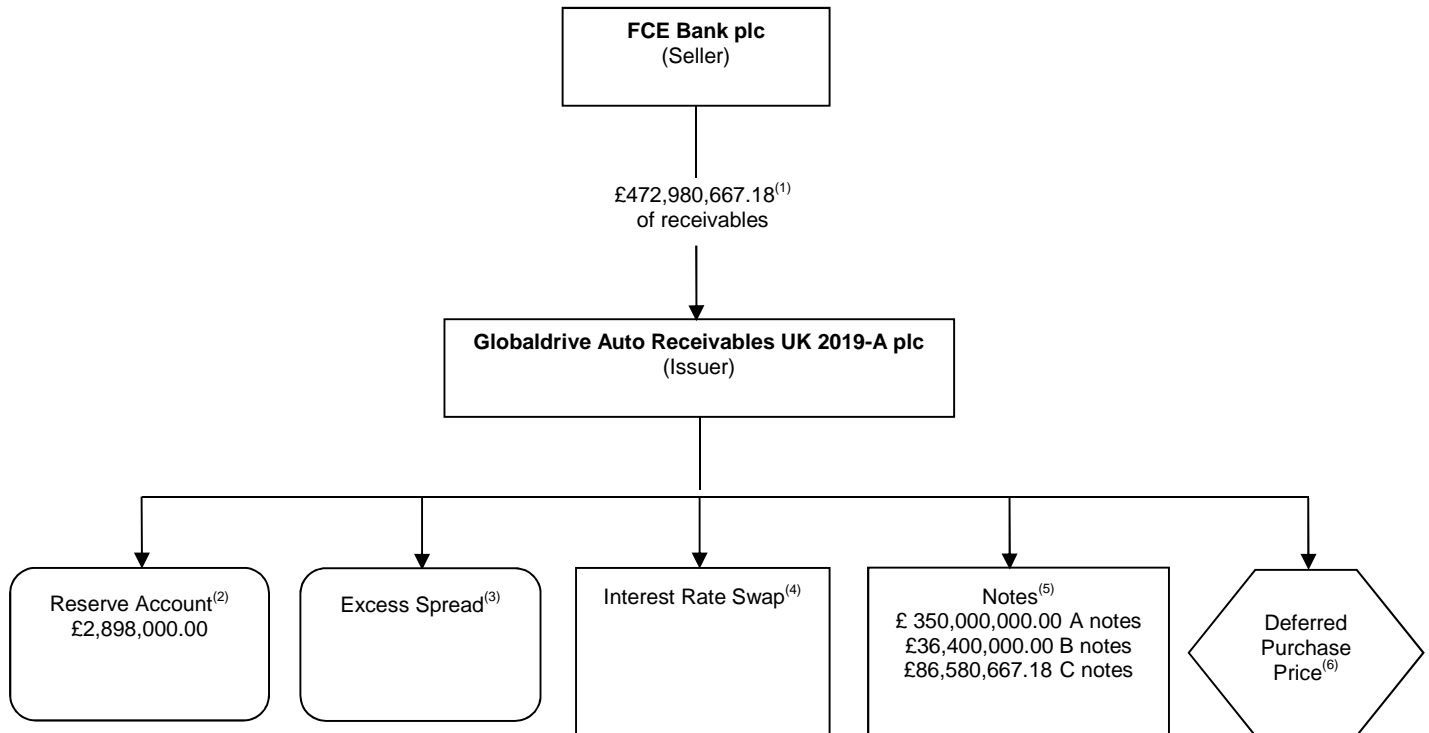
The above diagram illustrates the ownership structure of the issuer, as follows:

- the issuer is a wholly owned subsidiary of Wilmington Trust SP Services (London) Limited in respect of its legal ownership, and
- the entire issued share capital of the issuer is held on trust for the benefit of certain charities by Wilmington Trust SP Services (London) Limited under the terms of a discretionary trust.

Neither the issuer nor Wilmington Trust SP Services (London) Limited is owned, controlled, managed, directed or instructed, whether directly or indirectly, by the seller.

Transaction Structure Diagram

This diagram is a simplified overview of the structure of this securitisation transaction and the credit enhancement available for the notes. You should read this prospectus completely for more details about this securitisation transaction.



⁽¹⁾ The aggregate net present value of the receivables as at the cut-off date. For more details about the aggregate net present value of the receivables you should read "*Receivables — Composition of the Receivables*".

⁽²⁾ The reserve account will be funded on the closing date through the proceeds of the Class C notes.

⁽³⁾ Excess spread is available, as a component of available interest collections, to replenish the reserve account (if required), to absorb losses on the receivables and to make required principal payments on the notes.

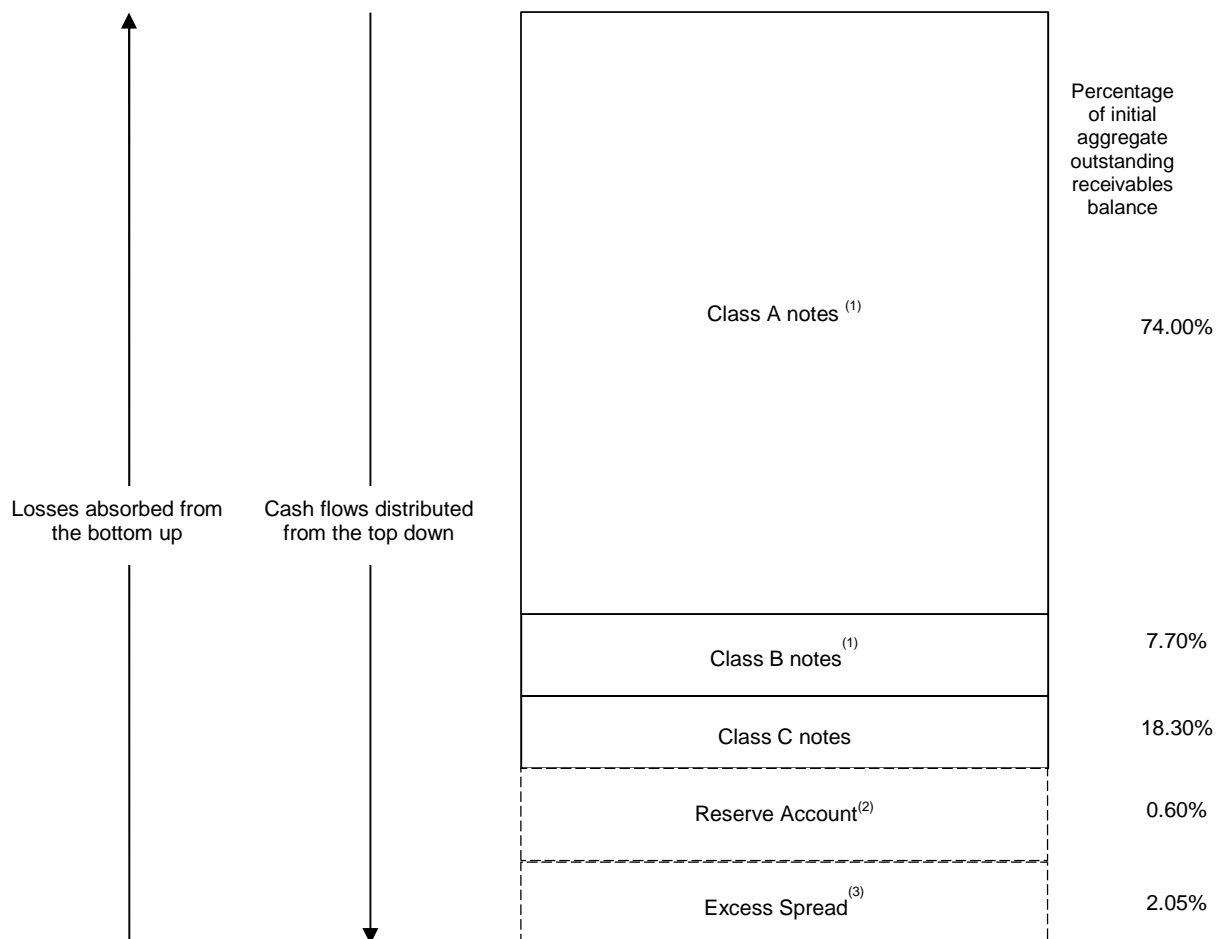
⁽⁴⁾ Each month on a net basis, the issuer will pay 0.602% and receive compounded daily SONIA on a notional amount equal to the lesser of (a) the principal amount outstanding of the Class A notes and the Class B notes and (b) a predefined amortisation schedule which is based on the projected amortisation of the Class A notes and the Class B notes assuming the receivables have a 0% default rate and prepay at a constant prepayment rate of 0%. If the floating rate amount payable by the swap counterparty is a negative amount due to compounded daily SONIA being negative, no amount will be payable by the swap counterparty to the issuer and instead the issuer will be required to pay an amount corresponding to the absolute value of that negative floating amount to the swap counterparty.

⁽⁵⁾ All notes other than the Class C notes benefit from subordination of more junior classes to more senior classes. The subordination varies depending on whether interest or principal is being paid and whether or not an event of default that results in acceleration has occurred. For more details you should read "*Overview of the Notes and this Securitisation Transaction — Priority of Payments*" and "*Overview of the Notes and this Securitisation Transaction — Credit Enhancement — Subordination*".

⁽⁶⁾ The seller will have a right to receive the deferred purchase price component on the receivables which represents the right to all funds not needed to pay fees and expenses of the issuer, to make payments under the interest rate swap agreement, to make required payments on the notes, to fund the reserve account or to make payments of reimbursed losses and principal deficiencies in accordance with the priority of payments.

Transaction Credit Enhancement Diagram

This diagram is a simplified overview of the credit enhancement available for the notes on the closing date and how credit enhancement is used to absorb losses on the receivables. You should read this prospectus completely, including "Credit Enhancement", for more details about the credit enhancement available for the notes.



⁽¹⁾ All notes other than the Class C notes benefit from subordination of more junior classes to more senior classes. The order of the subordination varies depending on whether interest or principal is being paid and on whether or not an event of default that results in acceleration has occurred. For more details about the subordination within the transaction you should read "Overview of the Notes and this Securitisation Transaction — Priority of Payments" and "Overview of the Notes and this Securitisation Transaction — Credit Enhancement — Subordination".

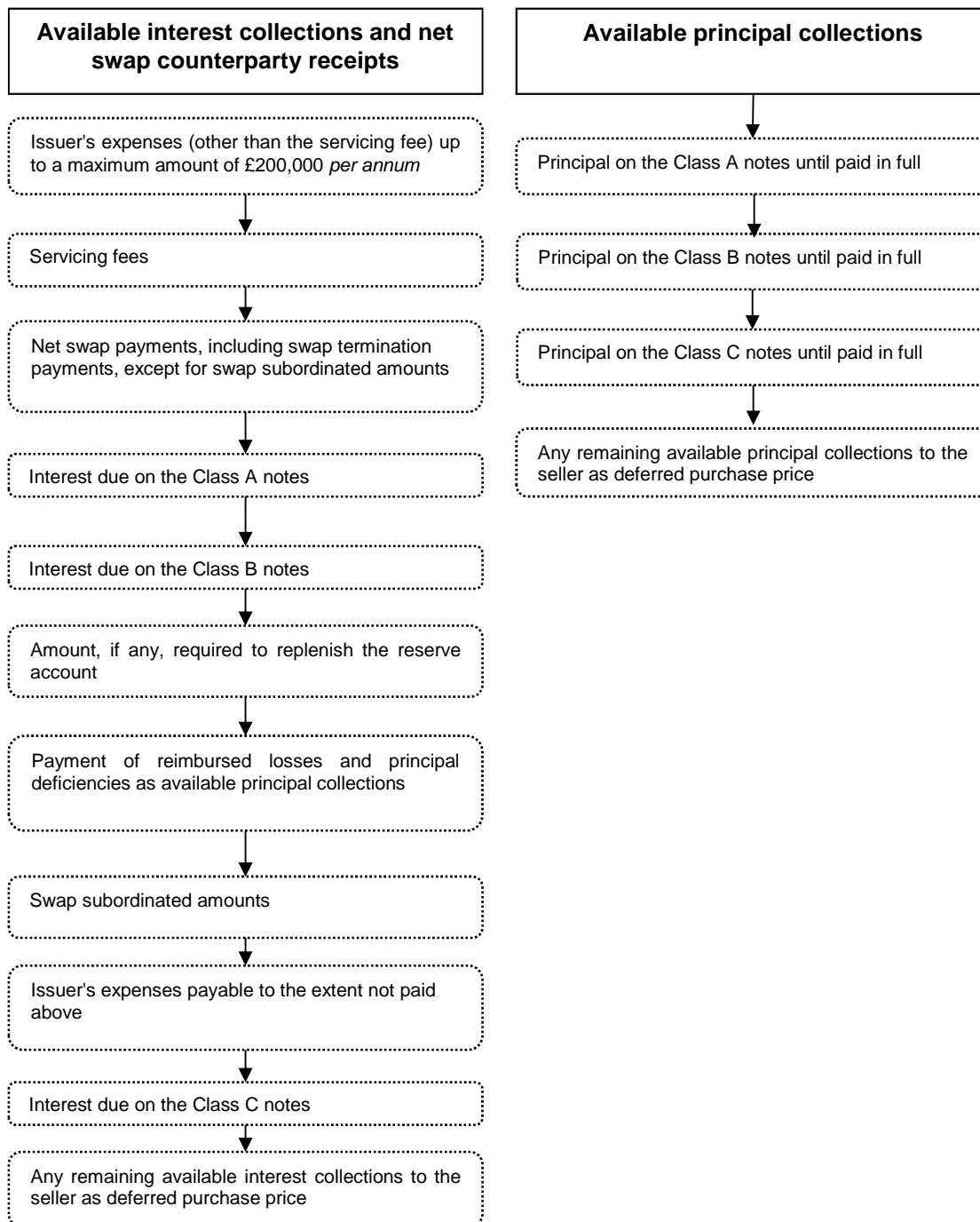
⁽²⁾ On the closing date, the reserve account will be funded by the issuer through the proceeds of the Class C notes in an amount equal to 0.60% of the aggregate outstanding receivables balance or, equivalently, 0.75% of the aggregate principal amount of the listed notes.

⁽³⁾ Excess spread is available, as a component of available interest collections, to replenish the reserve account (if required), to absorb losses on the receivables and to make required principal payments on the notes.

Priority of Payments Diagram

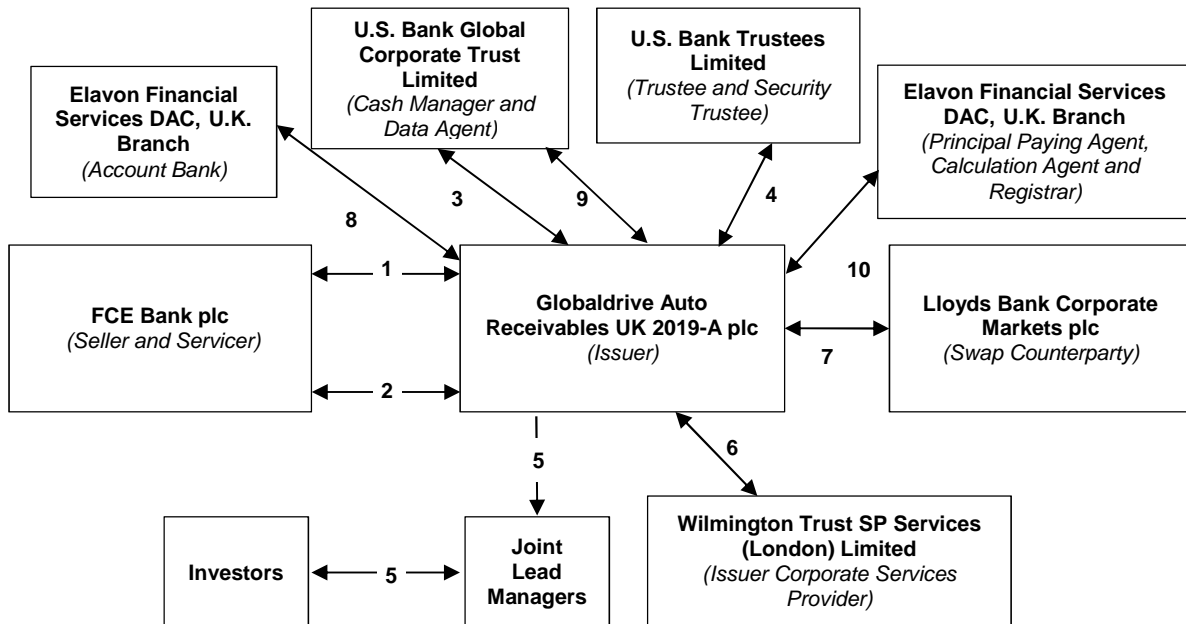
This diagram shows how available funds are paid on each payment date. The priority of payments shown in this diagram will apply unless the notes are accelerated after the service of an enforcement notice.

You should read this prospectus completely. For more details about the priority of payments before the acceleration of the notes after the service of an enforcement notice, you should read "Description of the Notes" and "Annex A: Terms and Conditions of the Notes".



Transaction Parties and Documents Diagram

This diagram shows the role of each transaction party and each transaction document in this securitisation transaction. You should read this prospectus completely, including "Transaction Parties", "Receivables", "Description of the Notes" and "Seller and Servicer", for more details about the roles of each transaction party in this securitisation transaction.



1. RECEIVABLES SALE AGREEMENT

- the seller sells receivables to the issuer in exchange for the purchase price and the deferred purchase price component
- the seller makes representations to the issuer about the receivables and repurchases ineligible receivables

2. SERVICING AGREEMENT

- FCE appointed servicer and receives the servicing fee
- the servicer provides information on the receivables and prepares monthly reports
- the servicer will purchase any servicer impaired receivables

3. CASH MANAGEMENT AGREEMENT

- U.S. Bank Global Corporate Trust Limited appointed cash manager and receives the cash management fee
- the cash manager will administer transaction funds, based on the information provided by the servicer

4. TRUST DEED AND DEED OF CHARGE

- the notes are constituted by the trust deed
- the trustee or the security trustee will, where applicable, apply available amounts to pay expenses of the issuer and make payments on the notes in accordance with the priority of payments
- all assets of the issuer are charged or assigned to the security trustee to secure the notes
- U.S. Bank Trustees Limited appointed trustee and security trustee

5. NOTE PURCHASE AGREEMENTS

- the issuer sells the Class A notes and the Class B notes to the joint lead managers
- the joint lead managers will purchase the Class A notes and the Class B notes and offer the Class A notes and the Class B notes to investors. FCE will purchase the class B notes if not sold to investors
- the Class C notes will be purchased by FCE

6. ISSUER CORPORATE SERVICES AGREEMENT

- Wilmington Trust SP Services (London) Limited appointed administrator of the issuer and will perform administrative duties of the issuer

7. INTEREST RATE SWAP AGREEMENT

- Lloyds Bank Corporate Markets plc acts as swap counterparty to the

8. BANK ACCOUNT OPERATION AGREEMENT

- Elavon Financial Services DAC, U.K. Branch appointed account bank and provides account services for the distribution account, the reserve account and the counterparty downgrade collateral account

9. DATA CUSTODY AGREEMENT

- U.S. Bank Global Corporate Trust Limited appointed data agent for customer information

10. AGENCY AGREEMENT

- Elavon Financial Services DAC, U.K. Branch appointed principal paying agent, calculation agent and registrar

OVERVIEW OF THE NOTES AND THIS SECURITISATION TRANSACTION

This overview must be read as an introduction to this prospectus and your decision to invest in the notes should be based on a consideration of this prospectus as a whole.

This overview describes the main terms of the offering of and payments on the notes, the assets of the issuer, the cash flows in this securitisation transaction and the credit enhancement available to each class of notes. It does not contain all of the information that you should consider in making your decision to purchase any notes. To understand fully the terms of the notes and the transaction structure, you should read this prospectus completely, especially "Risk Factors" starting on page 15.

Transaction Overview

The issuer will use the net proceeds from the sale of the notes to purchase from FCE Bank plc a pool of receivables under or in relation to retail auto hire purchase agreements, or "receivables", which were originated in the United Kingdom by FCE through motor vehicle dealers.

The issuer will issue the notes on the closing date.

Transaction Parties

Seller and Servicer

FCE Bank plc, or "FCE"

Issuer

Globaldrive Auto Receivables UK 2019-A plc

Trustee and Security Trustee

U.S. Bank Trustees Limited

Account Bank, Principal Paying Agent, Calculation Agent and Registrar

Elavon Financial Services DAC, U.K. Branch

Cash Manager and Data Agent

U.S. Bank Global Corporate Trust Limited

Swap Counterparty

Lloyds Bank Corporate Markets plc

Issuer Corporate Services Provider

Wilmington Trust SP Services (London) Limited

For more details about the transaction parties and their roles in this securitisation transaction, you should read "Transaction Parties".

Closing Date

The issuer expects to issue the notes on 19 September 2019, or the "closing date".

Cut-Off Date

The issuer will have a right to collections on the receivables applied after 31 August 2019, the "cut-off date".

Notes

The issuer will issue the following notes:

	<u>Principal Amount</u>	<u>Interest Rate</u>
Class A notes (1)	£350,000,000.00	Compounded Daily SONIA + 0.54% with a 0% floor
Class B notes (1)	£36,400,000.00	Compounded Daily SONIA +1.50% with a 0% floor
Class C notes (2)	£86,580,667.18	5.00% fixed rate

(1) If compounded daily SONIA plus the spread for the Class A notes and/or for the Class B notes is less than zero, the interest rate will be 0.00%.

(2) The Class C notes are not being offered by this prospectus.

The Class A notes, the Class B notes and the Class C notes are referred to as the "notes".

The Class A notes and the Class B notes offered by this prospectus will be subscribed for by Banco Santander, S.A., BNP Paribas, Lloyds Bank Corporate Markets plc and NatWest Markets Plc as joint lead managers, as more particularly described in the section entitled "Subscription and Sale".

Form and Denomination

The Class A notes and Class B notes will be issued in registered form and in the denominations of £100,000 and multiples of £1,000 in excess of £100,000, up to and including £199,000. Interests in each of the listed notes will be represented by the related global note. Except in certain limited circumstances, definitive notes will not be available, and no definitive notes will be issued with a denomination above £199,000.

The Class A global note will be issued under the NSS.

For more details about the form and denomination of the notes, you should read "Description of the Notes".

Status of the Notes

The notes will be constituted by a trust deed between the issuer and the trustee. The notes are secured limited recourse obligations of the issuer.

The Class A notes will rank in priority to the Class B notes and the Class C notes, and the Class B notes will rank in priority to the Class C notes. Each class of notes will rank *pari passu* without preference among the class.

For more details about the status of the notes, you should read "Description of the Notes" and "Annex A: Terms and Conditions of the Notes".

Security for the Notes

Under a deed of charge, the issuer will assign, transfer and/or charge by way of security all of its assets, including the receivables, the ancillary rights (including its interest in vehicle sales proceeds), the vehicle declaration of trust, each Scottish completion trust the accounts and all of its other rights under the transaction documents in favour of the security trustee to secure its obligations under the transaction documents. The deed of charge will be governed by English law but the terms particular to the law of Northern Ireland or Scotland will be construed under the laws of Northern Ireland or Scotland, respectively.

For more details about the security for the notes, you should read "Description of the Notes" and "Principal Transaction Documents".

Payment Dates

The issuer will pay interest and principal on the notes on "payment dates", which will be the 20th day of each month (or, if not a business day, the next business day). The first payment date will be 21 October 2019.

The Class A notes and the Class B notes will accrue interest on an "actual/365 (Fixed)" basis from the prior payment date (or from the closing date, for the first period) to the following payment date, and the Class C notes will accrue interest on a "30/360" basis, provided that, from the closing date, for the first period, to the first payment date, the Class C notes will accrue interest on an "actual/360" basis.

The final legal maturity date for each class of notes is listed below:

	<u>Final Legal Maturity Date</u>
Class A notes	20 September 2026
Class B notes	20 September 2026
Class C notes	20 September 2026

It is expected that each class of notes will be paid in full earlier than its final legal maturity date.

For more details about the payment of interest and principal on each payment date, you should read "Description of the Notes" and "Annex A: Terms and Conditions of the Notes".

Clean Up Call

The seller will have an option to exercise a "clean up call" to purchase all of the receivables on a payment date when the aggregate principal amount outstanding of the listed notes is 5% or less than the initial aggregate principal amount of the listed notes as at the closing date. The seller may exercise its clean up call only if the purchase price for the receivables is sufficient to redeem the listed notes and all other fees and expenses of the issuer. On the seller's exercise of its clean up call, the listed notes will be redeemed and paid in full.

For more details about the clean up call, you should read "Description of the Notes — Option to purchase", "Principal Transaction Documents — Receivables Sale Agreement — Clean up Call" and "Annex A: Terms and Conditions of the Notes".

Optional early redemption for taxation and other reasons

If a change of law occurs after the closing date and the issuer is required to deduct, withhold or account for tax on a payment by it on the notes or would itself suffer a tax (other than on the retained amount) and the issuer is unable so to avoid such withholding or deduction or tax, then the issuer may redeem all of the notes.

For more details about the optional early redemption for taxation and other reasons, you should read "Annex A: Terms and Conditions of the Notes".

Issuer's Assets

The issuer's assets will include:

- the receivables and collections on the receivables applied after the cut-off date,
- proceeds of sale of the financed vehicles,
- rights under the receivable agreements,
- proceeds from claims on insurance policies covering the financed vehicles or the customers,
- the right to receive sums payable on early termination,
- rights in the issuer's distribution, reserve and counterparty downgrade collateral accounts,
- rights under the transaction documents, and
- rights under the interest rate swap agreement.

Receivables

The receivables that will be sold to the issuer are rights to amounts payable under retail auto receivable agreements originated in the United Kingdom and governed under the laws of England and Wales that relate to new and used cars and light commercial vehicles, or "financed vehicles". The purchasers of the financed vehicles who are responsible for making payments on the receivables are retail customers, or "customers". The receivable agreements which are described as trade

cycle management plan contracts or "TCM contracts" contain an option for the customer to purchase the vehicle on termination of the receivable agreement or alternatively the customer may trade in the vehicle with a dealer and purchase another vehicle under a new contract or return the vehicle to FCE. If the customer does not exercise the purchase option FCE will sell the vehicle and pass the proceeds to the issuer.

Title to the related vehicles will remain with FCE until it is transferred to the relevant customer under the terms of the relevant hire purchase agreement or is sold by FCE following either repossession of the vehicle from the relevant customer or return of the relevant vehicle by the customer. Under the vehicle declaration of trust, FCE will hold title to proceeds of sale of financed vehicles for the issuer.

Receivables with an aggregate net present value of £472,980,667.18 will be transferred to the issuer on the closing date.

Summary characteristics of the pool of receivables as of the cut-off date:

Number of receivables originated	32,493
Aggregate net present value.....	472,980,667.18
Average net present value.....	14,556.39
Average original amount financed.. ..	17,417.17
Weighted average LTV	86.75%
Weighted average original interest rate	0.66%
New	98.21%
Used.....	1.79%
Private.....	91.19%
Commercial	8.81%
TCM	85.58%
Standard.....	14.42%

For more details about the information in this table, including how it is calculated and defined, and for more information about the characteristics of the receivables and for more details about the aggregate net present value of the receivables, you should read

"Receivables — Composition of the Receivables".

Eligibility Criteria

The receivables will be randomly selected by FCE from its UK portfolio of retail receivable agreements that meet the eligibility criteria using selection procedures that FCE believes not to be adverse to noteholders. The eligibility criteria are as follows:

As at the cut-off date, each receivable,

- is payable in sterling,
- has a positive net present value,
- is evidenced by a receivable agreement entered into to finance the purchase of a new or used car or light commercial vehicle,
- has had at least one full payment applied,
- is evidenced by a receivable agreement that has been entered into with a retail customer residing in the United Kingdom,
- has no amount greater than £1 that is more than 30 days delinquent,
- has been originated within the last 18 months,
- if a standard contract, has an original term no greater than 60 months,
- has a final payment amount under the TCM contract that does not exceed 60% of the sum of (i) the original amount financed and (ii) any down payment, and
- has a final scheduled payment date under the TCM Contract that is not more than 40 months from the first payment date of such TCM Contract.

Residual Value

The residual value of a vehicle financed under a TCM contract is the future market value of that vehicle at the end of the contract term.

As of 31 August 2019, the aggregate residual value in respect of the receivables is (i) 47.9% of the aggregate net present value of the receivables and (ii) 44.3% of the aggregate

principal amount of the receivables without applying the discount rate (as defined below).

For more details, you should read "Receivables — Residual Value" and "Principal Transaction Documents — Receivables Sale Agreement — Residual Value".

Homogeneity

As at the cut-off date, for the purposes of Article 20(8) of Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down common rules on securitisation and creating a European framework for simple, transparent and standardised securitisation and amending Directives 2009/65/EC, 2009/38/EC, 2011/61/EU and Regulations (EC) No.1060/2009 and (EU) No. 648/2012, or the "Securitisation Regulation", and the Commission Delegated Regulation of 28 May 2019 supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards on the homogeneity of the underlying exposures in securitisation, as adopted by the European Commission (subject to legislative scrutiny and publication in the Official Journal), the receivables:

- have all been underwritten according to FCE's bank working procedures,
- are all serviced according to FCE's bank working procedures,
- all fall within the same asset type for the purposes of the Securitisation Regulation, being auto loans and leases, and
- all arise from receivable agreements that have been entered into with retail customers who were domiciled in the United Kingdom at the point of sale.

No notification before a Customer Notification Event

No notification of the assignment and transfer of receivables will be made to the customers (nor, in relation to the Scottish receivables, will any assignation of such receivables be granted by the seller and intimated to the customers) unless any of the following events occur (each, a "customer notification event"):

- the seller's appointment as servicer of the receivables is terminated or an

insolvency event has occurred regarding the seller, or

- such notification is required for enforcement of the issuer's rights related to such receivables, provided that if no event of default has occurred and is continuing, the issuer will seek the approval of the seller, such approval not to be unreasonably delayed or withheld, or
- the seller fails to perform or comply with its obligations under the receivables sale agreement (other than a failure which, in the opinion of the security trustee, is not materially prejudicial to the noteholders) and such failure continues for more than 60 days following the service of notice by the security trustee on the seller requiring the same to be remedied or, if such failure is not capable of remedy, immediately upon service of such notice, or
- (i) the delivery by the facility agent of a notice of acceleration to FCE (as the borrower) following the occurrence of an event of default under the multicurrency revolving credit facility agreement dated 25 April 2013 (as the same may be extended, amended, supplemented and/or replaced with any substantially similar facility from time to time) which has not been remedied in accordance with the provisions thereof or (ii) the termination of such multicurrency revolving credit facility agreement without FCE entering into a replacement thereof.

Servicer

FCE will be the servicer of the receivables and this securitisation transaction.

The servicer is responsible for collecting payments on the receivables, administering payoffs, defaults and delinquencies and repossessing financed vehicles and selling repossessed and redelivered vehicles and liquidating financed vehicles.

The servicer will prepare monthly reports on the receivables, payments on the notes and credit enhancement.

The servicer will act as custodian and maintain custody of the receivables files.

Securitisation Regulation Disclosure Requirements

Pursuant to Article 22(5) of the Securitisation Regulation, FCE, the originator, is responsible for compliance with Article 7 of the Securitisation Regulation.

For the purposes of Article 7(2) of the Securitisation Regulation, the seller and the issuer will designate FCE, the originator, to fulfil the applicable disclosure requirements set out in Article 7(1) of the Securitisation Regulation and the related regulatory technical standards adopted by the EU Commission, as well as under any associated ESMA guidelines, or the "Securitisation Regulation Disclosure Requirements". FCE's obligations in respect of the Securitisation Regulation Disclosure Requirements are set out in the servicing agreement and will be performed by FCE in its capacity as servicer.

For more details about the reporting obligations of FCE in its capacity as servicer, you should read "Reporting obligations of the Servicer".

Servicer Termination Event

If any of the following events (each a "servicer termination event") occurs or exists and has not been waived, cured or remedied:

- any failure by the servicer to pay or deposit any proceeds or payment required to be paid or deposited by it under the servicing agreement that continues for a period of five business days after the earlier of the date when (x) notice of such failure is given to the servicer by the trustee, the security trustee or (y) a responsible person of the servicer learns of such failure, unless:
 - (1) (i) such failure is caused by an event outside the control of the servicer that the servicer could not have avoided through the exercise of due care, (ii) such failure does not continue for more than ten business days after the earlier of the date when notice of such failure is given to the servicer by the trustee or the security trustee or a responsible person of the servicer learns of such failure, (iii) during such period the servicer uses all commercially

reasonable efforts to perform its obligations under the servicing agreement and (iv) the servicer provides the trustee, the security trustee, the issuer and the noteholders with prompt notice of such failure that includes a description of the servicer's efforts to remedy such failure, or

- (2) (i) such failure would not reasonably be expected to, or after investigation and quantification does not, result in the failure in paying or depositing an amount greater than 0.05% of the outstanding aggregate amount payable regarding all notes and (ii) such failure is remedied (a) if the servicer's long-term debt is rated investment grade by both rating agencies, no later than 90 days after a responsible person of the servicer learns of such failure or (b) if the servicer's long-term debt is not so rated, then no later than 90 days after such failure,

- any failure by the servicer to observe or perform any other obligations under the servicing agreement and the security trustee (acting as directed by the trustee) certifies that such default is, in its opinion, materially prejudicial to the interests of the noteholders and (except where, in the opinion of the security trustee (acting as directed by the trustee), such default is incapable of remedy, when no such continuation and/or notice as is mentioned below will be required) such default continues unremedied for a period of 60 days after the earlier of a responsible person of the servicer becoming aware of such default and receipt by the servicer of notice from the security trustee requiring the same to be remedied, or
- an insolvency event regarding the servicer occurs,

the issuer, provided the security trustee (acting as directed by the trustee) consents to such termination, or the security trustee may at once or at any time subsequently while such servicer termination event continues, by written notice to the servicer (with a copy to the

account bank, the issuer and the rating agencies), terminate the appointment of the servicer with effect from a date (not earlier than the date of such notice) stated in such notice, provided that no termination of the servicer will become effective until a replacement servicer has been appointed.

For more details about the servicing of the receivables, you should read "Principal Transaction Documents — Servicing Agreement".

Cash Manager

U.S. Bank Global Corporate Trust Limited will be the cash manager. The cash manager is responsible for managing the issuer's accounts and arranging for payments to be made on behalf of the issuer from such accounts on the basis of information in the monthly report provided to it by the servicer.

Priority of Payments

On each payment date before the service of an enforcement notice, the issuer will use available funds from the prior month to make payments in the order of priority listed below.

Available funds will consist primarily of collections on the receivables. This priority of payments will apply unless the notes are accelerated after the service of an enforcement notice.

Interest Priority of Payments

On each payment date before the service of an enforcement notice, the issuer will apply the available interest collections and any net swap counterparty receipts to make payments in the order of priority listed below:

- (i) payment of arrears of the issuer expenses due and payable on a previous interest payment date and remaining unpaid on such interest payment date within the limit set out in item (ii) below,
- (ii) payment of the issuer expenses up to maximum amount of £200,000 per annum,
- (iii) to the servicer, payment of arrears of servicing fee from the previous interest payment dates and remaining unpaid on such interest payment date,

- (iv) to the servicer, payment of the servicing fee,
- (v) to the swap counterparty, net amounts due to the swap counterparty under the interest rate swap agreement, other than any swap subordinated amounts,
- (vi) to the Class A noteholders, payment of any Class A interest shortfall (to be paid to each Class A noteholder), on a *pro rata* and *pari passu* basis;
- (vii) to the Class A noteholders, payment of the Class A interest amount (to be paid to each Class A noteholder), on a *pro rata* and *pari passu* basis,
- (viii) to the Class B noteholders, payment of any Class B interest shortfall (to be paid to each Class B noteholder), on a *pro rata* and *pari passu* basis,
- (ix) to the Class B noteholders, payment of the Class B interest amount (to be paid to each Class B noteholder), on a *pro rata* and *pari passu* basis,
- (x) to the reserve account, amounts necessary to maintain the reserve account (and any ledger of the reserve account) at its required reserve amount,
- (xi) as available principal collections, payment of reimbursed losses and principal deficiencies,
- (xii) to the swap counterparty, amounts due to the swap counterparty for any swap subordinated amounts,
- (xiii) payment of issuer expenses to the extent that such issuer expenses have not been paid under item (i) or item (ii) above,
- (xiv) to the Class C noteholders, payment of any Class C interest shortfall (to be paid to each Class C noteholder), on a *pro rata* and *pari passu* basis,
- (xv) to the Class C noteholders, payment of the Class C interest amount (to be paid to each Class C noteholder), on a *pro rata* and *pari passu* basis, and
- (xvi) to the seller, all remaining available interest collections and net swap

counterparty receipts in the form of the deferred purchase price component,

in each case only to the extent that all payments and provisions of a higher priority due to be paid or provided for on such interest payment date have been made in full.

If there is a shortfall, the issuer will use the reserve account referred to in "*Credit Enhancement — Reserve Account*" to pay items (i) through (ix) above.

Principal Priority of Payments

On each payment date before the service of an enforcement notice, the issuer will apply the available principal collections to make the payments in the order of priority listed below:

- (i) to the Class A noteholders, payment of principal on a *pro rata* and *pari passu* basis until all the Class A notes have been redeemed in full,
- (ii) to the Class B noteholders, payment of principal on a *pro rata* and *pari passu* basis until all the Class B notes have been redeemed in full,
- (iii) to the Class C noteholders, payment of principal on a *pro rata* and *pari passu* basis until all the Class C notes have been redeemed in full, and
- (iv) to the seller, all remaining available principal collections in the form of the deferred purchase price component,

but in each case only to the extent that all payments and provisions of a higher priority to be paid or provided for on such payment date have been made in full.

For more details about the priority of payments and the allocation of funds on each payment date you should read "Annex A: Terms and Conditions of the Notes".

Events of Default

Each of the following will be an "event of default" under the notes:

- the issuer fails to pay interest due on notes of the controlling class within five business days of its due date,

- the issuer fails to pay the principal amount of a class of notes in full on its final legal maturity date,
- the issuer fails to perform or comply with its covenants, not corrected within a 60 day cure period after being notified of the breach,
- security granted under the transaction documents being terminated or otherwise becoming void or ineffective, and
- an insolvency event regarding the issuer.

On the occurrence of an event of default, the notes may be accelerated by the trustee in its absolute discretion and/or in compliance with the directions of the controlling class acting by way of a written resolution or by way of an extraordinary resolution.

Following the service of an enforcement notice, the priority of payments will change and the issuer will not pay interest on notes that are not part of the controlling class until both interest and principal on the controlling class are paid in full and all issuer expenses and payments due to the swap counterparty (except for a swap subordinated amount) are paid in full.

For more details about the events of default and the rights of noteholders and the priority of payments following an event of default, you should read "Description of the Notes" and "Annex A: Terms and Conditions of the Notes".

Accelerated Priority of Payments

Following the service of an enforcement notice, the security trustee will apply amounts available for distribution to the satisfaction of the amounts and in the order of priority set out below:

- (i) payment of arrears of the issuer expenses due and payable on a previous payment date and remaining unpaid on such accelerated payment date,
- (ii) payment of the issuer expenses,
- (iii) to the servicer, payment of arrears of servicing fee on the previous payment dates and remaining unpaid on such accelerated payment date,

- (iv) to the servicer, payment of the servicing fee,
- (v) to the swap counterparty, net amounts due to the swap counterparty, other than any swap subordinated amounts,
- (vi) to the Class A noteholders, payment of any Class A interest shortfall, on a *pro rata* and *pari passu* basis,
- (vii) to the Class A noteholders, payment of the Class A interest amount, on a *pro rata* and *pari passu* basis,
- (viii) to the Class A noteholders, repayment of the Class A notes on a *pro rata* and *pari passu* basis until all the Class A notes have been paid in full,
- (ix) to the Class B noteholders, payment of any Class B interest shortfall, on a *pro rata* and *pari passu* basis,
- (x) to the Class B noteholders, payment of the Class B interest amount, on a *pro rata* and *pari passu* basis,
- (xi) to the Class B noteholders, repayment of the Class B notes on a *pro rata* and *pari passu* basis until all the Class B notes have been paid in full,
- (xii) to the swap counterparty, amounts due to the swap counterparty for any swap subordinated amounts,
- (xiii) to the Class C noteholders, payment of any Class C interest shortfall, on a *pro rata* and *pari passu* basis,
- (xiv) to the Class C noteholders, payment of the Class C interest amount, on a *pro rata* and *pari passu* basis,
- (xv) to the Class C noteholders, repayment of the Class C notes on a *pro rata* and *pari passu* basis until all the Class C notes have been paid in full, and
- (xvi) to the seller, payment of any amount remaining as part of the deferred purchase price component,

in each case only to the extent that all payments and provisions of a higher priority due to be paid or provided for on such accelerated payment date have been made in full.

Relationship between the Class A notes, the Class B notes and the Class C notes

The Class A notes will rank in priority to the Class B notes and the Class C notes. The Class B notes will rank in priority to the Class C notes.

Payments of interest on the Class A notes will rank *pro rata* and *pari passu* between themselves and in priority to payments of interest on the Class B notes and the Class C notes. Payments of interest on the Class B notes will rank *pro rata* and *pari passu* among themselves and in priority to payments of interest on the Class C notes. If the issuer does not have sufficient available interest collections on the relevant payment date to meet interest payments on the Class A notes, the Class B notes and the Class C notes in full, any shortfall will first be borne by the Class C notes and, to the extent that interest due on the Class C notes on such interest payment date is less than such shortfall, it will, subject to the priority of payments, secondly be borne by the Class B notes and, to the extent that interest due on the Class B notes on such interest payment date is less than such shortfall, it will thirdly be borne by the Class A notes, *pro rata* and *pari passu* between the notes of such class.

No amount of principal of the Class B notes or the Class C notes will become due and payable until redemption and payment in full of the Class A notes, and no amount of principal of the Class C notes will become due and payable until redemption and payment in full of the Class A notes and the Class B notes.

The trust deed and the deed of charge contain terms requiring the trustee or the security trustee to take into account the interests of the Class A noteholders, the Class B noteholders and the Class C noteholders equally as regards all powers, trusts, authorities, obligations and discretions of the trustee or the security trustee (except where expressly provided otherwise), but requiring the trustee or the security trustee (A) to take into account only the interests of the Class A noteholders if, in the opinion of the trustee or the security trustee, there is a conflict between the interests of the Class A noteholders and the Class B noteholders and/or the Class C noteholders and (B) subject to item (A) above, to take into account only the interests of the Class B noteholders if, in the opinion of the trustee or the security trustee, there is a

conflict between the interests of the Class B noteholders and the Class C noteholders.

None of the Class B noteholders or the Class C noteholders may request or direct the trustee or the issuer to take action or pass an effective extraordinary resolution if the effect of the same would, in the sole opinion of the trustee, be materially prejudicial to the interests of the Class A noteholders, and neither the trustee nor the issuer will be responsible to the Class B noteholders or the Class C noteholders for disregarding such request, direction or resolution.

In addition, if there is a conflict between the interests of (1) the noteholders and (2) the other secured parties, the security trustee will, to the extent permitted by applicable law, take into account only the interests of the Class A noteholders, the Class B noteholders and the Class C noteholders.

None of the Class C noteholders may request or direct the trustee or the issuer to take action or pass an effective extraordinary resolution if the effect of the same would, in the sole opinion of the trustee, be materially prejudicial to the interests of the Class A noteholders or the Class B noteholders, and neither the trustee nor the issuer will be responsible to the Class C noteholders for disregarding any such request, direction or resolution.

Controlling Class

Holders of the controlling class will control certain amendments to the transaction documents as well as certain decisions regarding the issuer, including whether to waive an event of default and a servicer termination event, or accelerate the notes, cause a sale of the receivables or direct the trustee to exercise other remedies following an event of default. Holders of notes that are not part of the controlling class will not have these rights. Notes of the controlling class held by FCE or its affiliates will not be considered outstanding for these purposes unless FCE or its affiliates hold all of the controlling class of notes.

The "controlling class" will be holders of Class A notes as long as Class A notes are outstanding. After the Class A notes are paid in full, the most senior class of notes outstanding will be the controlling class.

For more details about the actions that the controlling class may direct, you should read "Annex A: Terms and Conditions of the Notes".

Meetings of Noteholders

The trust deed contains terms for convening separate meetings of each of the Class A noteholders, the Class B noteholders and the Class C noteholders to consider matters affecting their interests, including the sanctioning by a resolution passed at a meeting convened and held in compliance with the trust deed by at least 66⅔% of votes cast, or an "extraordinary resolution", of a modification of the trust deed, the deed of charge or the conditions.

The quorum for meetings of holders of the Class A notes, the Class B notes and the Class C notes for passing an extraordinary resolution will be one or more persons holding or representing 66⅔% of the principal amount of the relevant class for the time being outstanding or, at an adjourned meeting, one or more persons holding or representing noteholders of the relevant class, whatever the principal amount of the notes of the relevant class so held or represented, except that, among others, the details of the security, certain terms concerning the amount, currency and postponement of the due dates for payment of the notes, modifying the events of default or priority of payments, the terms concerning the quorum required at a meeting of the relevant class of noteholders and the terms concerning the majority required to pass an extraordinary resolution may be modified only by resolutions passed at a meeting the quorum at which will be one or more persons holding or representing at least 75%, or at an adjourned meeting at least one-third, in principal amount of the relevant class for the time being outstanding.

An extraordinary resolution passed at a meeting of Class A noteholders, Class B noteholders or Class C noteholders will be binding on, respectively, all Class A noteholders, Class B noteholders or Class C noteholders whether or not they were present at such meeting. An extraordinary resolution which in the sole opinion of the trustee affects two or more classes of noteholders and gives or may give rise to a conflict of interest between the holders of such classes of notes will be deemed to have been passed only if it will be passed by at least 66⅔% of the holders of a meeting of the most senior class outstanding so affected notwithstanding a

resolution of the holders of another class so affected, provided that no resolution of holders of the most senior class outstanding which would have the effect of changing a due date for payment of principal and/or interest on such senior notes, increasing the amount required to redeem each such senior note, or the amount of interest payable on such senior notes or changing the method of calculation therefore, releasing or substituting the security or part of the security or altering this proviso will be effective unless sanctioned by an extraordinary resolution of holders of all classes of junior notes.

Credit Enhancement

Credit enhancement provides protection for the notes against losses on the receivables and potential shortfalls in the amount of cash available to the issuer to make required monthly payments. If the credit enhancement is not sufficient to cover all amounts payable on the notes, the losses will be allocated to the notes by reverse seniority with junior notes bearing the risk of loss before more senior classes.

The following credit enhancement will be available to the issuer.

Reserve Account

On the closing date, the issuer will use £2,898,000.00 from the proceeds of the Class C notes to fund the reserve amount. The amount in the reserve account will equal 0.60% of the aggregate outstanding receivables balance or, equivalently, 0.75% of the aggregate principal amount of the listed notes.

The issuer will only have the right to use the reserve amount to the extent that there is an interest collections shortfall, or to pay principal on the notes on the final maturity date. In the event of an interest collections shortfall, such amount (or, if less, the amount available in the reserve account) will be allocated to available interest collections. Interest not required to maintain the reserve amount will be allocated to available interest collections.

If amounts in the reserve account are used, they will be replenished to the initial reserve amount to the extent of available funds on later payment dates after the issuer makes all higher priority payments.

For more details about the reserve account, you should read "Credit Enhancement — Reserve Account".

Subordination

The issuer will pay interest on the Class A notes, and then will pay interest sequentially to the remaining classes of notes in order of seniority. The issuer will not pay interest on a class of notes until all interest due on all more senior classes of notes is paid in full.

The issuer will pay principal sequentially to each class of notes in order of seniority. The issuer will not pay principal on a class of notes until the principal amounts of all more senior classes of notes are paid in full.

For more details about the priority of payments, including changes to the priority after the service of an enforcement notice and acceleration of the notes, you should read "Description of the Notes" and "Annex A: Terms and Conditions of the Notes".

Excess Spread

For each payment date, excess spread is the excess of (a) the sum of interest collections on the receivables and the net swap counterparty receipts (except any termination payment not available for distribution) over (b) the sum of the fees and expenses of the issuer, including interest payments on the notes and net swap payments to the swap counterparty.

The purchase price paid for the receivables by the issuer to FCE is calculated on a discounted cash flow basis to provide the issuer with interest cash flows in excess of what is available through the regular collections allocated to interest on the receivables. The net present value of each receivable will be calculated by discounting each remaining monthly instalment on that receivable at the greater of the customer rate in the receivable agreement and 3.9%, or the "discount rate". This has the effect of creating additional interest cash flow by reallocating a portion of the principal amount of each monthly instalment of a receivable to interest for the hire purchase contracts whose customer rate is lower than 3.9%. The minimum discount rate is set by the issuer to achieve sufficient additional interest to satisfy the issuer expenses and may provide limited additional credit enhancement to absorb losses.

The purchase price paid for the receivables transferred to the issuer is calculated on the basis of the net present value of the receivables.

Furthermore, any excess interest collections, following the payment of interest on the Class B notes and the replenishment of the reserve account (if required), will be used to cover losses on written-off receivables and deficiency of payments of principal on the receivables.

For more details about the use of excess spread as credit enhancement for your notes, you should read "Credit Enhancement — Excess Spread".

Interest Rate Swap Agreement and Swap Counterparty

The issuer will enter into an interest rate swap agreement documented by an ISDA master agreement with the swap counterparty for the sole purpose of hedging the interest rate risk on the Class A notes and the Class B notes which are floating rate liabilities backed by fixed rate receivable agreements. The notional amount of the interest rate swap agreement will be equal to the lesser of (a) the principal amount outstanding of the Class A notes and the Class B notes and (b) a predefined amortisation schedule which is based on the projected amortisation of the Class A notes and the Class B notes assuming the receivables have a 0% default rate and prepay at a constant prepayment rate of 0%. If the floating rate amount payable by the swap counterparty is a negative amount due to compounded daily SONIA being negative, no amount will be payable by the swap counterparty to the issuer and instead the issuer will be required to pay an amount corresponding to the absolute value of that negative floating amount to the swap counterparty.

For more details about the swap counterparty and the interest rate swap agreement, you should read "Swap Counterparty" and "Principal Transaction Documents — Interest Rate Swap Agreement".

Repurchases and Purchases of Receivables

Repurchase of Receivables for Breach of Representations and Warranties

FCE will make representations and warranties about the origination, characteristics, terms and transfer of the receivables. If a representation or warranty is later determined to be untrue when made, the receivable was not eligible to be sold to the issuer. If a breach of a representation and warranty has a material adverse effect on the receivable, FCE must repurchase or, if the receivable does not exist, indemnify the issuer for, the affected receivable unless it remedies the breach before the date it is required to repurchase the receivable.

For more details about the representations made in connection with the sale of the receivables to the issuer and the repurchase obligation if these representations are breached, you should read "Principal Transaction Documents — Receivables Sale Agreement" and "— Receivables Servicing Agreement".

Purchase of Receivables for Servicer Actions

If FCE as servicer breaches certain of its servicing obligations in a manner which materially and adversely affects a receivable or determines, in its discretion acting as a reasonable prudent servicer of receivables of this nature, that, as a result of a computer systems error or computer systems limitation or for any other reason the servicer is unable to service a receivable according to the FCE origination and servicing procedures and the servicer does not correct the failure in all material respects in the required time, it must purchase the receivable. In addition, FCE as seller must purchase a receivable from the issuer if FCE as servicer makes specific kinds of modifications, including if it:

- refinances the balloon payment for customers who wish to retain their vehicle at the end of the TCM contract, or
- takes a deposit from a customer during the life of the transaction that is in excess of the current limit set by the Financial Services Compensation Scheme.

For more details about the servicer impaired receivables and the purchase obligation for these receivables, you should read "Principal Transaction Documents — Servicing

Agreement — Obligation to purchase Receivables".

Retained Interest

For so long as listed notes are outstanding, FCE, as the originator will retain the Class C notes which equal, as at the closing date, a material net economic interest of not less than 5% of the nominal amount of the securitised exposures in this securitisation transaction in compliance with Article 6(3)(d) of the Securitisation Regulation. The Class C notes will represent 18.3% of the nominal amount of the securitised exposures as at the closing date.

The monthly report will include information about FCE's net economic retained interest.

Monthly Report

The monthly report will be published by the servicer on each monthly reporting date on its investor website (<https://www.ford.com/finance/investor-center/asset-backed-securitization>) and on the website <https://edwin.euroweb.eu/edweb/>, being an external website that conforms to the requirements set out in the fourth subparagraph of Article 7(2) of the Securitisation Regulation. If a securitisation repository should be registered in accordance with Article 10 of the Securitisation Regulation, the servicer will also make the information available to such securitisation repository.

For more details about the servicer's reporting obligations, you should read "Reporting obligations of the Servicer".

Ratings

The issuer expects that the listed notes will receive the following credit ratings from the rating agencies listed below:

	<u>DBRS</u>	<u>Moody's</u>
Class A notes ...	AAA	Aaa(sf)
Class B notes ...	AA(high)	Aa2(sf)

The Class C notes will not be rated.

Each of DBRS Ratings Limited or "DBRS" and Moody's Investors Service Limited or "Moody's" is established in the European Community and registered under the Credit Rating Agencies Regulation 1060/2009 of the European Parliament and of the Council of 16 September 2009, and are included in the

list of registered credit rating agencies published on the website of the European Securities and Markets Authority at www.esma.europa.eu/supervision/credit-rating-agencies/risk.

The ratings of the notes will reflect the likelihood of the timely payment of interest and the ultimate repayment of principal on the notes according to their terms. Each rating agency rating the notes will monitor its ratings under its normal surveillance process. A rating agency may change or withdraw an assigned rating at any time. A rating action taken by one rating agency may not necessarily be taken by another rating agency. No transaction party will be responsible for monitoring changes to the ratings of the notes.

Listing

Application has been made to Euronext Dublin for the Class A notes and the Class B notes to be admitted to the official list of Euronext Dublin and to trading on its regulated market.

Clearing System

Clearstream, Luxembourg and Euroclear, each an "ICSD".

Tax Status of the Notes

You should read "Taxation".

Withholding Tax

All payments of interest and principal on the notes will be made without withholding taxes, unless required by law (or under FATCA). If withholding is required, the issuer will not be obliged to make additional payments.

Selling Restrictions

You should read "Subscription and Sale".

Investment Considerations

The issuer is structured not to be a "covered fund" under the regulations adopted to implement section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, commonly known as the "Volcker Rule". In making this determination, the issuer is relying on the "loan securitization exclusion" under sub-section 10(c)(8) of the Volcker Rule although other exclusions or exemptions may also be available to the issuer.

Clearing Codes

Class A global note
ISIN: XS2049295210
Common Code: 204929521

Class B global note
ISIN: XS2049297182
Common Code: 204929718

Simple, Transparent and Standardised Securitisation, or "STS securitisation"

The securitisation transaction described in this prospectus is intended to qualify as an STS securitisation within the meaning of Article 18 of the Securitisation Regulation and will be notified on the closing date by the seller, as originator, to be included in the register published by ESMA referred to in Article 27(5) of the Securitisation Regulation by way of a STS notification. The STS notification will be available for download on the website of ESMA. ESMA has, in accordance with Articles 27(6) and(7) of the Securitisation Regulation developed and published on 16 July 2018 a final draft regulatory technical standard specifying the information that the originator, sponsor and SSPE are required to provide in order to comply with their STS notification requirements. As of the date hereof, such regulatory technical standard still has to be adopted by the European Commission. ESMA is obliged to maintain on its website a list of all securitisations which the originators and sponsors have notified as meeting the STS requirements in accordance with Article 27(5) of the Securitisation Regulation. For this purpose, ESMA has set up a register on an interim basis under <https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation>. According to ESMA, a more established register is to be launched in due course and placed on the dedicated section of its website under <https://registers.esma.europa.eu/publication/>.

The seller, as originator, and the issuer, as SSPE (as defined in the Securitisation Regulation), have used the service of Prime Collateralised Securities (PCS) UK Limited, or "PCS", a third party authorised pursuant to Article 28 of the Securitisation Regulation, to verify whether the securitisation transaction described in this prospectus complies with Articles 19 to 22 of the Securitisation Regulation and the compliance with such requirements is expected to be verified by PCS on the closing date. No assurance can be provided that the securitisation transaction described in this prospectus does or continues to qualify as an STS securitisation under the Securitisation Regulation at any point in time in the future. Noteholders and potential investors should verify the current status of the securitisation transaction on ESMA's website. None of the issuer, the joint lead managers, the trustee, the security trustee, the servicer, the seller or any of the other transaction parties makes any representation that the securitisation transaction described in this prospectus does qualify or will qualify as an

STS securitisation under the Securitisation Regulation on the closing date or at any point in time in the future or accepts any liability in respect of the securitisation transaction described in this prospectus not qualifying as an STS securitisation.

RISK FACTORS

The following is an overview of certain aspects of the notes of which investors in the notes should be aware, but it is not intended to be exhaustive and for more details investors should read the information set out elsewhere in this prospectus. In this regard, investors should, in particular, read the section "Some Important Legal Considerations".

Structured securities, such as the notes, are sophisticated instruments, which can involve a significant degree of risk. Investors should ensure that they understand the nature of the notes and the extent of their exposure to the relevant risks. Investors should also ensure that they have sufficient knowledge, experience and access to professional advice to make their own legal, tax, accounting and financial evaluation of the merits and risks of an investment in the notes and that they consider the suitability of the notes as an investment in light of their own circumstances and financial condition.

1. Risk factors which are specific and material to the issuer

The assets of the issuer are limited, are the only source of payment for your notes and may be insufficient on enforcement

The issuer will not have assets or sources of funds other than the receivables and related property it owns. Credit and payment enhancement is limited. Your notes will not be insured or guaranteed by FCE or its affiliates or anyone else. If these assets or sources of funds or enhancements are insufficient to pay your notes in full, you will incur losses on your notes.

For more details about the issuer not having title to the financed vehicles, you should read "Risk Factors — No transfer of title to financed vehicles".

The primary source of funds for payments of your notes will be the receivables. If customers default on the receivables, the issuer should be able to obtain funds from the realisation of the related financed vehicles by FCE and, in some cases, from third party payment protection insurance but this may not be adequate to ensure timely and full payment of the notes.

For more details about the payment protection insurance, you should read "Seller and Servicer — Origination, Underwriting and Purchasing — Insurance".

The issuer's ability to make full payments of interest and principal on the notes will also depend on FCE performing its obligations under the servicing agreement to collect amounts due from customers and transfer amounts so collected to the issuer's distribution account, the cash manager performing its obligations under the cash management agreement and the swap counterparty performing its obligations under the interest rate swap agreement. To the extent there is a shortfall the issuer will also rely on excess spread being available for distribution as a result of the discount to the receivables. In the case of an income shortfall, up to and including the amount required to make interest payment on Class B notes on a payment date, or a principal shortfall on the final legal maturity date only, the issuer may use amounts in the reserve account. It is not certain whether the level of liquidity support provided will be adequate to ensure timely and full payment of the notes.

On enforcement of the security for the notes, the security trustee

will have recourse to the issuer's interest in the receivables and its other assets, including the reserve account, to pay amounts owing by the issuer under the notes after payment of prior ranking claims. The security trustee will have no recourse against FCE other than for breach of a representation or warranty and for breach by FCE of its obligations under the receivables sale agreement and for breach by FCE of its obligations under the servicing agreement.

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

2. Risk factors which are specific and material to the notes

2.1 Risks related to the nature of the notes

Repayment of the principal of your notes may occur earlier than expected

Faster than expected rates of prepayments on the receivables will cause the issuer to pay principal of your notes earlier than expected and will shorten the maturity of your notes. Prepayments on the receivables will occur if:

- customers prepay their receivables in whole or in part,
- early settlement of the receivable agreement before its scheduled maturity date under the CCA,
- voluntary termination of the receivable agreement under the CCA,
- the servicer receives liquidation proceeds on defaulted receivables,
- the servicer receives proceeds from physical damage, credit life or other insurance policies covering the financed vehicles or the customers,
- the servicer indemnifies or purchases receivables due to breach of servicing obligations, and
- the seller indemnifies or repurchases receivables due to breach of representations and warranties.

A variety of economic, social and other factors will influence the rate of prepayments on the receivables, including individual customer circumstances, marketing incentives offered by vehicle manufacturers and the fact that the financed vehicle may not be sold without the consent of the seller. No prediction can be made about the actual prepayment rates that will occur for the receivables.

Some of the receivables will have APRs that are less than the interest rate on your notes, plus fees and expenses of the issuer. Payments on receivables with higher APRs compensate for the payments made on receivables with lower APRs. Excessive prepayments and defaults on the higher APR receivables may

adversely impact your notes by reducing the amounts available to pay principal and interest on your notes.

If principal of your notes is paid earlier than expected due to faster rates of prepayments on the receivables, and interest rates at that time are lower than interest rates at the time principal would have been paid had those prepayments occurred as expected, you may not be able to reinvest the principal at a rate of return that is equal to or greater than the rate of return on your notes. Alternatively, if principal of your notes is paid later than expected due to slower rates of prepayments on the receivables, and interest rates at that time are higher than interest rates at the time principal would have been paid had those prepayments occurred as expected, you may lose reinvestment opportunities. You will bear all reinvestment risk resulting from principal payments on your notes occurring earlier or later than expected.

In addition, your notes will be paid in full before maturity if the issuer exercises its clean up call when the aggregate principal amount outstanding of the listed notes is 5% or less than the initial aggregate principal amount of the listed notes as at the closing date or its option to redeem for taxation reasons.

For more details about the timing of repayment and other sources of prepayments, you should read "Maturity and Prepayment Considerations".

An event of default and acceleration of the notes may result in earlier than expected payment of your notes or losses on your notes

An event of default may result in an acceleration of payments on your notes.

If collections on the receivables and the proceeds of a sale of receivables are insufficient to pay the amounts owed on your notes, you may have delays in payments or losses on your notes.

If principal of your notes is paid earlier than expected, you may not be able to reinvest the principal at a rate of return that is equal to or greater than the rate of return on your notes. Following the service of an enforcement notice, the issuer will not pay interest on or principal of notes that are not part of the controlling class until all interest on and principal of the notes of the controlling class is paid in full.

For more details about the events of default, acceleration of the notes and the change in the priority of payments following certain events of default and acceleration of the notes, you should read "Description of the Notes" and "Annex A: Terms and Conditions of the Notes".

Failure to pay principal on a note will not be an event of default until its final legal maturity date

The issuer will not be obliged to pay a specific amount of principal of a note on any date other than its outstanding principal amount on its final legal maturity date. Failure to pay principal of a note will not be an event of default until its final legal maturity date.

The Class B notes will be subject to greater risk because of subordination

The Class B notes will bear greater risk than the Class A notes because no interest will be paid on the Class B notes until all interest due on the Class A notes is paid in full, and no payment of principal will be made on the Class B notes until the principal amount of the Class A notes is paid in full. The Class C notes bear even greater risk because of similar subordination to more senior

classes of notes.

If available funds on a payment date are not sufficient to pay interest due on a class of notes, the payment of such interest shortfall will be postponed until sufficient funds are available. An event of default will occur only if the controlling class of notes is subject to an interest shortfall.

The exercise of rights by the controlling class following an event of default may be harmful to the other classes

The controlling class may accelerate the notes after the occurrence of an event of default or waive events of default (other than failure to pay interest or principal of the notes when due and payable). The controlling class may, in certain circumstances, direct the security trustee to sell the receivables after an acceleration of the notes even if the proceeds would not be sufficient to pay all of the notes in full. If your notes cannot be repaid in full with the proceeds of a sale of the receivables, you will suffer a loss. In addition, the controlling class may terminate the servicer following a servicer termination event and may waive servicer termination events.

Holders of notes that are not part of the controlling class will have no right to take these actions. Only the controlling class will have these rights. The controlling class may have different interests from the holders of other classes of the notes and will not be required to consider the effect of its actions on the holders of other classes.

For more details about the actions that the controlling class may direct, you should read "Principal Transaction Documents — Servicing Agreement — Resignation and Termination of the Servicer" and "Annex A: Terms and Conditions of the Notes".

Risks associated with the interest rate swap agreement

The issuer will enter into an interest rate swap agreement with the swap counterparty because the receivables owned by the issuer bear interest at fixed rates while the Class A notes and the Class B notes will bear interest at floating rates.

If the floating rate payable by the swap counterparty under the interest rate swap agreement is substantially greater than the fixed rate payable by the issuer, the issuer will be more dependent on receiving payments from the swap counterparty to make interest payments on the notes.

If the floating rate payable by the swap counterparty under the interest rate swap agreement is less than the fixed rate payable by the issuer, the issuer will be obligated to make payments to the swap counterparty. The amounts payable to the swap counterparty are ranked higher in priority than payments on your notes.

Payments made to the issuer and to the swap counterparty under the interest rate swap agreement are based on a notional amount that is equal to the lesser of (a) the principal amount outstanding of the Class A notes and the Class B notes and (b) a predefined amortisation schedule which is based on the projected amortisation of the Class A notes and the Class B notes assuming the receivables have a 0% default rate and prepay at a constant prepayment rate of 0%. If the aggregate principal amount outstanding of the Class A notes and the Class B notes exceeds

the notional amount under the interest rate swap agreement on a payment date, such excess will not be hedged. This would result in the issuer receiving less from the swap counterparty than it needs to pay amounts that are due and payable on the notes. Although the issuer will be required to pay the applicable interest amount to the Class A noteholders and the Class B noteholders in this circumstance, it is not certain whether there will be sufficient funds available for such payment.

Under the interest rate swap agreement, if the floating rate amount payable by the swap counterparty is a negative amount due to compounded daily SONIA being negative, no amount will be payable by the swap counterparty to the issuer and instead the issuer will be required to pay an amount corresponding to the absolute value of that negative floating amount to the swap counterparty. If compounded daily SONIA plus the margin for the floating rate notes is less than zero however, the interest rate for the relevant notes will be zero. If the floating rate amount payable by the swap counterparty under the interest rate swap agreement is negative, this would therefore result in the issuer having to pay both a floating rate amount to the swap counterparty and the amounts that are due and payable on your notes. Although the issuer will be required to pay the applicable interest amount to the Class A noteholders and the Class B noteholders in this circumstance, it is not certain whether there will be sufficient funds available for such payment.

If the swap counterparty fails to make payments required under the interest rate swap agreement when due, payments on your notes may be reduced or delayed.

An interest rate swap agreement generally may not be terminated except after the failure of either party to make payments when due, the insolvency of either party, illegality, an occurrence of an event of default that results in acceleration of the notes and liquidation of the pool of receivables or the failure of the swap counterparty to post collateral, transfer the interest rate swap agreement to an eligible substitute swap counterparty or take other remedial action if the swap counterparty's credit ratings drop below the levels required by each of the rating agencies sufficient to maintain the then current ratings of the notes. On termination of the interest rate swap agreement, a termination payment may be due to the issuer or due to the swap counterparty. The termination payment could be substantial if market interest rates and other conditions have changed materially. To the extent not paid by a replacement swap counterparty, any termination payment will be paid by the issuer from funds available for such purpose, and payments on your notes may be reduced or delayed.

If the swap counterparty's credit rating falls below the levels required by a rating agency and a termination event occurs under the interest rate swap agreement because the counterparty fails to take one of the required corrective actions, that rating agency may place its ratings of the notes on watch or reduce or withdraw its ratings if the issuer does not replace the counterparty.

If the swap counterparty defaults under the interest rate swap agreement, the issuer may not be able to enter into a replacement interest rate swap agreement. If the issuer has floating rate notes

outstanding and does not have an interest rate swap agreement arrangement in place for that floating rate exposure, the amount available to pay interest on your notes may be reduced or delayed.

For more details about the risk of withholding tax on payments under the interest rate swap agreement, you should read "Withholding tax".

Validity of contractual priority of payments

The validity of contractual priority of payments such as those contemplated in this securitisation transaction has previously been challenged in the English and U.S. courts in connection with the insolvency of a secured creditor (namely, a swap counterparty). These proceedings considered whether such payment priorities breach the anti-deprivation principle under English and U.S. insolvency law. These rules prevent a party from agreeing to a contractual provision that deprives that party's creditors of an asset solely as a result of the party's insolvency.

While the English courts' approach has been generally favourable to priority of payment provisions that are set out in commercial contracts freely entered into in good faith by sophisticated parties, if a subordination provision included in the transaction documents was successfully challenged under the insolvency laws of England and Wales or a relevant jurisdiction outside England and Wales and such relevant foreign judgment or order was recognised by the English courts, it could adversely affect the rights of the noteholders, the ratings of your notes, the market value of your notes and/or the ability of the issuer to satisfy all or any of its obligations under your notes.

For more details, you should read "Some Important Legal Considerations — Validity of Contractual Priority of Payments".

Meetings of noteholders, modification and waivers

The notes contain terms for calling meetings of noteholders to consider matters affecting their interests generally. These terms 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 notes and the trust deed also state that the trustee or the security trustee acting on the directions of the trustee, may agree, without the consent of the noteholders, to certain modifications of the notes and the transaction documents, or the waiver or authorisation of certain breaches or proposed breaches of, the notes or the transaction documents.

The servicer may require the issuer, the trustee or the security trustee acting on the directions of the trustee to agree, without the consent of the noteholders, to modifications of the notes and the transaction documents to address new rating criteria with the aim to maintain the ratings of the Class A notes or to ensure that the issuer and the notes continue to comply with applicable law or regulation, as well as the Securitisation Regulation and the requirements for simple, transparent and standardised securitisations set out in the Securitisation Regulation and in any regulatory technical standards authorised under the Securitisation Regulation or official guidance in relation thereto.

In certain circumstances, including following the discontinuation of SONIA, and subject to certain conditions, the servicer can also instruct the issuer, the trustee or the security trustee acting on the directions of the trustee to agree, without the consent of the noteholders, to amend the benchmark rate used to determine the interest rate of the Class A notes and the Class B notes and to adjust the spread to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one transaction party to another as a result of the application of the new benchmark rate. As a consequence of such amendment to the benchmark rate used to determine the interest rate of the Class A notes and the Class B notes, for the purpose of aligning the benchmark rate and the spread that applies to the interest rate swap agreement to the benchmark rate and spread that will apply to the Class A notes and the Class B notes, the issuer will request the swap counterparty to consent (such consent not to be unreasonably withheld) to amend the benchmark rate and spread that applies to the interest rate swap agreement accordingly.

For more details you should read "Benchmarks Regulation".

These modifications may be materially prejudicial to the interests of the noteholders of any class or other parties to the transaction documents. The issuer, the trustee and the security trustee will each rely without further investigation on any certification provided to it in connection with the transaction amendments. Such parties will not be required to monitor or investigate whether the servicer is acting in a commercially reasonable manner or be liable to any person by acting according to any certification it receives from the servicer.

It is not certain whether the noteholders will be adversely affected by such action or that they will be adequately compensated for any resulting loss or expense.

The absence of or a lack of liquidity in the secondary market could limit your ability to resell notes

Although an application has been made to list the Class A notes and the Class B notes on Euronext Dublin, there is currently no secondary market for the Class A notes and the Class B notes. The absence of a secondary market for your notes could limit your ability to resell them. This means that if you want to sell your notes before they mature, you may be unable to find a buyer or, if you find a buyer, the selling price may be less than it would have been if a secondary market existed. If a secondary market does develop, it might not continue or it might not be sufficiently liquid to allow you to resell your notes.

Financial market disruptions and a lack of liquidity in the secondary market could adversely affect the market value of your notes and/or limit your ability to resell your notes

Over the past several years major disruptions in the global financial markets caused a significant reduction in liquidity in the secondary market for asset-backed securities. Volatility remains due to several factors, including the uncertainty surrounding the recent Brexit vote and the level and sustainability of the sovereign debt of several European countries. It is not certain whether future events will occur that could have an adverse effect on the liquidity of the secondary market. If there is a lack of liquidity in the secondary market it could adversely affect the market value of your notes and/or limit your ability to resell your notes.

Eurosystem eligibility

The Class A notes are intended to be held in a manner which will

allow Eurosystem eligibility. This means that the Class A notes are intended on issue to be deposited with one of the ICSDs as common safekeeper. It does not mean that the Class A notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either on issue or at any or all times during their term and the Class A notes will not satisfy all of the applicable criteria that are currently in force to be recognised as Eurosystem eligible collateral on issue. Such recognition will, among other things, depend on the satisfaction of the Eurosystem eligibility criteria set out in the Guideline of the European Central Bank, or "ECB", of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (recast) (ECB/2014/60) as amended and applicable from time to time or "Eurosystem guidelines". On 21 January 2016 amendments to the Eurosystem guidelines were published which amended the definition of "leasing receivables" to mean the scheduled and contractually mandated payments by the lessee to the lessor under the term of a lease agreement. Residual values are not leasing receivables. Personal Contract Purchase (PCP) agreements, or agreements under which the obligor may exercise its option to make a final payment to acquire full legal title of the goods or to return the goods in settlement of the agreement are assimilated to leasing agreements. The consequence of this is to exclude leasing receivables arising from the TCM contracts with residual values from qualifying as eligible collateral for Eurosystem operations. The pool of receivables purchased by the issuer may include receivables which arise from TCM contracts with residual values.

For more details, you should read "Description of the Notes".

Bank of England eligibility

Certain investors in the Class A notes may want to consider the use of the Class A notes as eligible securities for the purposes of the Bank of England's Discount Window Facility ("**DWF**"). Recognition of the Class A notes as eligible securities for the purposes of the DWF will depend on the satisfaction of the eligibility criteria as specified by the Bank of England. If the Class A notes do not satisfy the criteria specified by the Bank of England, there is a risk that the Class A notes will not be eligible DWF collateral. None of the issuer or the joint lead managers gives a representation, warranty, confirmation or guarantee to any investor in the Class A notes that the Class A notes will, either on issue, or at any or all times during their life, satisfy all or any requirements for the DWF eligibility and be recognised as eligible DWF collateral. A potential investor in the Class A notes should make its own determinations and seek its own advice as to whether or not the Class A notes are eligible DWF collateral.

Ratings of the notes

The ratings assigned to the notes by the rating agencies take into consideration the structural and legal aspects associated with the notes and the underlying receivables, the credit quality of the receivables, the extent to which the customers' payments under the receivables are adequate to make the payments required under the notes as well as other relevant features of the structure, including the credit situation of the swap counterparty, the account bank, FCE and the servicer (if different). The rating agencies' ratings reflect only the view of that rating agency. Each rating assigned to the notes addresses the likelihood of full and timely payment to the holders of the notes of all payments of interest on

the notes when due and the ultimate repayment of principal on the final maturity date of the notes. A change in rating methodology or future events, including events affecting the swap counterparty, the account bank, FCE and the servicer (if different from FCE) could also have an adverse effect on the rating of the notes.

The ratings of the notes are not recommendations to purchase, hold or dispose of the notes and do not address market value or investor suitability. The ratings reflect the rating agencies' assessment of the creditworthiness of the receivables, the credit enhancement on the notes and the likelihood of repayment of the notes. It is not certain whether the receivables and/or the notes will perform as expected or whether the ratings will be reduced, withdrawn or qualified in the future as a result of a change of circumstances, deterioration in the performance of the receivables, errors in analysis or otherwise. None of the issuer, FCE or its affiliates will have an obligation to replace or supplement any credit enhancement or to take other action to maintain the ratings of the notes.

The issuer has not engaged a rating of the notes by any organisation other than the rating agencies listed in this prospectus. However, rating organisations other than the specified rating agencies may seek to rate the notes and if such shadow ratings or unsolicited ratings are lower than the comparable ratings assigned to the notes by the engaged rating agencies, such shadow or unsolicited ratings could have an adverse effect on the secondary market value of the notes.

None of the issuer, FCE or its affiliates will have an obligation to replace or supplement any credit enhancement or to take other action to maintain the ratings of the notes.

If the ratings on your notes are reduced, suspended, withdrawn or qualified, it could adversely affect the market value of your notes and/or limit your ability to resell your notes.

You should make your own evaluation of the creditworthiness of the receivables and the credit enhancement, and not rely solely on the ratings of the notes.

For more details about the rating agencies, you should read "Some Important Legal Considerations — Rating Agencies".

2.2 Risks related to the receivables

Performance of the receivables is uncertain

Historical performance and reference to historical information cannot give assurance that performance will remain constant. The performance of the receivables depends on a number of factors, including general economic conditions, unemployment levels, the circumstances of individual customers, FCE's underwriting standards at origination, the resale value of repossessed or returned vehicles, the terms of the receivable agreements which may be amended following origination and the success of FCE's servicing and collection strategies which may change over time.

Vehicles that are repossessed or returned by customers are typically sold at auctions as used vehicles. The pricing of used

vehicles is affected by supply and demand for those vehicles, which is influenced by many factors including consumer tastes, economic conditions, fuel costs, the introduction and pricing of new vehicle models, the impact of vehicle recalls or the discontinuation of vehicle models or brands. In addition, decisions by Ford about new vehicle production, pricing and incentives may affect used vehicle prices, particularly those for the same or similar models. An adverse impact on the resale value for repossessed vehicles could result in increased losses on the receivables and losses on your notes.

Consequently, no accurate prediction can be made of how the receivables will perform based on credit evaluation scores or other similar measures. Ultimately, this could result in losses on your notes.

For more details about the performance of the receivables, you should read "Receivables" and "Seller and Servicer".

Insolvency of customers

As the customers are United Kingdom persons, English, Scottish or Northern Irish insolvency laws would apply to a customer's bankruptcy (if the customer is an individual) or to a customer's administration or liquidation (if the customer is a commercial customer).

If the customer is an individual and the account is in arrears, unless FCE has agreed with the official receiver or the trustee in bankruptcy that the official receiver or trustee will adopt the receivable agreement (in which case the receivable agreement will be settled in full), the customer's obligation to pay any shortfall remaining following repossession of the vehicle or voluntary termination of the receivable agreement and the return and sale of the vehicle may not be enforceable against the official receiver or trustee.

If the customer is a commercial customer and the account is in arrears, unless FCE has agreed with the administrator or liquidator that the receivable agreement will be settled in full, the customer's obligation to pay any shortfall remaining following repossession of the vehicle or voluntary termination of the receivable agreement and the return and sale of the vehicle may not be enforceable against the administrator or liquidator.

Consequently, in such circumstances the issuer may receive payment of only part of the balance outstanding under a receivable agreement.

Furthermore, in the event of an individual voluntary arrangement or Scottish protected trust deed for creditors or debt arrangement scheme (if the customer is an individual) or a creditor's voluntary arrangement or a scheme of arrangement (if the customer is a commercial customer) the issuer may receive payment of only part of the balance outstanding under a receivable agreement or payment of the balance may be extended beyond the original term of the contract. In such circumstances the issuer may receive payment of only part of the balance outstanding under a receivable agreement or the full balance over an extended period of time.

The securitisation transaction has been structured to take into account potential defaults by the customers but may not provide protection against all risks of loss and does not guarantee payment of interest and repayment of the entire principal amount of your notes.

For more details about the insolvency of the customers, you should read "Seller and Servicer — Servicing and Collections — Bankrupt and Insolvent Accounts" and "Credit Enhancement".

Global economic and political conditions may adversely affect the performance of the receivables, which could result in losses on your notes

Global economic and political conditions are volatile and growth may not be sustainable for a specific period of time. A severe economic downturn could adversely affect the performance of the receivables. During a downturn, unemployment and a lack of availability of credit may lead to increased delinquency and default rates by obligors and decreased consumer demand for cars, trucks and utility vehicles. In addition, during certain periods there may be reduced used vehicle prices, which may increase the amount of losses on defaulted receivables. If a financial crisis or a severe economic downturn occurs, delinquencies and losses on the receivables could increase, which could result in losses on your notes.

Concerns about credit risks including credit risks of sovereigns and entities which are exposed to sovereigns have recently intensified. In particular, concerns have been raised about current economic, monetary and political conditions in the European currency area or the "Eurozone" and of the larger European Union which still includes the UK.

The UK held a referendum on 23 June 2016 in which a majority voted for the UK to exit the European Union, or the "Brexit vote". On 29 March 2017, the Government of the UK notified the European Council, as required by Article 50(2) of the Treaty of the European Union, of the UK's decision to withdraw from the European Union, or the "withdrawal notice". The timing of the UK's exit from the EU still remains subject to some uncertainty. Article 50 provides, save in certain circumstances, that the EU treaties will cease to apply to the UK two years after the withdrawal notice. While the UK is still a member of the European Union, EU law will apply. The UK and the European Union have now agreed to a flexible extension until 31 October 2019.

The Brexit vote and the withdrawal notice have led to near term uncertainty in European and global markets. The longer term effects will depend on the UK's ability to retain access to European Union markets either during a transitional period or more permanently. The uncertainty created by the Brexit vote and the withdrawal notice and the range of possible outcomes may continue to adversely affect economic or market conditions in the UK and throughout the European Union, and could contribute to on-going instability in global financial and foreign exchange markets, including volatility in the value of sterling. The period of uncertainty may extend for several years beyond the UK's formal withdrawal from the European Union.

The position of Scotland and Northern Ireland, whose voters voted

to remain in the European Union, and the likely repercussions of the UK's exit are also unclear and not possible to predict at this point.

The outcome of the Brexit vote and the withdrawal notice may have an adverse impact on FCE's operations, prospects and/or financial condition as well as its ability to perform its obligations under the transaction documents. Brexit could also have a negative impact or exacerbate other risks described in this prospectus.

If conditions further deteriorate (including as may be demonstrated by credit rating agency action, any default or restructuring of indebtedness by one or more states or institutions and/or changes to, or disruption to the Eurozone), then it may cause severe stress in the financial system generally and/or may adversely affect one or more of the parties to the transaction documents.

The Brexit vote has already resulted in downgrades of the UK sovereign and the Bank of England by Standard & Poor's and by Fitch. Standard & Poor's, Fitch and Moody's Investors Service Limited, or "Moody's", have all placed a negative outlook on the UK sovereign rating and that of the Bank of England, suggesting a strong possibility of further negative rating action. 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 counterparties on this securitisation transaction 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 counterparties on this securitisation transaction with others who have the required ratings on similar terms or at all. Moreover, a more pessimistic economic outlook for the UK in general could lead to increased concerns around the future performance of the securitised portfolio. Accordingly, the ability of the issuer to pay interest and repay principal to noteholders and the ratings assigned to the notes on the closing date could be adversely affected.

While the extent and impact of all the issues, uncertainty and market disruptions arising from the departure of the UK from the European Union are unknown, you should be aware they may adversely affect the ability of the issuer to make payments under your notes, the market value of your notes and/or your ability to resell your notes.

For more details about delinquency, and credit loss experience for FCE's portfolio of receivable retail contracts, you should read "Seller and Servicer — Delinquency and Credit Loss Information".

Reduction in demand for diesel-powered vehicles could affect the issuer's ability to make payments on your notes

The manufacture and operation of diesel-powered vehicles has come under increased scrutiny in recent years following investigations into emission levels.

In addition, in 2017 the European Commission issued warnings to five countries, including the UK, for failing to address repeated breaches of air pollution limits caused primarily by road traffic. In such warnings, the European Commission stated that reducing

emissions from diesel-powered vehicles was an important step towards achieving compliance with EU air quality standards.

A number of European cities are considering implementing bans on diesel-powered vehicles from their city centres and the UK government has announced that new diesel- and petrol-powered vehicles will be banned in the UK from 2040.

As a consequence of the above, public confidence in diesel-powered vehicles may be diminished and this may reduce the demand for new and used diesel-powered vehicles in the future. There is a risk that the characteristics of the pool of receivables may meaningfully change from the cut-off date due to a decline in Ford diesel-powered vehicle sales. The actual proceeds realised by FCE upon the sale of a returned vehicle at the end of the contract or the disposal of a repossessed vehicle may also be lower than that forecast at the beginning of the contract. Ultimately, this may have an adverse effect on the ability of the issuer to make payments on the notes. However, the nature of FCE's retail portfolio also means it is typically under indexed compared to average market diesel mix.

For more details, you should read "Receivables — Distribution by Fuel Type" and "Receivables — Distribution by Emissions Standard".

Geographic concentration may result in more risk to you

As at the cut-off date, the customers as a percentage of the initial aggregate net present value of the receivables were concentrated in the East of England 15.86% and the North West of England 13.95% respectively. No other areas in the United Kingdom represented more than 13.10% of the customers as a percentage of the aggregate net present value of the receivables. Economic conditions or other factors affecting these areas of the United Kingdom in particular could adversely impact the delinquency, credit loss or repossession experience of the issuer and could result in delays in payments or losses on your notes.

For more details about delinquency, and credit loss experience for FCE's portfolio of receivable retail contracts, you should read "Seller and Servicer — Delinquency and Credit Loss Information".

Risks resulting from consumer protection laws and set-off

United Kingdom consumer protection laws regulate consumer credit contracts, including the receivables. If a receivable does not comply with these laws, the servicer may be prevented from or delayed in collecting amounts due on the receivable. Under a consumer credit contract, a customer may make a claim against the relevant creditor as well as a supplier for misrepresentations made by the supplier in a transaction between the supplier and the customer during negotiations between them before execution of the relevant regulated consumer credit contracts or for a breach of contract.

In addition, where a credit broker (such as a dealer) carries out antecedent negotiations with a debtor those negotiations will be deemed to be performed in the capacity of agent of the creditor as well as in his actual capacity. As a result a creditor will be potentially liable for misrepresentations made by a credit broker (such as a dealer) involved in introducing a customer to the creditor

A customer may have a statutory right to terminate a regulated consumer credit contract and return the vehicle to FCE. In this circumstance the customer must pay to FCE all arrears, one half of the total amount payable under the regulated consumer credit contract to maturity and all other sums due but unpaid under the contract. A customer may also have a statutory right to early settlement of the contract.

FCE is authorised to take deposits in the UK and started taking deposits from customers in April 2017. Although the deposit agreement between FCE and such customers does not grant such customers a contractual right of set-off, such customers may still seek to set-off such deposits against amounts due under the receivables which could result in losses on your notes.

If FCE takes a deposit from a customer during the life of the transaction that is in excess of the current limit set by the Financial Services Compensation Scheme and that customer's receivable agreement is part of the pool of receivables, FCE will repurchase the receivable and all ancillary rights.

For further details on the risks resulting from consumer protection laws and set-off and how they apply to FCE and the receivables you should read "Some Important Legal Considerations".

Equitable assignment

The assignment and transfer of the receivables will only be disclosed to customers following a customer notification event as described in "Overview of the Notes and this Securitisation Transaction — No notification before a Customer Notification Event".

The customer may:

- until it has been notified of the assignment and transfer of the receivables, effect payment with discharging effect to FCE or enter into other transactions regarding the receivables with FCE with binding effect on the issuer and the security trustee. It may also have a right to set off against FCE prior claims it may have against FCE,
- following such notification, raise defences against the issuer and the security trustee resulting from its relationship with FCE which are existing at the time of the assignment and transfer of the receivables, and
- following such notification, have the right to set off against the issuer and the security trustee any claims against FCE, unless the customer has knowledge of the assignment and transfer after acquiring these claims or the claims become due only after the customer acquires this knowledge and after the respective instalments of the relevant receivable become due either as scheduled under the related receivable agreement or in full as a consequence of an early termination,

all of which could result in delays in payments or losses on your notes.

If another person acquires an interest in a receivable or a related financed vehicle that is superior to the issuer's interest, the collections on that receivable or the proceeds from the sale of that financed vehicle may not be available to make payments on your notes.

For more details, you should read "Principal Transaction Documents — Receivables Sale Agreement — Notification of Assignment of Receivables", "Some Important Legal Considerations — Restriction on Assignment", "Some Important Legal Considerations — Risk of Claw Back" and "Some Important Legal Considerations — Equitable Assignment".

Right to financed vehicles and reliance on residual value; balloon payment receivables may result in higher losses

The issuer will acquire from FCE interests in the receivables, including rights to receive certain payments from customers under the receivable agreements, the financed vehicle proceeds and other ancillary rights under the receivable agreements.

The issuer will not obtain title to the financed vehicles themselves nor will it have a direct right to repossess a financed vehicle if a customer defaults.

Title to the related vehicles will remain with FCE until it is transferred to the relevant customer under the terms of the relevant hire purchase agreement or is sold by FCE following repossession of the vehicle from the relevant customer. FCE will also hold its title to the financed vehicles and the proceeds of sale of the vehicles on trust for the issuer under the vehicle declaration of trust. Nonetheless the issuer is therefore dependent on FCE recovering such proceeds from the sale of the vehicles and remitting to the issuer any proceeds of such realisation.

FCE will agree not to impair in a material respect the rights of the issuer or the security trustee in the receivables except by the proper performance of its obligations under the servicing agreement.

FCE will grant powers of attorney to the issuer under which the relevant attorney should have a right to make demands and sue for amounts due under the receivable agreements or to repossess or sell the related financed vehicle.

Under TCM contracts, a customer is given several options at the conclusion of the agreement. A customer can satisfy its obligations under a TCM contract by retaining the financed vehicle and paying the final balloon payment or by returning the financed vehicle to FCE instead of paying the balloon payment. If the customer decides not to make the balloon payment and instead returns the financed vehicle to FCE, the issuer will be exposed to the risk that the residual value of the financed vehicle may be less than anticipated at the outset of the receivable agreement and thus less than the amount outstanding under the relevant receivable agreement. This could result in delays in payments or losses on your notes.

As of 31 August 2019, the aggregate residual value in respect of the receivables is (i) 47.9% of the aggregate net present value of the receivables and (ii) 44.3% of the aggregate principal amount of

the receivables without applying the discount rate.

For more details, you should read "The Receivables — TCM Receivables".

It may be difficult to repossess a financed vehicle. In addition, proceeds of sale of a financed vehicle may be less than the amount owed under the related receivable agreement and a financed vehicle may be subject to an existing lien (for example, mechanics' liens). Action to recover outstanding amounts may not be pursued if to do so would be uneconomic.

For more details, you should read "Receivables — Residual Value" and "Principal Transaction Documents — Receivables Sale Agreement — Residual Value".

If the seller becomes insolvent, although the issuer has the benefit of the vehicle declaration of trust declared by FCE over its interest in the vehicles and the sales proceeds of the vehicles, the issuer is reliant on an administrator or liquidator of the seller taking appropriate steps to sell a vehicle that has been returned or repossessed. As the sale proceeds from the vehicles have been assigned to the issuer, the vehicles will have no economic value to the insolvent estate of the Seller and therefore to the seller's creditors as a whole. It is unlikely that an administrator or liquidator of the seller will have an incentive to take steps to deal with the vehicles contrary to the contractual terms of the transaction documents.

To incentivise the liquidator or administrator to realise the value of the vehicles or alternatively to cooperate in a realisation, following the appointment of a liquidator or administrator for the seller the issuer is required to pay the incentive fee to the liquidator or administrator. The incentive fee is calculated at 1% of the vehicle proceeds and may be set off from the vehicle proceeds.

However, there can be no certainty that an administrator or liquidator would take such actions to sell vehicles returned or recovered.

For more details about the vehicles that are repossessed or returned by customers you should read "Performance of the receivables is uncertain".

If FCE or Ford Motor Company were to become insolvent or suffer sustained financial difficulties, the residual value of the vehicles could be adversely affected. This could also have an adverse effect on dealers and could cause disruption or delay in the vehicle return process for TCM receivables.

Each receivable agreement requires the customer to take out comprehensive motor insurance and to assign to the seller the proceeds of a claim for the loss, theft or damage beyond repair of the financed vehicle, and to pay such proceeds over to the seller in part settlement of the relevant receivable agreement but because FCE does not track that insurance is maintained on the vehicle, it is not certain whether such insurance is in place or that it is effectively assigned by way of security to the issuer or that FCE will receive any moneys from such insurance.

For more details, you should read "Receivables", "Seller and Servicer" and "Some Important Legal Considerations".

Delays in collecting payments could occur if FCE ceases to be the servicer

If FCE resigns or is terminated as servicer, the processing of payments on the receivables, information about collections and the recovery and resale of vehicles could be delayed. This could cause the manner in which available principal collections and available interest collections are determined and for payments on the notes to be changed as described in *"Principal Transaction Documents — Cash Management Agreement"*, and could also cause payments on your notes to be delayed. FCE may be removed as servicer if it defaults on its servicing obligations or becomes subject to insolvency proceedings as described under *"Principal Transaction Documents — Servicing Agreement — Resignation and Termination of the Servicer"*. There is no guarantee that a substitute servicer could be found that would be willing and able to service the receivables. Further, a substitute servicer, even if willing and able to act under the terms of the servicing agreement, may be less effective in this role than FCE, given FCE's experience in servicing the receivables, particularly in realising the residual value of vehicles. Finally, a substitute servicer is almost certain to charge a fee on a basis different from that of FCE and payment of this fee will rank ahead of the payments of interest on the notes.

Insolvency of the seller

If the seller becomes insolvent and an administrator or liquidator is appointed to realise its assets to pay its creditors, such administrator or liquidator or similar person may argue that the sale of receivables to the issuer was not a true sale (for example that it should be re-characterised as a charge of assets to secure borrowing from the issuer). In that case, the issuer could experience delays in receiving collections on the receivables and that could indirectly cause delays in payments due to the noteholders. If a court were to agree with such administrator or liquidator, the issuer may receive less than the full amount of collections on receivables and that could cause noteholders to receive less than the full amounts due to them.

No independent investigation and breach of warranties

No investigations, searches or other steps to establish the creditworthiness or suitability of a customer or to verify the details of a customer, receivable agreement, financed vehicle, protected payments plan, historical performance data or the FCE origination and servicing procedures have been or will be performed by the issuer, the security trustee, the trustee or the joint lead managers, each of whom will rely solely on warranties given by FCE about the receivables and the customers. The benefit of all such representations and warranties is assigned by the issuer to the security trustee under the deed of charge.

If FCE is in breach of a representation or warranty relating to the receivables, the only remedy of the issuer will be either to require FCE to remedy the matter giving rise to such breach, indemnify the issuer or to repurchase the affected receivables. In such circumstances, the issuer (and therefore the noteholders) will be dependent on FCE's ability to fulfil its obligations to repurchase the relevant receivables or indemnify the issuer. If FCE fails to repurchase or indemnify, you may experience losses or delays in payments on your notes. Where a representation or warranty by FCE about a receivable was given only with FCE's knowledge as at the closing date and the risk regarding such representation or warranty later materialises, FCE will not be required to remedy the matter or to repurchase the affected receivable or indemnify the issuer. Instead, the issuer (and therefore the noteholders) will bear the corresponding risk.

Conflicts of interest

FCE is acting in a number of capacities in connection with this securitisation transaction. FCE will have only those obligations and responsibilities expressly agreed to by it in the documents evidencing the transaction to which it is a party and will not, by virtue of its or its affiliates acting in any other capacity, be deemed to have other obligations or responsibilities or be deemed to be held to a standard of care other than as expressly set out in such documents. FCE, in its various capacities in connection with this securitisation transaction, may enter into business dealings from which it may derive revenues and profits without a duty to account therefore in connection with the transaction.

FCE may hold and/or service claims against the customers other than the receivables or may enter into other contractual relationships with the customers. The interests or obligations of FCE for these claims or contractual relationships may conflict with the interests of the noteholders.

The transaction parties may engage in commercial relationships, in particular, as lenders providing investment banking and other financial services to the customers and other transaction parties. In these relationships the transaction parties are not obliged to take into account the interests of the noteholders. Accordingly, conflicts of interest may occur and it is not certain whether the noteholders will be adversely affected by these conflicts of interest.

2.3 Risks related to taxation

Securitisation Regulations

Company

The issuer will be subject to corporation tax solely on its retained amount for so long as it remains a "securitisation company" as defined in the Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296). The issuer has been advised that it will be a "securitisation company". If the issuer ceases to qualify as a securitisation company for the purposes of those regulations, the issuer will be subject to corporation tax in the United Kingdom under general principles. In these circumstances, the ability of the issuer to meet its payment obligations to you under the notes may be prejudiced.

Withholding tax (including FATCA)

The notes will not provide for gross-up of payments if payments on the notes become subject to withholding taxes.

All payments to be made by the seller, the servicer and/or the cash manager will be made without withholding or deduction from or on account of taxes, unless required by law (or under FATCA), in which case they will be made net of required withholding or deduction and in this case you may suffer a loss as the issuer may not have sufficient funds to make payments of interest and/or principal on the notes.

All payments to be made by the swap counterparty under the interest rate swap agreement will be made without withholding or deduction for taxes, unless required by law (or under FATCA), in which case they will be made net of required withholding or deduction. In this case payments on your notes could be reduced or delayed.

For more details about the tax status of the notes and FATCA, you should read "Taxation".

2.4 Risks related to regulatory changes**Increased regulation**

In the UK, the U.S., the European Union and elsewhere, recent developments in the global markets have led to an increase in the involvement of various governmental and regulatory authorities in the financial sector and there is heightened political and regulatory scrutiny of the banking industry and operation of institutions in the financial sector, with increased requests from regulators to perform wide-ranging reviews and investigations.

As a regulated banking institution, FCE is required to comply with the supervisory and regulatory rules of the jurisdictions in which it operates, particularly in the areas of funding, liquidity and capital adequacy.

The UK Government, the Prudential Regulation Authority or the "PRA", the Financial Conduct Authority or the "FCA" and other regulators in the UK, the U.S., the European Union and elsewhere may intervene further to strengthen the liquidity and capital standards in the global banking system and in relation to areas of industry risk identified. It is not certain whether the more rigorous regulatory climate will impact financial institutions, and other European Union regulated investors such as certain types of investment fund managers, insurance and reinsurance undertakings, or the notes.

Following the Brexit vote and the withdrawal notice, once the UK ceases to be a member of the European Union, all European Union legislation which currently has direct effect in the UK will cease to have such effect. The status of other European legislation that has been implemented in the UK through the enactment of UK legislation will depend on UK government decisions that are extremely difficult to anticipate.

In particular, FCE is a bank authorised by the PRA and regulated by the FCA and the PRA to carry on a range of regulated activities within the UK and through a branch network in 10 other European countries. FCE currently enjoys this unrestricted access to the

European single market or "Single Market" through a passporting system, which allows it to establish or provide its services in the European Union without further authorisation requirements. The Brexit vote and the withdrawal notice have introduced uncertainty over the future ability of UK-based financial services operators to continue to access the Single Market through passporting. If passporting is not permitted, to continue to do business in the European Union, FCE could be required to re-consider its structure and enter into arrangements or authorisations which may be time-consuming and costly. In this context, in May 2017, FCE submitted an application to the German Federal Financial Supervisory Authority for a banking licence in Germany for a wholly owned subsidiary which would enable the exercise of passporting rights in Europe. On 29 March 2018, the German Federal Financial Supervisory Authority approved FCE's application for a banking licence in Germany. The German bank, Ford Bank GmbH, was established on 1 July 2018. In other European markets in which FCE currently operates, contingency plans are under development which may involve establishing finance companies. Any reorganization of FCE's business involving finance companies depends on the outcome of Brexit negotiations and remains subject to FCE board approval. FCE's UK business and FCE's subsidiary companies would not be affected as they will operate using their current licences.

It is not certain what the regulatory consequences of the Brexit vote and the withdrawal notice will be or what impact these may have on FCE's organisation, its operations in the UK and remaining European Union and its ability to perform its obligations under the transaction documents.

The circumstances described in the above paragraphs may adversely affect the ability of the issuer to make payments under your notes, the market value of your notes and/or your ability to resell your notes.

Changes of law

The structure and the ratings of the notes are based on English law, Scots law and Northern Irish law, and various regulatory, accounting and administrative practices in effect as at the date of this prospectus, and on the UK's current membership of the European Union. FCE has considered the expected tax treatment of all relevant entities under the tax law and the published practice of the tax authorities of the United Kingdom as at the date of this prospectus. It is not certain whether the impact of a possible change to law, whether as a result of a UK departure from the European Union or otherwise, or the regulatory, accounting or administrative practice, or their interpretation or administration, or the published practices of the United Kingdom tax authorities or tax authorities of any other relevant taxing jurisdiction, after the date of this prospectus could adversely affect the ability of the issuer to make payments under your notes, the market value of your notes and/or your ability to resell your notes and FCE's ability to perform its obligations under the transaction documents.

Benchmarks Regulation

Various interest rate and other indices which are deemed to be "benchmarks" (including SONIA) are the subject of recent national, international and other regulatory guidance and proposals for reform, including Regulation (EU) 2016/1011, or the "Benchmarks Regulation".

Under the Benchmarks Regulation, which came into force from 1 January 2018 in general, new requirements will apply with respect to the provision of a wide range of benchmarks (including SONIA), the contribution of input data to a benchmark and the use of a benchmark within the European Union. In particular, the Benchmarks Regulation will, among other things, (i) require 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 to comply with extensive requirements in relation to the administration of benchmarks and (ii) prevent certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU-based, deemed equivalent or recognised or endorsed).

The sustainability of LIBOR has also been questioned by the FCA as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of regulatory reforms) for market participants to continue contributing to such benchmarks.

These reforms and other pressures may cause one or more interest rate benchmarks to disappear entirely or to perform differently than in the past (as a result of a change in methodology or otherwise), create disincentives for market participants to continue to administer or participate in certain benchmarks or have other consequences which cannot be predicted. You should be aware that:

(a) any of these reforms or pressures 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) if SONIA is discontinued and an amendment as described in paragraph (c) below has not been made, then the rate of interest on the Class A notes and Class B notes will be determined for a period by the fallback provisions provided for in the terms and conditions of the notes, although such provisions, being dependent in part upon the provision by reference banks of offered quotations for the SONIA rate, may not operate as intended (depending on market circumstances and the availability of rates information at the relevant time),

(c) while an amendment may be made under the terms and conditions of the notes to change how the interest rate is determined on the Class A notes and the Class B notes by reference to an alternative benchmark rate under certain circumstances 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 interest rate risks or result in an equivalent methodology for determining the interest rates on the Class A notes or the Class B notes or (ii) will be made prior to any date on which any of the risks described in this risk factor may become relevant, and

(d) if SONIA is discontinued, and whether or not an amendment is made as described in paragraph (c) above, there can be no

assurance that the applicable fall-back provisions under the interest rate swap agreement would operate so as to ensure that the base floating interest rate used to determine payments under the interest rate swap agreement is the same as that used to determine interest payments under the Class A notes and the Class B notes, or that any such amendment would allow the transaction under the interest rate swap agreement to effectively mitigate interest rate risk on the Class A notes and the Class B notes.

More generally, any of the above matters (including an amendment described in paragraph (c) 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 terms and conditions of the notes, early redemption, discretionary valuation by the calculation agent, delisting or other consequence in relation to the notes.

No assurance can be provided that relevant changes will not be made to SONIA and/or that SONIA will continue to exist.

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 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 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.

Banking legislation

The Banking Act 2009 or the "2009 Act", as amended by the Financial Services (Banking Reform) Act 2013 or the "Banking Reform Act", gives the UK Treasury, the Bank of England and the Prudential Regulation Authority powers to act, under a special resolution regime, to address situations where all or part of the business of a United Kingdom institution with permission to accept deposits, or a "UK Deposit-Taker", such as FCE, has encountered, or is likely to encounter, financial difficulties. The UK Treasury and the Bank of England have been given wide powers to support the implementation of the stabilisation measures contemplated by the 2009 Act and the Banking Reform Act. The UK Treasury may take a UK Deposit-Taker into temporary public ownership by means of a share transfer order. The Bank of England may also transfer all or part of a UK Deposit-Taker's business to a private sector purchaser or a bridge bank wholly owned by the Bank of England. A transfer to a bridge bank may be achieved by a property transfer. The Bank of England may also modify contractual arrangements (including those with group companies). The

Banking Reform Act has also introduced a "bail-in option", which is an additional power for the Bank of England to enable it to recapitalise a failed institution by allocating losses to its shareholders and unsecured creditors.

In addition to the stabilisation powers mentioned above, the 2009 Act provides for two special insolvency proceedings, referred to as a modified form of liquidation or "bank insolvency" and a modified administration procedure or "bank administration" in relation to a residual bank where there has been a partial property transfer to a bridge bank or a private sector purchaser which may be started by specified UK authorities in relation to relevant UK Deposit-Takers.

It is not certain whether the noteholders will be adversely affected by action taken against FCE under the 2009 Act or the Banking Reform Act and/or whether this would affect the ability of the issuer to satisfy all or any of its obligations under your notes.

For more details about *the powers accorded to the UK Treasury and the Bank of England under the 2009 Act*, you should read *"Some Important Legal Considerations — Banking Act 2009"* and *"Some Important Legal Considerations — Banking Reform Act 2013"*.

Basel Capital Accord and regulatory capital requirements

The regulatory capital framework published by the Basel Committee on Banking Supervision, or the "Basel Committee", in 2006, or the "Basel II framework" has not been fully implemented in all participating countries. The implementation of the framework in relevant jurisdictions may affect the risk-weighting of the notes for investors who are or may become subject to capital adequacy requirements that follow the framework.

For more details about the Basel Capital Accord and the regulatory capital requirements you should read *"Some Important Legal Considerations — Basel Capital Accord and regulatory capital requirements"*.

The matters described in *"Some Important Legal Considerations — Basel Capital Accord and regulatory capital requirements"* as well as the Securitisation Regulation (as described below) and any other changes to the regulation or regulatory treatment of the notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, have a negative impact on the price and liquidity of the notes in the secondary market.

You should take your own advice and/or seek advice from your regulator on compliance with, and the application of, the provisions of such laws and regulations.

Securitisation Regulation

On 12 December 2017, the European Parliament adopted the Securitisation Regulation, which lays down common rules on securitisation and which applies from 1 January 2019. This Securitisation Regulation creates a single set of common rules for European "institutional investors" (as defined in the Securitisation Regulation) as regards (i) risk retention, (ii) due diligence, (iii) transparency and (iv) underwriting criteria for loans to be comprised in securitisation pools. Such common rules replace the corresponding provisions that previously applied to credit

institutions and investment firms, insurance and reinsurance undertakings and alternative investment fund managers under other EU directives and regulations and introduce similar rules for UCITS management companies and internally managed UCITS as regulated by the UCITS Directive and for institutions for occupational retirement provisions falling within the scope of Directive (EU) 2016/2341 and any investment manager or an authorised entity appointed by an institution for occupational retirement provisions pursuant to Article 32 of Directive (EU) 2016/2341. Secondly, the Securitisation Regulation creates a European framework for simple, transparent and standardised securitisations, or "STS securitisations".

The Securitisation Regulation applies to the notes. Furthermore, the securitisation transaction described in this prospectus aims to fulfil the requirements of Articles 19 up to and including 22 of the Securitisation Regulation in order for the securitisation transaction described in this prospectus to qualify as an STS securitisation. The seller will notify the securitisation transaction described in this prospectus to ESMA in compliance with Article 27 of the Securitisation Regulation on the closing date. No assurance can be provided that the securitisation transaction described in this prospectus does or continues to qualify as an STS securitisation under the Securitisation Regulation.

Although the securitisation transaction described in this prospectus has been structured to comply with the requirements for STS securitisations, and compliance is expected to be verified by PCS on the closing date, no assurance can be given that it has or will continue to have this status throughout its lifetime. Non-compliance with such status may result in higher capital requirements for investors. Furthermore, non-compliance could result in various administrative sanctions and/or remedial measures being imposed on the issuer or the seller which may be payable or reimbursable by the issuer or the seller. As each of the priority of payments do not foresee a reimbursement of the issuer for the payment of any of such administrative sanctions and/or remedial measures, the repayment of the notes may be adversely affected.

The Securitisation Regulation STS criteria may change over time or parties on which the issuer relies in order for the notes to continue to meet the Securitisation Regulation STS criteria may fail to perform their obligations under the transaction documents. In addition, no assurance can be given on how competent authorities will interpret and apply the Securitisation Regulation STS criteria. Furthermore any international or national regulatory guidance may be subject to change over time and related regulations, such as Regulation (EU) 2017/2401 and Commission Delegated Regulation (EU) No 2015/61 are subject to change. Therefore what is or will be required in future to demonstrate compliance with the Securitisation Regulation criteria with respect to national regulators remains unclear.

The risk retention, transparency, due diligence and underwriting criteria requirements described above apply in respect of the notes. Investors should therefore make themselves aware of such requirements (and any corresponding implementing rules made at

the national level), where applicable to them, in addition to any other regulatory requirements applicable to them with respect to their investment in the notes. Prospective and relevant investors are required to independently assess and determine the sufficiency of the information described above for the purposes of complying with any relevant requirements and none of the issuer, the joint lead managers, the trustee, the security trustee, the servicer, the seller or any of the other transaction parties makes any representation that the information described above or otherwise in this prospectus is sufficient in all circumstances for such purposes.

None of the issuer, the seller, the joint lead managers or any of the other transaction parties (except, in the case of the issuer and the seller, as required by the Securitisation Regulation as described in this prospectus) (i) makes any representation that the information described above or elsewhere in this prospectus or which may otherwise be made available to such investors or to which such investors are entitled (if any) is sufficient for such purposes, (ii) will have any liability to any actual or prospective investor or any other person with respect to the insufficiency of such information or any failure of the transactions contemplated herein to comply with or otherwise satisfy the requirements of Article 5 of the Securitisation Regulation or any other applicable legal, regulatory or other requirements; or (iii) will have any obligation (including, but not limited to, the provision of additional information) to enable compliance by investors with the requirements of Article 5 of the Securitisation Regulation or any other applicable legal, regulatory or other requirements.

Risks from reliance on verification by PCS

The seller, as originator, and the issuer, as SSPE (as defined in the Securitisation Regulation), have used the services of PCS, a third party authorised pursuant to Article 28 of the Securitisation Regulation, to verify whether the securitisation transaction described in this prospectus complies with Articles 19 to 22 of the Securitisation Regulation and the compliance with such requirements is expected to be verified by PCS on the closing date. However, none of the issuer, the seller, the servicer or the joint lead managers gives any explicit or implied representation or warranty as to (i) inclusion in the list administered by ESMA within the meaning of Article 27 of the Securitisation Regulation, (ii) that the securitisation transaction described in this prospectus does or continues to comply with the Securitisation Regulation, (iii) that this securitisation transaction does or continues to be recognised or designated as 'STS' or 'simple, transparent and standardised' within the meaning of Article 18 of the Securitisation Regulation after or on the date of this prospectus.

The verification by PCS does not affect the liability of the seller, as originator and the issuer, as SSPE (as defined in the Securitisation Regulation), in respect of their legal obligations under the Securitisation Regulation. Furthermore, the use of such verification by PCS will not affect the obligations imposed on institutional investors as set out in Article 5 of the Securitisation Regulation. Notwithstanding PCS' verification of compliance of a securitisation with Articles 19 to 22 of the Securitisation Regulation, such verification by PCS does not ensure the compliance of a securitisation with the general requirements of the

Securitisation Regulation. A verification does not remove the obligation placed on investors to assess whether a securitisation labelled as 'STS' or 'simple, transparent and standardised' has actually satisfied the criteria. Investors must not solely or mechanistically rely on any STS notification or PCS' verification to this extent. The seller, as originator, will include in its notification pursuant to Article 27(1) of the Securitisation Regulation, a statement that compliance of the securitisation described in this prospectus with Articles 19 to 22 of the Securitisation Regulation has been verified by PCS. The designation of the securitisation transaction described in this Prospectus as an STS securitisation is not a recommendation to buy, sell or hold securities. It is not investment advice whether generally or as defined under MiFID II and it is not a credit rating whether generally or as defined under the CRA3 or Section 3(a) of the United States Securities Exchange Act of 1934 (as amended). By designating the securitisation transaction described in this prospectus as an STS securitisation, no views are expressed about the creditworthiness of the notes or their suitability for any existing or potential investor or as to whether there will be a ready, liquid market for the notes.

Investor compliance with due diligence requirements under the Securitisation Regulation

Investors should be aware of the due diligence requirements under Article 5 of the Securitisation Regulation that apply to institutional investors with an EU nexus (including credit institutions, authorised alternative investment fund managers, investment firms, insurance and reinsurance undertakings, institutions for occupational retirement provision and UCITS funds). Amongst other things, such requirements restrict an institutional investor (other than the originator, sponsor or original lender within the meaning of the Securitisation Regulation) from investing in securitisation positions unless, prior to holding the securitisation position:

(a) that institutional investor has verified that:

(i) for certain originators, certain credit-granting standards were met in relation to the origination of the underlying exposures,

(ii) the risk retention requirements set out in Article 6 of the Securitisation Regulation are being complied with, and

(iii) information required by Article 7 of the Securitisation Regulation has been made available in accordance with the frequency and modulations provided in that article, and

(b) that institutional investor has carried out a due diligence assessment which enables it to assess the risks involved, which will include at least (among other things) the risk characteristics of its securitisation position and the underlying exposures of the securitisation, and all the structural features of the transaction that can materially impact the performance of its securitisation position.

In addition, under Article 5(4) of the Securitisation Regulation, an institutional investor (other than the originator, sponsor or original lender) holding a securitisation position must at least establish appropriate written procedures that are proportionate to the risk profile of the securitisation position and, where relevant, to the institutional investor's trading and non-trading book, in order to

monitor, on an ongoing basis, compliance with its due diligence requirements and the performance of the securitisation position and of the underlying exposures.

Depending on the approach in the relevant Member State of the European Union, failure to comply with one or more of the due diligence requirements may result in penalties including fines, other administrative sanctions and remedial measures. In the case of those institutional investors subject to regulatory capital requirements, penal capital charges may also be imposed on the securitisation position (i.e., notes) acquired by the relevant institutional investor.

The institutional investor due diligence requirements described above apply in respect of the notes. With respect to the commitment of the seller to retain a material net economic interest in the securitisation and with respect to the information to be made available by the issuer, seller or another relevant party, please see "Risk Retention" below. Relevant institutional investors are required to independently assess and determine the sufficiency of the information described in this prospectus for the purposes of complying with Article 5 of the Securitisation Regulation and any corresponding national measures which may be relevant to investors.

Aspects of the requirements and what is or will be required to demonstrate compliance to national regulators remain unclear and are still evolving. Prospective investors who are uncertain as to the requirements that will need to be complied with in order to avoid the consequences of the non-compliance should seek guidance from their regulator.

Risk Retention

The Securitisation Regulation replaced the securitisation risk retention requirements that previously applied to various types of EU institutional investors under other EU directives and regulations by one single provision, Article 6 of the Securitisation Regulation, providing for a new direct obligation on originators to retain a net economic interest. Article 5(1)(c) of the Securitisation Regulation requires institutional investors as defined in Article 2(12) of the Securitisation Regulation, to verify that, if established in the European Union, the originator, sponsor or original lender retains on an ongoing basis a material net economic interest in accordance with Article 6 of the Securitisation Regulation and the risk retention is disclosed to the institutional investor in accordance with Article 7(1)(e) of the Securitisation Regulation.

With respect to the commitment of FCE to retain a material net economic interest with respect to this securitisation transaction, for so long as the listed notes are outstanding, FCE, as the originator, will retain the Class C notes which constitute a material net economic interest of not less than 5% of the nominal value of the securitised exposures (measured as at the closing date) in this securitisation transaction in compliance with Article 6(3)(d) of the Securitisation Regulation.

It should be noted that there is no certainty that references to the retention obligations of the seller in this prospectus will constitute explicit disclosure (on the part of the seller) or adequate due

diligence (on the part of investors) for the purposes of Article 5 of the Securitisation Regulation.

U.S. Risk Retention

The U.S. Risk Retention Rules generally require the "securitizer" of a "securitization transaction" to retain at least 5 per cent. of the "credit risk" of "securitized assets", as such terms are defined for purposes of 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 also provide for certain exemptions from the risk retention obligations.

The transaction will not involve retention by a securitizer as contemplated by the U.S. Risk Retention Rules, but instead will be made in reliance on an exemption under Section 1.20 of the U.S. Risk Retention Rules for non-U.S. transactions. To qualify for the "foreign offering" exemption under Section 1.20 of the U.S. Risk Retention Rules, non-U.S. transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued) of the securities issued in the securitisation 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 and referred to in this prospectus as "**Risk Retention U.S. Persons**"); (3) neither the sponsor nor the issuer of the securitisation transaction is organised under U.S. law or is a branch located in the United States of a non-U.S. entity; and (4) no more than 25 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organised or located in the United States.

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

Notwithstanding the foregoing, the issuer can, with the consent of, and in reliance on, the seller, sell a limited portion of the notes to, or for the account or benefit of, Risk Retention U.S. Persons under the "foreign offering" exemption under Section 1.20 of the U.S. Risk Retention Rules.

It is not certain whether the "foreign offering" exemption under Section 1.20 of the U.S. Risk Retention Rules will be available. Failure of the offering to comply with the U.S. Risk Retention Rules (regardless of the reason for the failure to comply) could give rise to regulatory action which may adversely affect the notes. Furthermore, the impact of the U.S. Risk Retention Rules on the securitisation market generally is uncertain, and a failure by a transaction to comply with the U.S. Risk Retention Rules could negatively affect the market value and secondary market liquidity of the notes.

SELLER AND SERVICER

General

FCE Bank plc was incorporated in England and Wales under the Companies Act 1948 in September 1963 with number 772784 as a private limited company. It re-registered as a public limited company in May 1991. FCE Bank plc has operated under that name since June 1998. FCE's Legal Entity Identifier is TU5V87TL5Q0UV1EW4H93.

FCE is an indirect wholly owned subsidiary of Ford Motor Company, or "Ford", a company incorporated under the laws of the State of Delaware, United States of America. FCE is a credit institution as defined in points (1) and (2) of Article 4(1) of Regulation (EU) No 575/2013. FCE is authorised as a deposit taking business, a consumer credit business and an insurance intermediary under the Financial Services and Markets Act 2000 or the "FSMA", as amended by the Financial Services Act 2012. FCE is authorised by the Prudential Regulation Authority, or the "PRA", and regulated by the Financial Conduct Authority, or the "FCA", and the PRA. It also holds licences to conduct financing business in other European locations. FCE has obtained passports from the PRA under CRD IV entitling it to operate on a branch basis in several Member States of the European Union. In the context of the Brexit vote and the withdrawal notice, in May 2017, FCE submitted an application to the German Federal Financial Supervisory Authority for a banking licence in Germany for a wholly owned subsidiary which would enable the exercise of passporting rights in Europe. On 29 March 2018, the German Federal Financial Supervisory Authority approved FCE's application for a banking licence in Germany. The German bank, Ford Bank GmbH, was established on 1 July 2018. As a consequence of FCE's Brexit-related planning, on 1 February 2019, its businesses in Belgium and the Netherlands were transferred to FCSH GmbH. In addition, on 1 April 2019, its business in Poland was also transferred to FCSH GmbH. Consistent with its business strategy and primary focus on driving value, on 24 February 2019, FCE transferred its retail business in Greece to a third party and thereafter ceased retail and wholesale financing in Greece. In other European markets in which FCE currently operates, contingency plans are under development which may involve establishing finance companies. Any reorganization of FCE's business involving finance companies depends on the outcome of Brexit negotiations and remains subject to FCE board approval. FCE's UK business and FCE's subsidiary companies would not be affected as they will operate using their current licences.

FCE provides a variety of retail, leasing and wholesale finance plans in the markets in which it operates. Retail financing is provided predominantly through a number of title retention plans, including conditional sale and hire-purchase. In addition, credit sale and personal loans are offered, where the title is not retained. Operating and finance leases are provided to corporate and other institutional customers, covering single vehicles as well as large and small fleets. In most markets, operating leases are provided by third parties with whom FCE works closely while retaining responsibility for marketing and sales in return for fee income. FCE provides a variety of vehicle wholesale plans to dealers and, in addition, loans for working capital and property acquisitions.

FCE will be the servicer of the receivables for the issuer. FCE will be responsible for all servicing functions except that the principal paying agent will be responsible for making payments to the noteholders based on information and calculations provided by the servicer and cash manager. FCE will be responsible for paying the costs of forming the issuer, legal fees of certain transaction parties, rating agency fees for rating the notes and other transaction costs.

Ratings of the Seller and Servicer

As at the date of this prospectus, FCE's senior unsecured debt ratings are:

	<u>Fitch</u>	<u>Moody's</u>	<u>S&P</u>
Short-term debt ratings.....	F2	NP	NR
Long-term debt ratings	BBB	Ba1	BBB
Outlook	Negative	Stable	Negative

Rating Agencies periodically review FCE's debt ratings and may raise, downgrade or change the outlook of the ratings at any time.

FCE, as servicer, will be required to deposit collections on the receivables to the issuer's distribution account within two business days after the receipt or application of such collections from the customers' accounts.

For more details, you should read "Seller and Servicer — Servicing and Collections".

Securitisation Experience

FCE has been securitising its assets, including assets of a similar nature to those securitised under this securitisation transaction, since 1997. FCE's securitisation programmes are diversified across asset classes and markets. FCE securitises retail hire purchase contract receivables, retail loan receivables, retail lease receivables and dealer floorplan receivables using the Globaldrive brand. FCE participates in the securitisation markets in the United Kingdom, Germany and Switzerland.

FCE securitises its assets because the market for securitisation of financial assets provides the company with a lower cost source of funding, diversifies funding among different markets and investors, and provides additional liquidity. FCE meets a significant portion of its funding requirements through securitisations for these reasons. Securitisation is a core component of FCE's funding strategy.

FCE has issued notes backed by its retail auto hire purchase contract receivables, loan receivables and lease receivables in 32 securitisation transactions. 27 of these securitisations were public offerings, most recently in October 2018.

FCE Bank plc's UK Retail Automotive Finance Business

General. FCE operates its retail automotive financing business in the UK, or "FCE UK", under the trading style of Ford Credit. FCE UK has its registered office in Laindon, Essex.

Since 1 April 2016 all of FCE UK's origination operations have been conducted at a centralised location in Manchester. The primary origination point for FCE UK is through an approved franchised dealer network.

FCE UK offers financing and leasing products to consumer and commercial retail customers brokered by Ford dealers. FCE UK also acts as an intermediary for certain insurance products for retail customers. The receivables that will be sold to the issuer were, and will, be originated by FCE UK through Ford dealers in the UK (including Scotland and Northern Ireland) in the ordinary course of FCE UK's business.

For more details about the pool of receivables, you should read "Receivables — Composition of the Receivables".

Origination, Underwriting and Purchasing

General. FCE has been originating automotive retail loan receivables of a similar nature to those securitised under this securitisation transaction since 1997 in accordance with its bank working procedures (as defined below). FCE UK finances new and used cars, and light commercial vehicles. FCE UK provides financing to retail customers through fully-amortising level payment and balloon hire purchase contracts entered into between FCE UK and eligible customers. FCE UK finances an amount up to the purchase price of the vehicle including value added tax, dealer fitted options, road fund licence, a finance facility fee and a transportation fee. FCE UK will pay the dealer, on behalf of the customer, the purchase price, less the down payment received by the dealer from the customer, for the financed vehicle. The customer agrees to pay FCE UK under the terms of the contract.

UK consumer protection laws regulate consumer credit contracts, including the receivables. *For more details about the effect of these laws on the receivables, you should read "Some Important Legal Considerations".*

Origination. When a customer purchases a vehicle from a dealer, the customer and the dealer negotiate the purchase price of the vehicle and the acquisition of any insurance, warranty or other products. The customer and the dealer also determine the most appropriate contract considering the different product types available, the contract amount, term and payment terms. If the contract is a trade cycle management plan or "TCM" contract, FCE UK will provide an optional final payment amount for the vehicle. The dealer may choose to agree to an optional final payment below the amount provided by FCE UK; however, if the customer's optional final payment stated in the proposed contract exceeds the maximum set by FCE UK, FCE UK will either not approve the contract or will reduce the customer's optional final payment to meet FCE UK guidelines.

Dealers typically submit customer information combined with proposed contract terms electronically to FCE UK. FCE UK reviews the customer information and the contract terms to verify the accuracy of the accepted contract terms. The customer information is verified using the electoral roll and credit reference agencies. The application data is then processed using a proprietary scoring model based on the customer's information and the results of a credit search. If the contract application contains a material error it is returned to the dealer for correction and a new contract application is completed. If the proposed customer and the terms are accepted, the dealer will inform the customer and complete a contract for the customer to sign. The dealer will also document any products such as additional warranties, although such items are not included as part of the amount financed.

The customer must sign the contract. The dealer will then send the contract and any supporting customer information to FCE UK electronically. The documents enter a work flow system as an image file and are processed. If approved, FCE UK will sign the electronic image file, which is stored electronically as the original contract, and will pay the dealer the amount financed. The dealer will retain the customer's signed copy of the contract for a period of 12 months. Once imaged by FCE UK, the documents may be viewed on a computer screen for servicing, but cannot be altered or deleted. Additional documents obtained during servicing of the account are also added to the imaged file.

The dealer may receive as compensation a fee or commission income. In addition, the dealer may receive conduct award payments from FCE UK based on a number of performance criteria, however, these amounts are not included in the price of the vehicle or the terms of the financing.

Credit Applications and Scoring Models. All applications are assessed after being entered into a processing system that includes an origination scoring model. The first step FCE UK takes on receipt of an application is to classify the applicant based on whether the applicant is an individual or business entity. This classification determines the particular origination scoring model to be used. FCE UK's proprietary origination scoring models assess the creditworthiness of the applicant and affordability of the vehicle using the information in the applicant's credit application, the proposed terms of the hire purchase contract and the applicant's credit bureau data and other information obtained by FCE UK. The origination scoring models are statistical tools used to differentiate credit applicants based on their probability of paying the amounts due under their contracts. The origination scoring models assign a proprietary risk score for each applicant that is used in FCE UK's evaluation process. The origination scoring models update the applicant's risk score throughout the evaluation and purchasing process, if any of the inputs to the risk score change. Using origination scoring models does not eliminate credit risk.

FCE UK's origination scoring models were developed internally based on FCE UK's consumer portfolio database of contracts originated over many years to identify key variables that predict an applicant's probability of paying the amount due under the contract. The FCE UK data used to develop the commercial scoring model is supplemented by externally sourced data. FCE UK regularly reviews its origination scoring models to confirm the continued business significance and statistical predictability of the variables, including comparing actual and predicted performance of its retail portfolio. FCE UK develops new origination scoring models for its consumer and commercial applicants on a regular cycle plan. FCE UK may make adjustments to improve the performance of the origination scoring models between development cycles by uniformly changing the overall risk scores or modifying the weighting of selected variables.

Underwriting and Credit Evaluation. After all information is obtained and a proprietary risk score generated, FCE UK evaluates the application to determine whether to approve it. FCE UK's decision

process is based on a judgmental evaluation of the applicant, the credit application, the proposed terms of the contract, credit bureau information, proprietary risk score and other information. The evaluation emphasizes the applicant's ability to pay and creditworthiness focusing on payment, affordability, applicant credit history and stability as key considerations. The creditworthiness of any guarantor is evaluated in a similar manner to the applicant and is also considered when determining whether to approve an application.

For individual customers (including sole traders and partnerships with fewer than four partners) FCE UK generally obtains data on the applicant from the credit reference bureau, Experian or "Experian". The credit bureau data includes any negative payment history and the customer's credit score which is generated using statistical models created by Experian. A customer's credit bureau score is a significant factor in FCE UK's scoring models. FCE UK also considers data about the vehicle, including the model, the purchase price, and date of first registration for used vehicles.

FCE UK's lending decisions are made independently of Ford and Ford cannot require FCE UK to underwrite contracts that do not satisfy FCE UK's underwriting standards. Dealers do not have the authority to underwrite or approve an application without it being referred to FCE UK.

In the case of individual customers, sole traders and partnerships with fewer than four partners, all contract applications are automatically evaluated using an electronic decisioning process. Applications are either electronically approved or referred to an underwriting analyst for review. FCE UK regularly reviews its electronic decisioning process and makes adjustments in response to market conditions, FCA regulatory requirements, financing terms and the performance of its portfolio, which may lead to an increase or decrease in the percentage of applications that are electronically approved or rejected. If the application is not automatically approved, a credit analyst will underwrite the proposal according to FCE UK policies and underwriting guidelines. For applications not electronically approved, FCE UK typically is able to determine whether or not to underwrite a contract within 30 minutes of receipt of an application. Higher risk applicants may require additional investigation.

Approval authorities to approve an application are established based on risk as determined by the scoring models. Low risk proposals are generally approved automatically while higher risk contracts generally require approval from a credit analyst or more senior personnel.

The general methodology used to determine electronic approval has remained consistent since 2013. In 2012, on average, approximately 65% of FCE UK's contract applications have been automatically approved. This level has increased to approximately 67% in 2018.

The customer is initially required to pay by direct debit but has the option to change at a later date to a manual payment method, standing order. Approximately 99% of customers pay their regular monthly instalment by direct debit.

Modified agreement contracts are used for refinancing the balloon payment for customers who wish to do so at the end of their TCM contract. A modified agreement contract extends the existing TCM contract. If the servicer agrees to make such modifications to an existing TCM contract relating to a receivable, the seller will repurchase the relevant receivables and all ancillary rights.

FCE UK offers financing for new and used vehicles under level payment and balloon payment hire purchase contracts. Hire purchase contracts are offered with a minimum term of 12 months and a maximum term of 60 months. Balloon hire purchase contracts are restricted to terms of 48 months, plus one month for the balloon instalment. FCE UK offers financing under TCM contracts with minimum terms of 24 months and maximum terms of 48 months, plus one month for the balloon instalment. TCM contracts for used vehicles are limited to vehicles up to 48 months old.

TCM Contracts. FCE UK has offered TCM contract plans for the Ford brand under the "Options" label in the UK since 1992. TCM contract plans are designed to encourage customer loyalty by providing a flexible financing platform with the option to return the financed vehicle in part exchange for a new Ford trustmark brand vehicle.

TCM contracts provide the customer with three options at the end of the contract term: (i) keep the vehicle and pay the final balloon instalment and a fee for exercising the option to purchase the vehicle;

(ii) trade in the vehicle with a dealer and purchase another vehicle under a new contract; or (iii) return the vehicle to FCE UK through a dealer and pay for excess mileage and wear and tear to the vehicle, if any.

The final balloon instalment for a TCM contract is an optional final payment of the financed vehicle, taking into account the customer's desired term and mileage. The optional final payment is set below the estimated future residual value of the vehicle. This is intended to provide the customer with positive equity in the financed vehicle at the time the balloon instalment is due and establish an incentive to trade in the vehicle with a dealer and use any equity in the contract as a deposit towards the purchase of a new vehicle. The customer's equity is derived from any surplus between actual sales proceeds of the vehicle and the optional final payment stated in the customer's contract.

If the customer chooses to keep the vehicle, the customer will pay FCE UK the optional final payment plus an option-to-purchase fee of up to £10. If the customer chooses to trade in the vehicle to a dealer and purchase another vehicle from that dealer, such dealer will pay the optional final payment to FCE UK on behalf of the customer. If the customer chooses to return the vehicle, then the dealer can either take the vehicle into used vehicle stock and pay FCE UK the optional final payment or perform a vehicle condition report in the presence of the customer and return the vehicle to FCE UK. If the returned vehicle is returned to FCE UK then FCE UK bears the residual value risk in the vehicle resulting from the potential difference between (i) the sum of the resale price, less any resale costs, plus any excess mileage and wear and tear fees and (ii) the optional final payment amount. Any positive difference between such amounts will be retained by FCE UK and not remitted to the customer or dealer.

On its return, the vehicle will be inspected by a dealer or an independent vehicle assessor for the purposes of agreeing excess charges with the customer. For each vehicle returned to FCE UK under the agreement, the supplying dealer is charged a fee of approximately 2% of the optional final payment. Vehicles returned to FCE UK are disposed of through approved vehicle auctions.

Determination of Residual Values for TCM Contracts. Residual value risk is a major consideration for FCE UK's financing business. The residual value of a vehicle financed under a TCM contract is the future market value of the vehicle at the end of the contract term. FCE UK is subject to residual value risk because the customer may return the financed vehicle to FCE UK and the market value may be less than the optional final payment stated in their contract.

The residual value of the financed vehicle is considered in determining the optional final payment that is reflected in the TCM contract and is used to calculate the customer's monthly payment. Residual values for vehicles under TCM contracts are established by reference to various sources of independent and proprietary knowledge, an internally developed proprietary model and an internal review process. The estimated future residual value of a financed vehicle is based on a variety of factors, including remarketing experience, vehicle life cycle, new and used market trends, model ageing, market demand, seasonality, new model and competitor vehicle launches, manufacturer marketing campaigns and local wholesale trade-in price guides. Optional final payments on TCM contract plans are set below the forecasted future market value to protect customer equity and promote trade-ins to be used toward the purchase of a new vehicle. FCE UK policy is that the optional final payment must be a minimum of 5% (of manufacturer list price) below the forecasted future market value and is increased to 8% for terms less than 24 months.

FCE UK regularly reviews vehicle residual values. The internal review process takes into account the output from the model, current or planned marketing incentives, current auction trends, and current market acceptance of the vehicle. FCE UK also compares its residual values to historical auction values for similarly marketed vehicles and residual value forecasts published in various independent industry guides that are widely used throughout the automotive finance industry, such as those provided by CAP HPI Limited. FCE UK sets residual values quarterly. FCE UK sets residual value percentages for each new vehicle for 12 to 48 month terms. If a specific term and corresponding residual value percentage are not published, FCE UK will interpolate the number by averaging the nearest published data above and below the agreed term.

As of 31 August 2019, the aggregate residual value in respect of the receivables is (i) 47.9% of the aggregate net present value of the receivables and (ii) 44.3% of the aggregate principal amount of the receivables without applying the discount rate.

For more details, you should read "Receivables — Residual Value" and "Principal Transaction Documents — Receivables Sale Agreement — Residual Value".

Commercial Accounts. A significant majority of retail contracts underwritten by FCE UK are entered into with individual customers, including sole traders and small partnerships. The remaining retail contracts underwritten by FCE UK are for commercial customers. The contracts for these financed vehicles indicate commercial customer type. Many commercial customers have a number of financed vehicles with FCE UK. Sole traders are evaluated using the same processes to those used for individual customers. Partnerships and limited companies go through a very similar underwriting process although in addition, commercial applicants' credit standings may be evaluated using annual reports, interim financial statements and tax statements. Similar to personal individual contracts, underwriting decisions with commercial contracts emphasise the applicant's ability to pay and creditworthiness, but also recognise that commercial vehicles may have specialty bodies or equipment added and are often put to more demanding uses, which may reduce the resale value of the financed vehicle.

Insurance. FCE UK is authorised and regulated by the PRA and regulated by the FCA to act as an insurance intermediary whereby FCE UK has established agreements with insurance providers to provide five insurance products for Ford customers in the UK; Motor Insurance, Ford Asset Protection Insurance (GAP), Cosmetic Repair Insurance, Alloy Wheel Repair Insurance and Ford Tyre Insurance. Ford Dealers may introduce Ford Insure Motor Insurance to customers or sell Ford Asset Protection Insurance (GAP), Cosmetic Repair Insurance, Alloy Wheel Repair Insurance and Ford Tyre Insurance but they are not required to offer FCE Insurance products. All FCE finance contracts require that the customer maintains a comprehensive insurance policy which insures the customer for third party liability, for repairs to the vehicle if it is involved in an accident (or payment of the cash value of the vehicle if it is not repairable), and other risks such as fire and theft. Since customers may choose their own insurers to provide the required coverage, the specific terms and conditions of their policies will vary. FCE UK does not track that insurance is maintained on the financed vehicle. As the owner of the financed vehicle FCE UK will generally have a beneficial right over the insurance proceeds under vehicle insurance.

Ford Asset Protection Insurance (GAP) covers the event when a customer's car is declared a total loss by the primary motor insurer. Ford Asset Protection Insurance (GAP) covers the difference between the motor insurer's total loss settlement offer and the original net invoice price of the vehicle or the outstanding finance settlement figure (whichever is greater). If the vehicle is subject to a lease or contract hire agreement, Ford Asset Protection Insurance (GAP) covers the difference between the amount paid out by the motor insurer and the early termination charge from the lease or contract hire company, as well as the original up-front payments made in the form of rentals paid in advance.

Ford Tyre Insurance covers the customer in the event a customer's tyre is damaged when sudden deflation occurs (including malicious damage). The insurance policy will contribute towards the repair or replacement cost of the tyre up to a defined limit.

Alloy Wheel Repair Insurance covers the cost of cosmetic repairs resulting from accidental damage to alloy wheels; if the wheel cannot be cosmetically repaired then a contribution is made towards the replacement cost of a new wheel.

Cosmetic Repair Insurance covers the cost of repair resulting from minor body damage (scratches, scuffs, chips and dents) to vehicles.

All insurance products are subject to terms and conditions.

FCE UK does not offer payment protection insurance or "PPI".

All insurance premiums are excluded rights and are not securitised.

Fraud Protection. FCE UK provides regular fraud awareness training for employees in the customer service centre and has dedicated specialists in the detection and monitoring of fraudulent applications. FCE UK uses a fraud prevention tool developed by Experian that is intended to identify suspicious applications before origination. The tool uses a database system to assess the risk of fraudulent applications by evaluating inconsistencies in current and previous applications. The system has two distinct databases, a lender specific database that checks for FCE UK's data on fraudulent applications, and a national database that checks data on fraudulent applications for all other users of the system. Suspicious contract proposals are referred to a specialist to check for fraudulent information and further investigation. In addition, FCE UK is a member of CIFAS, a not for profit membership association established for the prevention of financial crime and staff fraud. CIFAS provides fraud prevention services to its members, including a fraud avoidance system used by UK financial services companies and public authorities.

Internal Controls. An auditing group within FCE UK performs regular operating audits to monitor compliance with purchasing guidelines, policies, procedures and legal requirements. FCE regularly reviews and analyses its portfolio of receivables to evaluate the effectiveness of its underwriting guidelines, scoring models and purchasing criteria. If external economic factors, credit loss or delinquency experience, market conditions or other factors change, FCE may adjust its underwriting guidelines, scoring models and purchasing criteria in order to change the quality of its portfolio or to achieve other goals and objectives.

Originations Characteristics. The following table contains information about FCE UK's auto receivables originated in each of the periods indicated.

FCE UK Auto Receivables Originations

	Six Months Ended 30 June		Year Ended 31 December				
	2019	2018	2018	2017	2016	2015	2014
Number of receivables originated	65,534	76,200	133,614	155,036	177,523	180,027	173,282
Aggregate original principal balance (in millions) ⁽¹⁾	£1,111	£1,187	£2,125	£2,136	£2,124	£1,922	£1,726
New (vs. used) vehicles ⁽²⁾	98.93%	94.42%	95.34%	86.11%	85.92%	84.82%	84.65%
TCM (vs. standard) loan agreements ⁽²⁾	87.62%	85.93%	85.95%	81.30%	79.57%	81.17%	80.28%

⁽¹⁾ The original principal balance is the original amount financed under the receivables excluding fees and interest.

⁽²⁾ Percentage of aggregate principal balance of the receivables originated in the period.

Material Changes to Origination and Underwriting Policies and Procedures. FCE UK's origination policies are focused on supporting the sale of new Ford vehicles. A substantial percentage of the contracts originated by FCE UK are originated under Ford-sponsored vehicle marketing incentive programmes. As a result, changes in origination volumes and the types of contracts originated are caused primarily by changes in sales of Ford vehicles and changes in Ford-sponsored marketing programmes. The relative cost and availability of funding sources also impacts FCE UK's willingness to originate certain retail contracts and FCE UK may limit the origination of certain types of contracts for risk management purposes.

Industry growth in the UK and an increase in new registrations have increased in the period covered in the table above, which ultimately led to higher sales of new Ford vehicles. This is reflected in FCE UK's origination volumes and shift to a higher percentage of new vehicles during this period.

To effectively support Ford and the sale of new vehicles during this period of industry growth, FCE has worked with Ford in providing various low-rate marketing programmes. Given the potential to support future vehicle sales, these marketing programmes have been more heavily focused on the TCM product, contributing to its general growth over the period.

FCE UK launched the current version of its origination scoring models for consumer customers in August 2018 and an enhanced bureau based scorecard for commercial customers in October 2016.

Other than as described above, there have been no material changes to FCE UK's origination and underwriting policies and procedures in the last five years.

Servicing Experience

FCE UK will be the servicer of the receivables for this securitisation transaction. FCE UK will service the receivables from a centralised customer service centre in Manchester, England. FCE UK's servicing operations are divided into two departments – Account Services and Collections and Loss Recovery.

FCE UK has internal policies and procedures in relation to the granting of credit, administration of credit-risk bearing portfolios and risk mitigation, or "bank working procedures", which broadly include:

- criteria for the granting of credit and the process for approving, amending, renewing and re-financing credits
- systems in place to administer and monitor the various credit-risk bearing portfolios and exposures,
- diversification of credit portfolios given FCE's target market and overall credit strategy, and
- policies and procedures in relation to risk mitigation techniques.

FCE UK has been servicing automotive retail loan receivables of a similar nature to those securitised under this securitisation transaction since 1997 in accordance with its bank working procedures. FCE UK's comprehensive bank working procedures include web-based servicing policies and procedures, ensure that common servicing practices and procedures are used for all receivables. Servicing personnel generally do not have access to information displaying that a receivable they are servicing has been sold in a securitisation transaction or otherwise.

For the purpose of compliance with the requirements stemming from Article 21(9) of the Securitisation Regulation, remedies and actions relating to delinquency and default of debtors, debt restructuring, debt forgiveness, forbearance, losses, charge offs, recoveries, payment holidays and other asset performance remedies are applied, (if applicable), in accordance with FCE's bank working procedures.

In the servicing agreement, FCE will agree with the issuer and the security trustee that it will comply with its bank working procedures and, in particular:

- (i) unless required by law (or any reasonable interpretation of such law) or deemed necessary by the servicer on reasonable grounds to comply with the requirements of any regulatory authority with whose requirements it is customary to comply, will not agree to any material amendment to or variation of any receivable agreement except in accordance with its bank working procedures, and
- (ii) in relation to any default by a customer under or in connection with a receivable agreement, may exercise discretion in applying its bank working procedures in accordance with the servicing agreement.

The Account Services department provides general account administration, account redemptions, total loss insurance claims, customer relations/complaints management and payment processing support including banking.

The Collections and Loss Recovery Unit has two separate areas of responsibility. The Collections team has two main functions – early stage delinquency, which includes account maintenance, and late stage delinquency, which focuses on loss prevention. They manage all delinquent accounts, vehicle

skip tracing (where the customer cannot be located through normal procedures using the contact information in the servicer's records) and include a speciality team with responsibility for external agent assignment in cases of trace, repossession and voluntary termination. FCE UK typically sells its loss accounts in an effort to realise value. The Loss Recovery Coordinator manages the transfer and debt sale of irredeemable accounts to an external party.

Servicing and Collections

General. FCE UK's servicing and collections systems maintain records for all receivables, applications of payments, relevant information on customers and account status. The systems also capture communications with customers and allow management to review collection personnel activities. Whilst it should be noted that customers with regulated agreements require a court order to repossess the vehicle if more than a third of the total payable under the agreement has been paid and have certain voluntary termination rights, in virtually all other respects FCE adopts the same servicing and collections processes and procedures for all retail customers (private individuals and smaller commercial customers).

FCE UK engages third party service providers to perform a number of its administrative servicing processes including processing direct debits, imaging customer documents, storing contracts (in electronic format) and printing and sending customer letters. FCE UK also contracts with a network of outside contractors to repossess vehicles and to collect outstanding payments on delinquent accounts.

Payments and Application of Payments. Almost all of FCE UK's customers make payments electronically, and approximately 99% of retail customers make their payments through direct debit payment systems and the remainder through bank giro order, standing order or other electronic remittances. All payments are paid into collection accounts maintained with independent third party banks in the name of FCE UK. All direct debit payments matched to a customer's account that are received at a collection account before the stated processing time on a business day are applied to the customer's account on the day received. Non-direct debit payments are applied to the customer's account on the following working day.

Behavioural Scoring Models. FCE UK uses behavioural scoring models to assess the probability of payment default for each receivable and implements collection efforts based on its determination of the credit risk of the customer on the payment due date. These models assess a number of variables including origination characteristics, customer account history, payment patterns, expected loss or severity and periodically updated credit bureau information. Based on data from these models, receivables are grouped by risk category for collection. These categories determine how soon a customer will be contacted after a payment becomes delinquent, how often the customer will be contacted during the delinquency.. FCE UK develops new behavioural scoring models on a regular cycle plan and regularly reviews the models to confirm the continued business significance and statistical predictability of the variables. FCE UK may make adjustments to improve the performance of the behavioural scoring models between development cycles by uniformly changing the overall scores or modifying the weighting of selected variables.

Delinquency, default of customers, forbearance, losses and written off receivables. Most receivables are paid without additional servicing or collection efforts. If an account becomes delinquent, a collection representative will attempt to contact the delinquent customer to determine the reason for the delinquency and to identify the customer's plan to resolve the delinquency. A number of communication methods are employed by FCE UK to contact customers and encourage a resolution to arrears. All activity follows the FCE Risk based collections strategy to ensure a consistent approach is used in all cases. If the customer cannot pay the past due payments in full, FCE UK in accordance with its bank working procedures may allow the customer to continue to make the normal monthly payment, provided that the customer promises to pay all past due amounts typically within three months. This type of payment arrangement defers a delinquent payment for one or more months but does not change the final scheduled due date of the contract. To approve a promise-to-pay arrangement FCE UK will generally require the collection representative to determine whether the customer's payment problem is temporary, whether the customer has an income source for making the next payment, and whether the customer has made at least one payment since the start of the

contract. FCE UK will typically apply a late payment fee on customers' accounts that become 20 days delinquent, only one fee is payable during any one continuous period of delinquency. In line with the FCE UK forbearance procedures, longer-term payment arrangements, up to a maximum of 12 months, are available in specific cases including vulnerable customers. All customer accounts subject to payment arrangements are identified as having been forborne.

Payment holidays and payment extensions. FCE UK does not offer payment holidays or payment extensions that will extend the final scheduled maturity date of the contract, other than as described under "*Origination, Underwriting and Purchasing — Underwriting*". No changes of terms requested by the customer will be made to an existing contract. FCE UK will not rewrite a contract if the customer anticipates that it will be unable to make future payments and requests reduced monthly instalments, a longer contract term or a different interest rate. FCE UK uses periodic management reviews on delinquencies, promise-to-pay arrangements, operating audits and other measurements to maintain control over the use of collection actions.

Customer Service and Complaint Handling. FCE UK has long established processes and procedures for handling policy, process and merchandise complaints. The Financial Conduct Authority definitions and regulations form the foundation of the FCE Complaint Handling procedures. FCE UK provides visibility at a senior level of complaint volumes, turn around times, trends and escalations on a regular basis.

Termination and Repossession. FCE UK makes reasonable efforts to collect on delinquent contracts and to keep contracts from becoming delinquent. Repossession is considered only after other collection efforts have failed. In compliance with UK law, FCE UK may terminate a delinquent contract in order to exercise its rights under the contract, such termination can occur 21 days or more after the delinquent customer has been advised of the intention to terminate the contract. In all cases, the customer will be asked to return the vehicle and in some cases will do so voluntarily. In some cases, the customer will pay the debt in full without repossession. In the remaining cases, and where the customer has paid less than one third of the total amount payable under the contract, an independent contractor is used to take possession of the vehicle. If a customer does not voluntarily return the vehicle and has paid more than one third of the total amount payable under the contract, the contract is terminated and sold to a recovery specialist. Where FCE UK is able to repossess the vehicle without legal proceedings, on average FCE UK repossesses the vehicle within 38.5 days from the point the decision to repossess is taken. On average, FCE UK receives vehicle sale proceeds from the sale of repossessed vehicles within five months after the contract has become delinquent. For contracts involving repossession, an account is written-off as a loss when FCE UK receives notification that the vehicle has been repossessed.

All vehicles repossessed by FCE UK are sold by physical auctions and the net auction proceeds are applied to the outstanding balance of the contract. After standard collection efforts are exhausted and all collections, including sale proceeds, auction proceeds and insurance claims, are applied as recovery amounts, FCE UK will sell the contract as a final effort to realise value.

Collection activities generally are continued until the contract is paid or settled in full, the contract is determined to be uncollectible due to bankruptcy of the customer or for other reasons, the customer dies without a collectible estate or the applicable statute of limitations expires. In certain limited circumstances, FCE UK may release its security interest in the vehicle to an insurer to receive proceeds from insurance covering the vehicle.

Early Voluntary Termination by Customer. A customer may terminate a contract before its scheduled termination date. If the customer terminates the contract early, the customer may either return or purchase the vehicle. In the case of contracts where the customer has voluntarily terminated their contract in compliance with their rights under UK consumer credit protection legislation, FCE UK writes off the account as a loss and handles the vehicle remarketing and sale, and the assignment of the debt, if applicable, on the same basis as with repossessions and other terminations. *For more details about the customers right to voluntary terminate the contract, you should read "Some Important Legal Considerations".*

Bankrupt and Insolvent Accounts. In respect of bankruptcy, FCE's procedures and processes treat private individuals and smaller business customers in a largely similar manner, with any differences mainly being driven by regulatory or legal requirements. When FCE UK is notified by a customer, the official receiver or (in Scotland) the trustee that a customer has filed for bankruptcy, the account is moved to FCE UK's debt management system where it can be monitored and handled by a bankruptcy specialist. A letter is sent to the official receiver or trustee requesting a letter of no interest or intention to adopt the agreement. A copy of the customer's contract, along with a current settlement figure is also sent to the official receiver or trustee. If the account is not delinquent and FCE UK receives a letter of no interest from the official receiver or trustee, the customer is allowed to keep the vehicle and continue making payments under the contract and no further action will be taken. If the receiver or trustee chooses to adopt the agreement, the official receiver will pay FCE UK the settlement amount and FCE UK has no further interest in the vehicle. If the official receiver or trustee advises that they have no interest and the account is delinquent, a notice of default is issued, the vehicle is recovered either by standard repossession (where less than one third of the contract amount has been paid) or voluntary termination (where more than a third has been paid and the customer agrees to surrender the vehicle). If any shortfall exists after repossession and sale of the vehicle, a bankruptcy specialist in the loss recovery unit continues to pursue the remaining amount and may contact the official receiver to collect any outstanding amount due under the contract.

In the case of a bankruptcy of a commercial customer, there will typically be an administration or liquidation proceeding that is administered through a trustee, an administrator or liquidator. In the case of liquidation, the company's assets will be taken into account to realise all available funds to satisfy the company's debts. In the case of an administration, the continuance or adoption of the contract and the disposal of the vehicle will be handled in the same manner as with individual bankruptcy.

In the event of an individual voluntary arrangement or Scottish protected trust deed for creditors or debt arrangement scheme (if the customer is an individual) or a creditor's voluntary arrangement or a scheme of arrangement (if the customer is a commercial customer) FCE will not agree to reschedule the payments beyond the maturity date of the contract.

UK bankruptcy rules are generally considered to be debtor friendly in that most bankruptcy orders expire after twelve months and any shortfalls during this period are unlikely to be paid. FCE UK handles a relatively small number of bankruptcies. As of December 2017, FCE UK manages a portfolio of approximately 105 accounts awaiting sales proceeds or payments from the bankrupt customer's bankruptcy administrator involved in bankruptcy proceedings. In addition, FCE UK will not pursue additional collections related to customers declared bankrupt after the receivable has been written-off by FCE UK and assigned to a collection agent.

TCM Vehicle Returns; Vehicle Maintenance; Excess Wear and Tear and Excess Mileages. The customer is responsible for all maintenance, repair, service and operating expenses of the vehicle. The customer is also responsible if the vehicle is lost, stolen or seized. If the customer returns the vehicle at contract end, the customer is required to pay for any excess mileage and the estimated cost to repair any excess wear and tear. Excess mileage is a charge for each mile the vehicle has been driven in excess of the mileage limit stated in the contract. Excess wear and tear generally includes missing or inoperative equipment, parts or accessories or damage to the body, lights, trim or paint. If the customer does not pay any excess mileage or excess wear and tear charges due when the vehicle is returned, FCE UK will continue collection efforts.

TCM contract-end Communication. Approximately 120 days before the scheduled termination date of a TCM contract, FCE UK will send a notice to the customer stating the scheduled termination date, outlining the customer's options at contract end (including the customer's obligations), describing the vehicle inspection process and providing information about new vehicles. The dealer and FCE UK may also contact the customer near the scheduled termination date to determine the customer's intentions at the end of the contract and to answer any questions. If the customer does not return or purchase the vehicle by the 5th day after the contract's scheduled termination date, the customer's account is transferred to the collections team and will be handled in the same manner as other termination and repossessions.

TCM Vehicle Inspection. If the customer or the dealer do not purchase the vehicle and it is returned to FCE UK, the vehicle must be inspected to determine its condition. An inspection will

typically be performed by the dealer when the vehicle is returned to the dealership. At the time of the inspection the customer is typically provided with a vehicle condition report that states the amount the customer will owe for excess wear and tear on the vehicle.

Vehicle Disposal. FCE UK manages the disposal of returned vehicles and seeks to maximise net sale proceeds, i.e. gross sale proceeds less fees and costs for reconditioning and transporting the vehicle.

Vehicles are transported to FCE UK sanctioned auction houses. Each vehicle is inspected by an independent third party and a full time FCE UK vehicle remarketing specialist will oversee any required vehicle reconditioning and sale of the vehicle. Most auctions are open to new or used car dealers and include vehicles that have had value added repairs and reconditioning. Some auctions also offer a real time web-cast of physical auctions that allow internet bidders to compete with bidders at the physical auction site. Typically it takes an average of approximately 17 days from date of arrival at auction site to sell a vehicle through an auction.

Residual Performance Information. Changes in the number of TCM maturities in the periods shown in the table below reflect increases or decreases in originations of TCM contracts two to three years earlier. Over the periods in the table below, FCE UK has seen an increase in the volume and mix of TCM contracts within its portfolio as it supported the sale of new Ford vehicles through various Ford-sponsored vehicle marketing incentive programmes.

"Number of TCM returned" refers to TCM vehicle returns during the period. During 2013 and 2014, the return rate remained at historic lows reflecting the maturing of contracts with residual values set during the recession period. In 2015 and 2016 and continuing in the first quarter of 2017, the return rate increased primarily as trade values declined in the small car and sports utility segments as the market adjusted to recent sustained high levels of new vehicle sales following a period of recession. This reduction in trade values also led to an increase in the residual loss amounts seen in 2016 compared to the equivalent period in 2015.

The residual gains or losses for a particular pool of TCM contracts originated in any period may differ from that shown in the following table.

TCM Residual Performance Information

	Six Months Ended 30 June		Year Ended 31 December				
	2019	2018	2018	2017	2016	2015	2014
Number of TCM maturities	64,981	47,248	109,752	103,788	119,426	80,360	65,351
Number of TCM returned and sold	455	717	1,345	3,675	5,925	1,151	209
Return rate	0.70%	1.52%	1.23%	3.54%	4.96%	1.43%	0.32%
Residual Gain / (Loss)	£353,877	£267,716	£711,128	(£1,292,468)	(£3,023,011)	(£131,398)	£63,312

As of 31 August 2019, the aggregate residual value in respect of the receivables is (i) 47.9% of the aggregate net present value of the receivables and (ii) 44.3% of the aggregate principal amount of the receivables without applying the discount rate.

Delinquency and Credit Loss Information. The following tables show FCE UK's delinquency and credit loss information for its retail auto hire purchase contract portfolio. The tables include receivables sold in securitisations and other transactions that FCE continues to service. Delinquencies or credit losses may be influenced by a variety of economic, social, geographic and other factors beyond the control of FCE. It is not certain that the delinquency or credit loss information of a particular pool of receivables will be similar to the historical information shown below or that any trends shown in the table will continue for any period.

Losses and delinquencies are shown as a percentage of FCE's retail auto hire purchase contract portfolio. Over the period shown, the portfolio size increases as new hire purchase contracts are originated and decreases as existing hire purchase contracts are paid down or liquidated. The loss and delinquency experience for a particular pool of retail auto hire purchase contracts originated in any period would differ from the portfolio experience shown in the following tables.

For purposes of the table below, losses on a hire purchase contract are calculated by deducting net vehicle sale proceeds, if any, and any other collections from the outstanding receivables balance at the time of write-off. These are referred to in the table below as "vehicle recoveries". For this purpose, outstanding receivables balance means the receivables balance at the time of write-off which consists of outstanding principal, interest accrued and unpaid and any fees charged to the customer. Losses will be further reduced after write-off by any net recoveries received from or on behalf of the customer, including insurance proceeds. These are referred to in the table below as "ancillary recoveries". Delinquencies are calculated based on the outstanding balance of the receivables that are delinquent at the end of the month expressed as a percentage of the aggregate outstanding balance of the retail auto hire purchase contract portfolio as at the end of such month. For this purpose, the outstanding balance of a receivable (whether delinquent or not) means the receivables balance at the end of the month (including outstanding principal, interest accrued and unpaid and any fees charged to the customer) plus interest that would have accrued if the hire purchase contract were paid to maturity under its terms. The period of delinquency is the number of days that more than £1 of a scheduled payment is past due.

Delinquency and Credit Loss Information

	Six Months Ended 30 June		Year Ended 31 December				
	2019	2018	2018	2017	2016	2015	2014
Average number of contracts outstanding	320,245	349,771	342,593	349,455	334,583	305,501	265,602
Average portfolio outstanding (in millions) ⁽¹⁾	£3,654	£3,591	£3,610	£3,378	£3,029	£2,607	£2,166
Delinquencies							
Average number of delinquencies							
31-60 days	806	999	968	1,010	1,043	912	814
61-90 days	325	421	407	435	426	355	279
91-120 days	120	149	152	169	179	128	84
Over 120 days	103	140	144	138	140	82	41
Average number of delinquencies as a percentage of average number of contracts outstanding							
31-60 days	0.25%	0.29%	0.28%	0.29%	0.31%	0.30%	0.31%
61-90 days	0.10%	0.12%	0.12%	0.12%	0.13%	0.12%	0.11%
91-120 days	0.04%	0.04%	0.04%	0.05%	0.05%	0.04%	0.03%
Over 120 days	0.03%	0.04%	0.04%	0.04%	0.04%	0.03%	0.02%
Aggregate principal balance of delinquent contracts as a percentage of portfolio outstanding ⁽²⁾							
31-60 days	0.12%	0.14%	0.22%	0.29%	0.30%	0.30%	0.30%
61-90 days	0.07%	0.10%	0.06%	0.09%	0.10%	0.09%	0.08%
91-120 days	0.03%	0.03%	0.03%	0.03%	0.04%	0.04%	0.03%
Over 120 days	0.03%	0.04%	0.03%	0.02%	0.04%	0.03%	0.02%
Credit Losses							
Aggregate losses before vehicle recoveries (in millions) ⁽³⁾	£11.6	£13.2	£26.9	£25.9	£20.7	£13.0	£10.7
Losses before vehicle recoveries as a percentage of average portfolio outstanding ⁽³⁾⁽⁶⁾	0.64%	0.74%	0.75%	0.77%	0.68%	0.50%	0.49%
Aggregate losses after vehicle recoveries (in millions) ⁽³⁾	£3.9	£4.1	£8.7	£9.5	£8.3	£5.5	£3.9
Losses after vehicle recoveries and ancillary recoveries as a percentage of average portfolio outstanding ⁽⁴⁾⁽⁵⁾⁽⁶⁾	0.22%	0.23%	0.24%	0.28%	0.27%	0.21%	0.18%

⁽¹⁾ Average of the aggregate principal balance of total retail hire purchase contracts (standard and TCM) outstanding at the end of each month in the period.

⁽²⁾ Aggregate principal balance at the end of the period over the aggregate principal balance of all contracts outstanding at the end of the period.

⁽³⁾ Losses represent the outstanding receivables balance at the time of write-off which consists of outstanding principal, late interest accrued and unpaid and any fees charged to the customer as remaining after collection activities and vehicle sales proceeds.

⁽⁴⁾ The receivables balance at the time of write-off as adjusted by ancillary recoveries received.

⁽⁵⁾ Losses for a receivable in the monthly report for this securitisation transaction will generally be equal to the net present value of the receivables at the beginning of the month in which it is written-off, as adjusted by net vehicle sale proceeds from the sale of the financed vehicle. This figure will not include accrued interest or fees charged to the customer. Losses for any given receivable as calculated in the transaction monthly reports may therefore be lower than the corresponding loss included in the above table.

⁽⁶⁾ For the non-annual periods, the percentages are annualised.

Portfolio Delinquency Experience

Total Hire Purchase Contracts⁽¹⁾

As at month ending	31-60 Days ⁽²⁾ (%)	61-90 Days ⁽³⁾ (%)	91-120 Days ⁽⁴⁾ (%)	120 + Days ⁽⁵⁾ (%)
31 March 2014	0.33	0.06	0.02	0.01
30 June 2014	0.18	0.08	0.03	0.01
30 September 2014.....	0.15	0.08	0.03	0.02
31 December 2014.....	0.30	0.08	0.03	0.02
31 March 2015	0.34	0.07	0.01	0.02
30 June 2015	0.15	0.09	0.03	0.02
30 September 2015.....	0.15	0.09	0.04	0.02
31 December 2015.....	0.30	0.09	0.04	0.03
31 March 2016	0.33	0.05	0.03	0.02
30 June 2016	0.17	0.11	0.04	0.03
30 September 2016.....	0.16	0.11	0.04	0.04
31 December 2016.....	0.30	0.10	0.04	0.04
31 March 2017	0.32	0.08	0.02	0.03
30 June 2017	0.16	0.10	0.03	0.03
30 September 2017.....	0.14	0.10	0.04	0.03
31 December 2017.....	0.29	0.09	0.03	0.02
31 March 2018	0.31	0.07	0.02	0.03
30 June 2018	0.14	0.10	0.03	0.04
30 September 2018.....	0.13	0.08	0.04	0.03
31 December 2018.....	0.22	0.06	0.03	0.03
31 March 2019.....	0.25	0.05	0.02	0.03
30 June 2019	0.12	0.07	0.03	0.03

⁽¹⁾ Delinquencies are calculated based on the outstanding balances of the receivables that are delinquent at the end of any month expressed as a percentage of the aggregate outstanding balance of the retail auto hire purchase contract portfolio as at the end of such month. For this purpose, the outstanding balance of a receivable (whether delinquent or not) means the receivables balance at the end of the month (including outstanding principal, interest accrued and unpaid and any fees charged to the customer) plus interest that would have accrued if the hire purchase contract were paid to maturity under its terms.

⁽²⁾ Receivables flagged with two payments past their due date in the receivables system.

⁽³⁾ Receivables flagged with three payments past their due date in the receivables system.

⁽⁴⁾ Receivables flagged with four payments past their due date in the receivables system.

⁽⁵⁾ Receivables flagged with five or more payments past their due date in the receivables system.

Standard Loans⁽¹⁾

As at month ending	31-60 Days ⁽²⁾ (%)	61-90 Days ⁽³⁾ (%)	91-120 Days ⁽⁴⁾ (%)	120 + Days ⁽⁵⁾ (%)
31 March 2014	0.42	0.10	0.03	0.01
30 June 2014	0.27	0.12	0.03	0.01
30 September 2014.....	0.22	0.11	0.04	0.02
31 December 2014.....	0.33	0.09	0.03	0.01
31 March 2015	0.41	0.10	0.02	0.02
30 June 2015	0.21	0.11	0.06	0.02
30 September 2015.....	0.21	0.10	0.05	0.03
31 December 2015.....	0.35	0.11	0.04	0.03
31 March 2016	0.37	0.07	0.04	0.02
30 June 2016	0.25	0.10	0.04	0.03
30 September 2016.....	0.20	0.12	0.04	0.04
31 December 2016.....	0.29	0.11	0.04	0.05
31 March 2017	0.31	0.10	0.03	0.03
30 June 2017	0.20	0.11	0.03	0.03
30 September 2017.....	0.21	0.12	0.04	0.03
31 December 2017.....	0.34	0.11	0.04	0.03
31 March 2018	0.39	0.13	0.03	0.05
30 June 2018	0.25	0.15	0.05	0.06
30 September 2018.....	0.24	0.11	0.05	0.06
31 December 2018.....	0.32	0.10	0.05	0.05
31 March 2019.....	0.35	0.07	0.04	0.05
30 June 2019	0.21	0.11	0.05	0.07

⁽¹⁾ Delinquencies are calculated based on the outstanding balances of the receivables that are delinquent at the end of any month expressed as a percentage of the aggregate outstanding balance of the retail auto hire purchase contract portfolio as at the end of such month. For this purpose, the outstanding balance of a receivable (whether delinquent or not) means the receivables balance at the end of the month (including outstanding principal, interest accrued and unpaid and any fees charged to the customer) plus interest that would have accrued if the hire purchase contract were paid to maturity under its terms.

⁽²⁾ Receivables flagged with two payments past their due date in the receivables system.

⁽³⁾ Receivables flagged with three payments past their due date in the receivables system.

⁽⁴⁾ Receivables flagged with four payments past their due date in the receivables system.

⁽⁵⁾ Receivables flagged with five or more payments past their due date in the receivables system.

TCM Contracts⁽¹⁾

As at month ending	31-60 Days ⁽²⁾ (%)	61-90 Days ⁽³⁾ (%)	91-120 Days ⁽⁴⁾ (%)	120 + Days ⁽⁵⁾ (%)
31 March 2014	0.31	0.06	0.01	0.01
30 June 2014	0.16	0.07	0.02	0.01
30 September 2014.....	0.13	0.08	0.03	0.02
31 December 2014.....	0.30	0.08	0.03	0.02
31 March 2015	0.32	0.07	0.01	0.02
30 June 2015	0.14	0.09	0.03	0.02
30 September 2015.....	0.13	0.09	0.03	0.02
31 December 2015.....	0.29	0.09	0.04	0.03
31 March 2016	0.32	0.05	0.03	0.02
30 June 2016	0.15	0.11	0.04	0.03
30 September 2016.....	0.15	0.10	0.04	0.04
31 December 2016.....	0.30	0.09	0.04	0.04
31 March 2017	0.32	0.07	0.02	0.03
30 June 2017	0.15	0.09	0.03	0.03
30 September 2017.....	0.13	0.09	0.03	0.02
31 December 2017.....	0.28	0.08	0.03	0.02
31 March 2018	0.29	0.05	0.02	0.03
30 June 2018	0.12	0.09	0.02	0.03
30 September 2018.....	0.11	0.07	0.04	0.02
31 December 2018.....	0.21	0.06	0.02	0.03
31 March 2019.....	0.23	0.04	0.02	0.02
30 June 2019	0.10	0.07	0.02	0.02

⁽¹⁾ Delinquencies are calculated based on the outstanding balances of the receivables that are delinquent at the end of any month expressed as a percentage of the aggregate outstanding balance of the retail auto hire purchase contract portfolio as at the end of such month. For this purpose, the outstanding balance of a receivable (whether delinquent or not) means the receivables balance at the end of the month (including outstanding principal, interest accrued and unpaid and any fees charged to the customer) plus interest that would have accrued if the hire purchase contract were paid to maturity under its terms.

⁽²⁾ Receivables flagged with two payments past their due date in the receivables system.

⁽³⁾ Receivables flagged with three payments past their due date in the receivables system.

⁽⁴⁾ Receivables flagged with four payments past their due date in the receivables system.

⁽⁵⁾ Receivables flagged with five or more payments past their due date in the receivables system.

Material Changes to Servicing Policies and Procedures. FCE UK's servicing policies and practices may change over time. FCE UK regularly tests new servicing practices on controlled portions of its receivables to develop and refine its servicing practices. Some areas tested include timing and frequency of collection calls and when it is more effective for the collections team to handle contact with a customer. If a test shows that a new practice is an improvement over the existing practice, the new servicing and collection practice is applied to the entire portfolio.

In 2014, FCE announced its investment in restructuring its operations to increase efficiency with the establishment of a business centre in Manchester, England. This centre now manages the dealer credit and wholesale administration functions for Ford dealers across thirteen European locations: including the UK. Since 1 April 2016 the UK's retail operations have been conducted by the Manchester business centre having previously been located in St Albans, Hertfordshire, England.

There have been no material changes to FCE UK's servicing of its UK retail loan portfolio in the last five years.

Static Pool Information — Prior Securitised Pools

Static pool information about prior pools of retail auto hire purchase contracts securitised by FCE is in Annex B. The information in Annex B consists of cumulative credit losses, delinquency and prepayment data for prior securitised retail auto hire purchase contracts pools and summary information for the original characteristics of such retail hire purchase contracts pools. It is not certain whether the cumulative credit losses, delinquency and prepayment of a particular pool of receivables will be similar to the information shown in Annex B for prior securitised retail auto hire purchase contracts.

Vintage Originations

Information about retail auto hire purchase contracts that were originated by FCE UK in prior years is in Annex C. The information in Annex C consists of cumulative losses for the retail auto hire purchase contracts originated by FCE UK during the period and summary information for the original characteristics of such hire purchase contracts. It is not certain whether the loss experience of a

particular pool of receivables will be similar to the information shown in Annex C for retail auto hire purchase contracts originated during a particular period because the FCE UK portfolio of retail auto hire purchase contracts, from which the securitised pools are selected, changes over time. Despite these differences, the prior securitised pools are generally comparable to the receivables in this securitisation transaction because these changes have not been significant and the origination, underwriting and purchasing policies and servicing policies by FCE UK have been generally consistent over time.

Retained Interest

For so long as the listed notes are outstanding, FCE, as the originator, will retain the Class C notes which equal, as at the closing date, a material net economic interest of not less than 5% of the nominal amount of the securitised exposures in this securitisation transaction in compliance with Article 6(3)(d) of the Securitisation Regulation. The Class C notes represent 18.3% of the nominal amount of the securitised exposures as at the closing date.

Information about FCE's retained interest will be included in the monthly reports in compliance with Article 6 of the Securitisation Regulation.

RECEIVABLES

The receivables that will be sold to the issuer by the seller consist of a pool of retail hire purchase contract receivables originated in the UK for the sale of new and used cars and light commercial vehicles. On the closing date, FCE will sell the receivables, together with the ancillary rights and the vehicles proceeds under such receivables. The sale of the receivables will be completed under the receivables sale agreement described in "*Principal Transaction Documents — Receivables Sale Agreement*".

On the closing date, FCE will sell the receivables randomly selected by FCE from its portfolio of retail receivable agreements which FCE determines to comply with the eligibility criteria, and other ancillary rights, to the issuer in compliance with the receivables sale agreement described in "*Principal Transaction Documents — Receivables Sale Agreement*".

The issuer's assets will be:

- the receivables and collections on the receivables applied after the cut-off date,
- proceeds of sale of the financed vehicles,
- rights under the receivable agreements,
- any security or guarantees granted on the receivable agreements,
- proceeds from claims on insurance policies covering the financed vehicles or the customer,
- rights in the issuer's distribution, reserve and counterparty downgrade collateral accounts,
- rights under the transaction documents,
- rights under the interest rate swap agreement, and
- all proceeds of the above.

FCE will also hold its title to the financed vehicles on trust for the issuer under the vehicle declaration of trust.

Certain of the receivable agreements (for receivables representing approximately 7.79% of the aggregate net present value as at the cut-off date) have been entered into with customers who are consumers and located in Scotland.

Certain of the receivable agreements (for receivables constituting approximately 2.45% of the aggregate net present value as at the cut-off date) have also been entered into with customers who are consumers and located in Northern Ireland.

The receivables sold to the issuer will not include the portion of the amount outstanding which relates to:

- default interest and fees for, and expenses, charges and costs, if any, payable as a consequence of, late payment, administrative fees or charges or any fee payable on purchase or return of a vehicle (but, for the avoidance of doubt, not the vehicle proceeds or the vehicle surrender fee) and any interest accruing on such amounts,
- any periodic payments to the extent that such relate to the receivables or to the payment of premiums to insurers or commission to FCE for insurance policies, or
- any amount paid by a customer and applied on or before the cut-off date.

FCE Bank plc's UK Retail Automotive Finance Receivable Agreements

General. The receivables originate from fixed interest rate, fully-amortising, level payment and balloon payment hire purchase contracts for new and used cars, and light commercial vehicles secured by retention of title over the financed vehicle. Fully-amortising level payment contracts apply customer payments to reduce the amount financed on the basis of generally equal monthly instalments of interest and principal. Contracts with balloon instalments apply customer payments to reduce the amount financed on the basis of generally equal monthly payment instalments of interest and principal and a final larger "balloon" instalment for all outstanding amounts at the end of the contract term. In cases where the customer has the option of returning the vehicle in lieu of making the final balloon payment then this financing plan is also referred to as a personal contract plan or TCM as described in more detail under "*The Seller and Servicer – FCE Bank plc's UK Retail Automotive Finance Business – Origination, Underwriting and Purchasing – TCM Contracts*" above.

The receivable agreements are generally entered into with "retail" customers that include private individual and smaller commercial business customers but do not include large fleet customers, daily rental car companies, or certain other commercial businesses. FCE's procedures and processes treat private individuals and smaller business customers in a largely identical manner, with any differences mainly being driven by regulatory requirements such as the halves and thirds rules required under regulated agreements, and therefore FCE classifies all such customers as "retail". FCE is the owner of the vehicles financed under the receivable agreements.

Hire Purchase Contracts. The receivables will include financing offered under two fully-amortising hire purchase contract plans: level payment hire purchase (Standard), and hire purchase with a final balloon payment. Hire purchase with a final balloon payment is offered through two different products, hire purchase with a final balloon payment (Balloon) and TCM. The TCM product also has a final balloon payment but includes an option for the customer to return the vehicle at the end of the contract term in satisfaction of the balloon payment.

A vehicle financed under a hire purchase contract entitles the customer to use the financed vehicle subject to payment of generally a fixed monthly instalment over a term of years; however, FCE remains the owner of the vehicle until the end of the contract term. At the end of the contract term, the customer may pay the final instalment (including any balloon instalment, if applicable) and an option-to-purchase fee, at which time title to the vehicle will pass to the customer. A TCM contract allows the customer to satisfy the obligation to pay the final balloon instalment in two ways. The customer may pay the final balloon instalment and purchase the vehicle, or the customer may return the vehicle to the dealer or an agent specified by FCE and pay for any excess mileage or wear and tear.

Interest Characteristics. The receivable agreements amortise the amount financed over a series of instalments. Each instalment is paid monthly in arrears and consists of interest and principal. Payments under the receivable agreements are applied in the following order of priority: late payment fee, finance facility fee, interest (accrued to the date of payment) and then to reduce the principal balance. Any remaining amounts are then applied to value added tax on certain fees, and then to such fees themselves, including credit card fees, excess mileage fees, excess wear and tear fees, and option-to-purchase fees, if any. Interest on the contract is calculated using an actuarial method where the amount of interest applicable to each monthly instalment is proportionate to the balance outstanding in a given month. Therefore, a larger amount of interest is attributed to the early months of the contract than the later months. The amount of interest due over the life of the contract is established at the beginning of the contract. Interest is calculated over the term of the contract by applying the interest rate of the contract to the reducing balance of the amount financed. This produces an interest amount for each instalment of the contract term which is deducted from each monthly instalment. No adjustments are made for the exact number of days in a given accrual period or for timing of payments, and all accrual periods are presumed to be 30 days.

A customer may early settle the agreement in part at any time. If a customer advises FCE that payment is to be applied to the account as a 'partial early settlement' then an interest rebate is applied. A customer may early settle the contract in full at any time during the contract term. When a customer early settles a contract in full a settlement amount and interest rebate are calculated. Any interest rebate to the customer will be calculated based on the aggregate scheduled interest due on the contract to its maturity date less the aggregate monthly interest calculated up to the date the

contract is prepaid in full, plus one month's interest. The amount of such prepayment will be applied to the customer's account and it will be shown as a credit balance. In the case of a customer that pays by direct debit, future payments will continue to be claimed by direct debit unless cancelled by the customer. If the direct debit is cancelled or the customer uses another payment method and does not make further payments, the amount that the account shows as a credit balance will be allocated to each monthly instalment then due until the credit amount is zero.

A late payment will not result in the customer paying additional interest at the contract rate. FCE may charge the customer a late payment fee of £12 if payment is twenty or more days past its due date. This late payment fee is an administration fee, charged once for each new occurrence of delinquency. Any outstanding late payment fee is paid first and then the monthly instalment.

Amortisation Characteristics. Generally, the principal amount of an payment will be equal to the remainder of the instalment after application to a customer's account of amounts related to late payment fees and interest due. In the case of level payment contracts, the amount of an instalment applied to principal will be smaller at the beginning of the term of the contract as the portion allocated to interest due will be at its largest. A balloon contract amortises the amount financed on the basis of an assumed amortisation term and requires a larger balloon instalment of all outstanding principal and interest as the final instalment. The monthly instalments for balloon contracts are typically smaller than they would be under a level payment contract because of the larger amount paid as the final balloon instalment. The final balloon instalment for standard balloon contracts is determined by reference to the underwriting criteria and the term of the contract and for TCM contracts it is based on the estimated resale or residual value of the financed vehicle at the end of the contract term as described in more detail under "*The Seller and Servicer — FCE Bank plc's UK Retail Automotive Finance Business — Origination, Underwriting and Purchasing — TCM Contracts*" above.

For more details about the origination and servicing of the receivables, you should read "FCE Bank plc's UK Retail Automotive Finance Business — Origination, Underwriting and Purchasing" and "Servicing and Collections".

Selection of Receivables

Receivables are randomly selected by FCE from its UK portfolio of retail receivable agreements that FCE determines to meet the eligibility criteria using selection procedures that FCE believes not to be adverse to noteholders. The eligibility criteria include that as at the cut-off date each receivable:

- is payable in sterling,
- has a positive net present value,
- is evidenced by a receivable agreement entered into to finance the purchase of a new or used car or light commercial vehicle,
- has had at least one full payment applied,
- is evidenced by a receivable agreement that has been entered into with a retail customer residing in the United Kingdom,
- has no amount greater than £1 that is more than 30 days delinquent,
- has been originated within the last 18 months,
- if a standard contract, has an original term no greater than 60 months,
- has a final payment amount under the TCM contract that does not exceed 60% of the sum of (i) the original amount financed and (ii) any down payment, and
- has a final scheduled payment date under the TCM Contract that is not more than 40 months from the first payment date of such TCM Contract.

Residual Value

As of 31 August 2019, the aggregate residual value in respect of the receivables is (i) 47.9% of the aggregate net present value of the receivables and (ii) 44.3% of the aggregate principal amount of the receivables without applying the discount rate.

Homogeneity

As at the cut-off date, for the purposes of Article 20(8) of the Securitisation Regulation and the Commission Delegated Regulation of 28 May 2019 supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards on the homogeneity of the underlying exposures in securitisation, as adopted by the European Commission (subject to legislative scrutiny and publication in the Official Journal), the receivables:

- have all been underwritten according to FCE's bank working procedures,
- are all serviced according to FCE's bank working procedures,
- all fall within the same asset type for the purposes of the Securitisation Regulation, being auto loans and leases, and
- all arise from receivable agreements that have been entered into with retail customers who were domiciled in the United Kingdom at the point of sale.

Portfolio Management

For the duration of the securitisation transaction, there will be no active portfolio management by FCE of the receivables on a discretionary basis.

Composition of the Receivables

The following tables show the characteristics and distributions of some pool characteristics of the pool of receivables on the cut-off date. The percentages in the following tables may not sum to 100% due to rounding.

Article 22(2) of the Securitisation Regulation requires that: "A sample of the underlying exposures shall be subject to external verification prior to issuance of the securities resulting from the securitisation by an appropriate and independent party, including verification that the data disclosed in respect of the underlying exposures is accurate." On 20 April 2018 the European Banking Authority issued draft guidance on the STS criteria for non-ABCP securitisation stating that, for the purposes of Article 22(2) of the Securitisation Regulation, confirmation that this verification has occurred should be included in the offering circular or in the transaction documentation and that the confirmation that the verification has occurred should indicate which parameters have been subject to the verification and the criteria that have been applied for determining the representative sample. Accordingly, an independent third party has performed agreed upon procedures on a statistical sample randomly selected out of FCE's eligible auto loan receivables (in existence on 30 April 2019) for the securitisation transaction. The size of the sample has been determined on the basis of a confidence level of 95% and a maximum error rate of 5%. The procedures tested certain eligibility criteria as well as the consistency of data as recorded in the systems of FCE with the data as provided for in the underlying auto loan contracts. The pool agreed-upon procedures includes the review of 17 loan characteristics, which include but were not limited to the account number, contract date, original financed amount, original maturity date, contract APR, number of days delinquent, new used code, customer type code, signature, product type code, balloon payment, address and remaining payments. This independent third party has also performed agreed-upon procedures in order to re-calculate the stratification tables disclosed in this section in respect of the underlying exposures. The third party undertaking the review has reported the factual findings to the parties to the engagement letter. FCE has reviewed the reports of such independent third party and has not identified any adverse findings following such verification exercise. The third party undertaking the review only accepts a duty of care to the parties to the engagement letters governing the performance of the agreed upon procedures and to the fullest extent permitted by law shall have no responsibility to

anyone else in respect of the work it has performed or the reports it has produced save where terms are expressly agreed.

FCE has caused the verification required under Article 22(2) of the Securitisation Regulation to be carried out by an appropriate and independent third party, including verification that the stratification tables in respect of the receivables set out in this section are accurate.

In accordance with Article 243 of the CRR, as of the cut-off date:

- the aggregate net present value of the largest customer in the pool of receivables does not exceed 2% of the aggregate net present value of all receivables in the pool, and
- the receivables meet the conditions for being assigned a risk weight equal to or smaller than 75% on an individual receivable basis.

Number of Receivables		32,493
Initial Aggregate Net Present Value	£	472,980,667.18
Net Present Value:		
Average net present value	£	14,556.39
Maximum net present value	£	47,129.21
Minimum net present value	£	688.41
Original Amount Financed:		
Average	£	17,417.17
Highest	£	48,611.11
Lowest	£	1,500.00
Standard Balloon Values:		
Average	£	8,096.57
Highest	£	19,009.00
Lowest	£	2,000.00
TCM Balloon Values:		
Average	£	8,484.46
Highest	£	27,178.00
Lowest	£	1,905.94
Original Interest Rate		
Weighted average ⁽¹⁾		0.66%
Highest		14.40%
Lowest		0.00%
Original Term:		
Weighted average ⁽¹⁾		38.5 months
Longest		60 months
Shortest		24 months
Remaining Term:		
Weighted average ⁽¹⁾		32.7 months
Longest		59 months
Shortest		7 months
Scheduled Weighted Average Life⁽²⁾:		
		2.03 years
Weighted Average Months After Origination (Seasoning)⁽¹⁾:		
		5.9
Weighted Average⁽¹⁾ LTV⁽³⁾ at Origination:		
		86.75%
Financed Vehicle — Private Use:		
Aggregate net present value	£	431,317,453.58
Percentage of initial aggregate net present value		91.19%
Financed Vehicle — Commercial Use:		
Aggregate net present value	£	41,663,213.60
Percentage of initial aggregate net present value		8.81%
Financed Vehicle — New:		
Aggregate net present value	£	464,504,720.34
Percentage of initial aggregate net present value		98.21%
Financed Vehicle — Used:		
Aggregate net present value	£	8,475,946.84
Percentage of initial aggregate net present value		1.79%
Receivable Agreement Type — Standard (balloon and non-balloon):		
Aggregate net present value	£	68,215,472.66
Percentage of initial aggregate net present value		14.42%
Receivable Agreement Type — TCM:		
Aggregate net present value	£	404,765,194.52
Percentage of initial aggregate net present value		85.58%
Percentage of Initial Aggregate Net Present Value of 20 Largest Customers		
		0.25%
Percentage of Initial Aggregate Net Present Value of Largest Customer		
		0.03%

⁽¹⁾ Weighted averages are weighted by the principal balance of each receivable on the cut-off date.

⁽²⁾ The weighted average life of the receivables is calculated by (a) multiplying the scheduled principal payments by the number of months from the cut-off date, (b) adding the results, (c) dividing the sum by 12 and (d) dividing the result by the initial aggregate outstanding receivables balance, and based on the assumption that payments are due on the first day of the month, all receivables pay as scheduled, starting one month from the cut-off date, with no delays, defaults or prepayments.

⁽³⁾ The LTV for a receivable for purposes of this table is the original amount financed divided by the wholesale value of the vehicle.

Distribution by Original Term

Number of Scheduled Instalments	Number of receivables	Aggregate Net Present Value	Percentage of Aggregate Net Present Value
0 – 24	922	£6,559,881.42	1.39%
25 – 36	4,838	59,541,353.94	12.59
37 – 48	26,372	403,029,594.65	85.21
49 – 60	361	3,849,837.17	0.81
Total	32,493	£472,980,667.18	100.00%

Distribution by LTV of Receivables⁽¹⁾

LTV Range	Number of receivables	Aggregate Net Present Value	Percentage of Aggregate Net Present Value
Less than 70%.....	5,005	£52,889,112.36	11.18%
70% – 84.99%.....	6,553	101,491,100.21	21.46
85% – 99.99%.....	18,731	286,754,185.03	60.63
Equal to or greater than 100%.....	2,204	31,846,269.58	6.73
Total	32,493	£472,980,667.18	100.00%

⁽¹⁾ The LTV for a receivable for purposes of this table is the original amount financed divided by the wholesale value of the vehicle.

Distribution by Original Interest Rate

Customer Rate Range (%)	Number of receivables	Aggregate Net Present Value	Percentage of Aggregate Net Present Value
0.00 - 0.99	24,756	£371,240,559.13	78.49%
1.00 - 1.99	4,263	54,815,908.91	11.59
2.00 - 2.99	1,144	19,611,331.55	4.15
3.00 – 3.99	47	392,414.38	0.08
4.00 - 4.99	205	2,052,600.48	0.43
5.00 - 5.99	579	8,538,160.84	1.81
6.00 - 6.99	449	6,677,585.70	1.41
7.00 - 7.99	344	4,559,384.32	0.96
8.00 - 8.99	230	1,660,472.36	0.35
9.00 - 9.99	219	1,693,316.86	0.36
10.00 - 10.99	170	1,208,750.69	0.26
11.00 - 11.99	32	174,049.77	0.04
12.00 - 12.99	36	262,931.46	0.06
13.00 – 13.99	15	85,783.17	0.02
14.00 - 14.99	4	7,417.56	0.00
15.00 - 15.99	-	-	0.00
16.00 - 18.99	-	-	0.00
Total	32,493	£472,980,667.18	100.00%

Distribution by Geographic Location

Region Where Customer Resides	Number of receivables	Aggregate Net Present Value	Percentage of Aggregate Net Present Value
EAST OF ENGLAND	5,071	£75,035,947.64	15.86%
NORTH WEST (ENGLAND)	4,537	65,992,090.46	13.95
SOUTH EAST (ENGLAND).....	4,172	61,968,009.02	13.10
WEST MIDLANDS (ENGLAND).....	3,918	56,663,727.03	11.98
LONDON	2,405	36,680,000.70	7.76
SCOTLAND	2,633	36,831,573.77	7.79
YORKSHIRE AND THE HUMBER	2,007	29,162,944.10	6.17
EAST MIDLANDS (ENGLAND).....	2,100	30,372,728.17	6.42
SOUTH WEST (ENGLAND).....	1,978	28,667,155.51	6.06
WALES.....	1,894	26,906,203.78	5.69
NORTH EAST (ENGLAND)	969	13,091,735.45	2.77
NORTHERN IRELAND.....	809	11,608,551.55	2.45
Total	32,493	£472,980,667.18	100.00%

Distribution by Standard Balloon Percentage

Standard Balloon Percentage (%)	Balloon % of Original Principal Balance ⁽¹⁾			Balloon % of Sales Price ⁽²⁾		
	Number of receivables	Aggregate Net Present Value	Percentage of Aggregate Net Present Value	Number of receivables	Aggregate Net Present Value	Percentage of Aggregate Net Present Value
Non-balloon loans	31,702	£456,931,181.22	96.61%	31,702	£456,931,181.22	96.61%
0.00 - 4.99	-	-	0.00	-	-	0.00
5.00 - 9.99	-	-	0.00	2	29,076.85	0.01
10.00 - 14.99	3	59,671.36	0.01	9	157,044.50	0.03
15.00 - 19.99	12	212,525.96	0.04	60	1,071,518.89	0.23
20.00 - 24.99	62	1,211,744.49	0.26	243	4,937,216.97	1.04
25.00 - 29.99	180	3,795,241.90	0.80	372	7,601,457.15	1.61
30.00 - 34.99	261	5,539,692.76	1.17	73	1,536,459.73	0.32
35.00 - 39.99	144	2,846,867.03	0.60	26	595,756.88	0.13
40.00 - 44.99	55	1,065,514.82	0.23	4	84,536.63	0.02
45.00 - 49.99	38	710,490.73	0.15	1	16,649.83	0.00
50.00 - 54.99	15	264,376.60	0.06	1	19,768.53	0.00
55.00 - 59.99	6	96,566.76	0.02	-	-	0.00
60.00 - 64.99	7	128,827.96	0.03	-	-	0.00
65.00 - 69.99	4	56,421.90	0.01	-	-	0.00
70.00 - 74.99	1	15,367.30	0.00	-	-	0.00
75.00 - 79.99	1	16,649.83	0.00	-	-	0.00
80.00 - 84.99	1	9,758.03	0.00	-	-	0.00
85.00 - 89.99	-	-	0.00	-	-	0.00
90.00 - 94.99	1	19,768.53	0.00	-	-	0.00
95.00 - 99.99	-	-	0.00	-	-	0.00
Total.....	32,493	£472,980,667.18	100.00%	32,493	£472,980,667.18	100.00%

⁽¹⁾ Where Balloon percentage is calculated as the amount of the balloon payment of a Standard receivable over the original principal balance of that receivable, expressed as a percentage.

⁽²⁾ Where Balloon percentage is calculated as the amount of the balloon payment of a Standard receivable over the original amount financed plus any down payment, expressed as a percentage.

Distribution by TCM Balloon Percentage⁽¹⁾

TCM Balloon Percentage (%)	Balloon % of Original Principal Balance ⁽¹⁾			Balloon % of Sales Price ⁽²⁾		
	Number of receivables	Aggregate Net Present Value	Percentage of Aggregate Net Present Value	Number of receivables	Aggregate Net Present Value	Percentage of Aggregate Net Present Value
Non-PCP contracts	5,788	£68,215,472.66	14.42%	5,788	£68,215,472.66	14.42%
0.00 - 4.99	-	-	0.00	-	-	0.00
5.00 - 9.99	-	-	0.00	-	-	0.00
10.00 - 14.99	-	-	0.00	3	34,541.88	0.01
15.00 - 19.99	5	60,464.76	0.01	7	72,191.02	0.02
20.00 - 24.99	1	11,012.00	0.00	18	214,912.71	0.05
25.00 - 29.99	52	774,129.82	0.16	165	2,633,607.69	0.56
30.00 - 34.99	294	4,859,093.95	1.03	1,047	17,798,321.45	3.76
35.00 - 39.99	2,279	36,236,591.03	7.66	7,222	114,001,358.30	24.10
40.00 - 44.99	7,536	117,403,730.42	24.82	11,429	171,792,328.51	36.32
45.00 - 49.99	8,927	135,660,382.25	28.68	5,415	78,343,094.15	16.56
50.00 - 54.99	4,871	71,960,093.06	15.21	1,216	17,221,994.36	3.64
55.00 - 59.99	1,528	21,626,293.12	4.57	183	2,652,844.45	0.56
60.00 - 64.99	680	9,117,971.43	1.93	-	-	0.00
65.00 - 69.99	311	4,124,788.43	0.87	-	-	0.00
70.00 - 74.99	130	1,777,179.38	0.38	-	-	0.00
75.00 - 79.99	61	722,809.19	0.15	-	-	0.00
80.00 - 84.99	22	324,056.59	0.07	-	-	0.00
85.00 - 89.99	7	95,782.50	0.02	-	-	0.00
90.00 - 94.99	1	10,816.59	0.00	-	-	0.00
95.00 - 99.99	-	-	0.00	-	-	0.00
Total.....	32,493	£472,980,667.18	100.00%	32,493	£472,980,667.18	100.00%

⁽¹⁾ Where Balloon percentage is calculated as the amount of the balloon payment of a TCM receivable over the original principal balance of that receivable, expressed as a percentage.

⁽²⁾ Where Balloon percentage is calculated as the amount of the balloon payment of a TCM receivable over the original amount financed plus any down payment, expressed as a percentage.

Distribution by Make and Model

Make	Model	Number of receivables	Aggregate Net Present Value	Percentage of Aggregate Net Present Value
Ford.....	Fiesta	11,711	£144,146,493.13	30.48%
Ford.....	Focus	6,389	97,954,325.72	20.71
Ford.....	Kuga.....	4,804	87,702,016.81	18.54
Ford.....	EcoSport	3,858	55,863,998.52	11.81
Ford.....	Transit	1,563	23,130,869.99	4.89
Ford.....	Ranger	1,096	22,056,255.57	4.66
Ford.....	Edge.....	156	4,189,201.73	0.89
Ford.....	Ka.....	998	8,446,246.13	1.79
Ford.....	S-Max.....	219	4,465,766.11	0.94
Ford.....	Mondeo	289	4,795,569.08	1.01
Ford.....	Mustang	231	6,540,827.40	1.38
Ford.....	C-Max.....	169	2,110,986.68	0.45
Ford.....	Transit Connect.....	535	5,673,118.19	1.20
Ford.....	Ford Other.....	413	5,545,345.11	1.17
Non-Ford.....	Other	62	359,647.01	0.08
Total		32,493	£472,980,667.18	100.00%

Distribution by Fuel Type

	Number of receivables	Aggregate Net Present Value	Percentage of Aggregate Net Present Value
Diesel	8,697	£148,166,823.95	31.33%
Petrol	23,732	324,449,650.57	68.60
Other	64	364,192.66	0.08
Total	32,493	£472,980,667.18	100.00%

Distribution by Emissions Standard

	Number of receivables	Aggregate Net Present Value	Percentage of Aggregate Net Present Value
Euro Stage VI	32,292	£471,870,186.79	99.77%
Euro Stage V	137	746,287.73	0.16
Euro Stage IV	64	364,192.66	0.08
Total	32,493	£472,980,667.18	100.00%

TRUSTEE AND SECURITY TRUSTEE

U.S. Bank Trustees Limited will serve as the trustee and the security trustee for this securitisation transaction.

U.S. Bank Trustees Limited is a limited liability company incorporated under the laws of England and Wales with its office at 125 Old Broad Street, Fifth Floor, London, EC2N 1AR, United Kingdom.

U.S. Bank Trustees Limited is part of the worldwide Corporate Trust business of the U.S. Bancorp group. In Europe, the Corporate Trust business is conducted in combination with Elavon Financial Services DAC., U.S. Bank Global Corporate Trust Limited (the legal entities through which Corporate Trust banking and agency appointments are conducted) and U.S. Bank National Association, (the legal entity through which Corporate Trust conducts business in the United States).

The Corporate Trust business of U.S. Bancorp is one of the world's largest providers of corporate trust services with more than USD4 trillion in assets under administration in municipal, corporate, asset-backed and international bonds. The division provides a wide range of trust and agency services such as calculation/paying agent, collateral administration and custody through its network of more than 50 U.S.-based offices and European offices in London and Dublin.

ACCOUNT BANK

Elavon Financial Services DAC, U.K. Branch will serve as the account bank for this securitisation transaction. The account bank will open the accounts of the issuer on its books. The issuer will pay the account bank a fee on each payment date as remuneration for its services under the bank account operation agreement, subject to and in accordance with the interest priority of payments.

Elavon Financial Services DAC, trading as U.S. Bank Global Corporate Trust, is an integral part of the worldwide Corporate Trust business of the U.S. Bancorp group. In Europe, U.S. Bank Global Corporate Trust conducts business through Elavon Financial Services DAC from its offices in Dublin at Building 8, Cherrywood Business Park, Loughlinstown, Dublin 18, Ireland D18 W319 and through its UK Branch in London at 125 Old Broad Street, London EC2N 1AR, United Kingdom

Elavon Financial Services DAC is a bank incorporated in Ireland and a wholly owned subsidiary of U.S. Bank National Association. Elavon Financial Services DAC is authorised by the Central Bank of Ireland and the activities of its UK Branch are also subject to the limited regulation of the UK Financial Conduct Authority and Prudential Regulation Authority.

In Europe, the Corporate Trust business is conducted in combination with U.S. Bank Global Corporate Trust Limited (the legal entity through which certain Corporate Trust agency appointments are conducted), U.S. Bank Trustees Limited (the legal entity through which Corporate Trust trustee appointments are conducted) and U.S. Bank National Association (the legal entity through which Corporate Trust conducts business in the United States).

The Corporate Trust business of U.S. Bancorp is one of the world's largest providers of corporate trust services with more than USD4 trillion in assets under administration in municipal, corporate, asset-backed and international bonds. The Corporate Trust business provides a wide range of trust and agency services such as calculation/paying agent, collateral administration and custody through its network of more than 50 U.S.-based offices and European offices in London and Dublin.

U.S. Bancorp (NYSE: USB) is the parent company of U.S. Bank National Association, the fifth largest commercial bank in the United States. Visit U.S. Bancorp on the web at www.usbank.com

CASH MANAGER

U.S. Bank Global Corporate Trust Limited will serve as the cash manager for this securitisation transaction. The cash manager is responsible for managing the issuer's accounts and arranging for payment to be made on behalf of the issuer from such accounts on the basis of information in the monthly report provided to it by the servicer. The issuer will pay the cash manager a fee on each payment date as remuneration for its services under the cash management agreement, subject to and in accordance with the interest priority of payments.

U.S. Bank Global Corporate Trust Limited is a limited liability company incorporated under the laws of England and Wales with its office at 125 Old Broad Street, Fifth Floor, London, EC2N 1AR, United Kingdom.

U.S. Bank Global Corporate Trust Limited is part of the worldwide Corporate Trust business of the U.S. Bancorp group. In Europe, the Corporate Trust business is conducted in combination with Elavon Financial Services DAC, (the legal entity through which Corporate Trust banking and certain agency appointments are conducted), U.S. Bank Trustees Limited (the legal entity through which Corporate Trust trustee appointments are conducted) and U.S. Bank National Association, (the legal entity through which Corporate Trust conducts business in the United States).

The Corporate Trust business of U.S. Bancorp is one of the world's largest providers of corporate trust services with more than USD4 trillion in assets under administration in municipal, corporate, asset-backed and international bonds. The division provides a wide range of trust and agency services such as calculation/paying agent, collateral administration and custody through its network of more than 50 U.S.-based offices and European offices in London and Dublin.

U.S. Bancorp (NYSE: USB) is the parent company of U.S. Bank National Association, the fifth largest commercial bank in the United States. Visit U.S. Bancorp on the web at www.usbank.com.

SWAP COUNTERPARTY

Lloyds Bank Corporate Markets plc is a wholly owned subsidiary of Lloyds Banking Group plc (together with its subsidiary undertakings from time to time, "Lloyds Banking Group"), was incorporated under the laws of England and Wales on 28 September 2016 (registration number 10399850) and is authorised by the Prudential Regulation Authority, or the "PRA", and regulated by the Financial Conduct Authority and the PRA. Lloyds Bank Corporate Markets plc's registered office is at 25 Gresham Street, London EC2V 7HN, United Kingdom.

Lloyds Bank Corporate Markets plc was created in response to the Financial Services (Banking Reform) Act 2013, which took effect from 1 January 2019 and requires the separation of certain commercial banking activities and international operations from the rest of the Lloyds Banking Group.

Lloyds Bank Corporate Markets plc and its subsidiaries provides deposit taking, lending and transaction banking products and services to customers (both new and existing) and is also responsible for the provision of certain wholesale banking products and services (including loan markets, bonds and asset securitisation and elements of foreign exchange, commodities and rate management). Lloyds Bank Corporate Markets plc has a client-led strategy, focused on UK based clients and international clients with a link to the UK.

Additional information on Lloyds Bank Corporate Markets plc and Lloyds Banking Group's approach to ring-fencing, is available from Investor Relations, Lloyds Banking Group, 25 Gresham Street, London EC2V 7HN or from the following internet website address: <http://www.lloydsbankinggroup.com>. The information on this website does not form part of this prospectus.

ISSUER

General

The issuer, Globaldrive Auto Receivables UK 2019-A plc was incorporated on 29 April 2019 as a public company with limited liability incorporated in England and Wales with company number 11969343. The issuer's registered office is at Third Floor, 1 King's Arms Yard, London EC2R 7AF, United Kingdom, telephone number +44(0) 207 397 3600.

The authorised share capital of the issuer is 50,000 ordinary shares of £1 each, with an issued share capital of £50,000 divided into 50,000 shares of £1 each with one £1 share being fully paid up and 49,999 shares being 25p paid up. Wilmington Trust SP Services (London) Limited holds the entire issued share capital on trust for discretionary purposes.

The principal objects of the issuer are, among other things, to raise or borrow money and to grant security over its assets for such purpose and to acquire receivables under hire purchase agreements and administer the same.

The issuer is a SSPE (as defined in the Securitisation Regulation) and its centre of main interests is in the UK.

The Legal Entity Identifier (LEI) of the issuer is: 213800ITMMB8IHD5P932.

Directors and Secretary

The directors of the issuer, who are all provided by the corporate services provider, and their respective business addresses and other principal activities are:

Director	Business address	Principal external activities
Wilmington Trust SP Services (London) Limited	Third Floor, 1 King's Arms Yard, London EC2R 7AF, United Kingdom	Issuer corporate services provider
Daniel Wynne	Third Floor, 1 King's Arms Yard, London EC2R 7AF, United Kingdom	Director

As at the date of this prospectus, there are no conflicts or potential conflicts between the directors' personal interests and their obligations to the issuer. Each of the directors is also an employee of the issuer corporate services provider.

The company secretary to the issuer is Wilmington Trust SP Services (London) Limited, whose business address is Wilmington Trust SP Services (London) Limited, Third Floor, 1 King's Arms Yard, London EC2R 7AF, United Kingdom.

The issuer corporate services provider is Wilmington Trust SP Services (London) Limited of Third Floor, 1 King's Arms Yard, London EC2R 7AF, United Kingdom.

The issuer has no subsidiaries and no employees.

Management and Activities

The issuer has been established, as a special purpose entity, to issue the notes and obtained a certificate to do business on 17 June 2019. Its activities will be limited to the issue of the notes, the acquisition of interests in the receivables under the receivables sale agreement and the exercise of related rights and powers and other activities reasonably incidental to those activities.

For more details about the limitations on the issuer's activities, you should read "Annex A: Terms and Conditions of the Notes — Covenants".

Under the servicing agreement, FCE will agree to act as the servicer of the receivables, the repurchased written-off receivables, the proceeds (including the vehicle proceeds) and all other amounts due under the receivable agreements and contracts for the sale of repossessed or redelivered vehicles relating to such receivables.

For further information on the servicer, you should read "Seller and Servicer".

The issuer corporate services provider will provide corporate services to the issuer under an issuer corporate services agreement.

The issuer has not engaged, since its incorporation, in activities other than the authorisation of the issue of the notes, the purchase of interests in receivables and the entry into the other documents referred to in this prospectus to which it is or will be a party and applying for registration under the Data Protection Act 1998. The issuer has registered as a data controller under the Data Protection Act 1998.

As far as the issuer and its directors are aware, there are no arrangements in place, the operation of which at a later date may effect a change in control over the issuer.

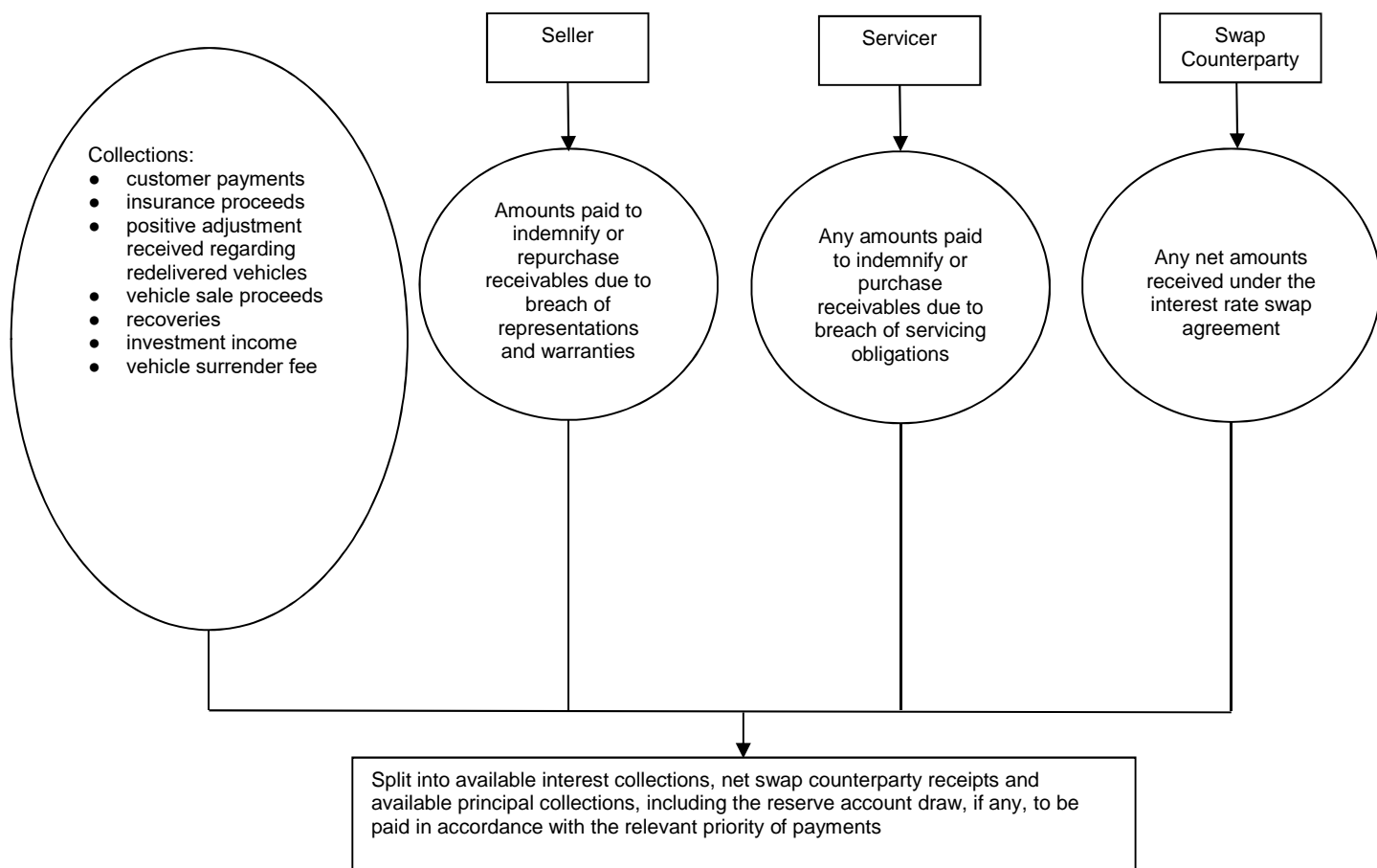
DESCRIPTION OF THE NOTES

The following overview is intended only to be an overview and is qualified in its entirety by reference to "Annex A: Terms and Conditions of the Notes" in Annex A to this prospectus and to the detailed terms of the trust deed between the issuer and the trustee by which the notes are constituted.

Available Funds for Payment

The issuer will issue the notes constituted under a trust deed between the issuer and the trustee. The notes do not represent obligations of FCE or any other party other than the issuer.

The following diagram shows the sources of funds available to make payments on each payment date.



Form and Denomination

The issue in the aggregate nominal amount of £472,980,667.18 consists of registered Class A notes, Class B notes and Class C notes with Class A notes and Class B notes of £100,000 and integral multiples of £1,000 in excess of £100,000, up to and including £199,000. Except in limited circumstances, definitive notes will not be available, and no definitive notes will be issued with a denomination above £199,000. 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 a case a noteholder who, as a result of trading such amounts, holds a principal amount of less than £100,000 may not receive a definitive note representing such holding (should definitive notes be printed) and would need to purchase a principal amount of notes such that its holding amounts to £100,000.

For so long as FCE Bank plc is the sole registered holder of the Class C notes, notwithstanding the terms and conditions of such, there will be one single Class C note represented by one single definitive note in the denomination of £86,580,667.18.

Global Notes

Interests in each of the Class A notes and Class B notes will be represented by a global note without interest coupons attached. The global note representing the Class A notes will be deposited on the closing date with a nominee for one of Euroclear or Clearstream, Luxembourg which will act as common safekeeper for the Class A notes. The global note representing the Class B notes will be deposited on or around the closing date with, and registered in the name of, a nominee of a common depositary for Clearstream, Luxembourg and Euroclear.

The Class A global note will be issued under the new safekeeping structure applicable to debt securities in global registered form recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations since 1 October 2010, or "NSS". The common safekeeper will hold the Class A notes in custody for Euroclear and Clearstream, Luxembourg. The Class A notes are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Class A notes are intended on issue to be deposited with a common safekeeper, which, in the case of the Class A notes, will either be Euroclear or Clearstream, Luxembourg. It does not mean that the Class A notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either on issue or at any or all times during their life. Such recognition will depend on the satisfaction of the Eurosystem eligibility criteria. The Class A notes will not satisfy all of the applicable criteria that are currently in force to be recognised as Eurosystem eligible collateral on issue. The Class B notes will be issued under the classic safekeeping structure and are not intended to be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem.

The interests in the Class A notes and Class B notes are transferable according to applicable rules and regulations of Clearstream, Luxembourg and Euroclear. The global notes will not be exchangeable for definitive notes except in the following circumstances:

- the closure of one of the clearing systems,
- an event of default, or
- adverse tax consequences to the issuer as a result of the notes being in global form.

So long as the Class A notes and the Class B notes are represented by a global note and the relevant clearing systems so permit, such notes will be tradable only in the minimum authorised denomination of £100,000 and higher integral multiples of £1,000, up to and including £199,000, under the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional eurobonds.

In addition, the global notes will contain terms that modify the conditions of the Class A notes and Class B notes as they apply to the global notes. The following is an overview of certain of those terms:

- Payments on each global note will be made and, in the case of payment of principal in full with all interest accrued on such note, through Clearstream, Luxembourg and/or Euroclear and such payments will be effective to satisfy and discharge the corresponding liabilities of the issuer of the notes.
- Payments of interest, principal or other amounts on a global note will be made through Clearstream, Luxembourg and/or Euroclear without any requirement for certification.
- For so long as any of the Class A notes or Class B notes is represented by a global note and such note(s) is/are held on behalf of Clearstream, Luxembourg or Euroclear, each person (other than Clearstream, Luxembourg or Euroclear) who is for the time being shown in the records of Clearstream, Luxembourg or Euroclear as the holder of a particular nominal amount of notes (each an "accountholder") will be treated as the holder of that nominal

amount for all purposes (including but not limited to for the purposes of quorum requirements of, or the right to demand a poll or, meetings of the noteholders and giving notice to the issuer under condition 10 (*Events of Default*)) other than regarding payment of principal and interest on the notes, the right to which will be vested, as against the issuer, solely in the registered holder of such global note under and subject to its terms. Each accountholder must look solely to Clearstream, Luxembourg or Euroclear for its share of each payment made to the registered holder of such global note.

- While the Class A notes and the Class B notes are represented by global note and the global note is deposited with a common safekeeper, in case of the Class A notes, or the common depositary, in case of the Class B notes, for Clearstream, Luxembourg and Euroclear, notices to noteholders may be given by delivery of the relevant notice through Clearstream, Luxembourg and Euroclear and such notices will be deemed to have been given to the noteholders in compliance with condition 15 (*Notices*) on the seventh day after the date of delivery to Clearstream, Luxembourg and Euroclear. However, for so long as the Class A notes and the Class B notes are listed on Euronext Dublin and its rules so require, all notices concerning such notes will be published on the website of Euronext Dublin (www.ise.ie). This website does not form part of this prospectus.

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 depositary, or the common safekeeper (as applicable), 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, being one clearing system business day prior to the relevant payment date (where "clearing system business day" means a day on which each clearing system for which the notes are being held is open for business), Euroclear and Clearstream, Luxembourg will determine the identity of the noteholders for the purposes of making payments to the noteholders.

Although the above sets out the procedures of Euroclear and Clearstream, Luxembourg in order to facilitate the transfers of interests in the notes among participants of Euroclear and Clearstream, Luxembourg, none of Euroclear or Clearstream, Luxembourg is under an obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the issuer, the trustee, the joint lead managers, the cash manager, the account bank, the principal paying agent, the calculation agent, the data agent and the registrar, or an affiliate of any of the above, or a person by whom any of the above is controlled for the purposes of the Securities Act, will have any responsibility for the performance by Euroclear and Clearstream, Luxembourg or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described above.

Status and Security

Status. The notes are secured, limited recourse obligations of the issuer, ranking, as between each class of notes, *pro rata* and *pari passu* without preference among themselves (subject as described in the "*Annex A: Terms and Conditions of the Notes*").

Relationship between the notes. The Class A notes will rank in priority to the Class B notes and the Class C notes. The Class B notes will rank in priority to the Class C notes. Each class of notes will rank equally among themselves.

Notes held by FCE. Notes held by FCE or its affiliates will not be included for purposes of determining whether a required percentage of a class of noteholders have taken action under any transaction document if FCE or its affiliates hold only some (but not all) of the relevant class of notes.

Security. As security for the notes and other secured obligations of the issuer, the issuer has entered into the deed of charge (together with Scottish deeds of charge entered into under the deed of charge over its interest in the Scottish completion trusts and relevant vehicle declaration of trust) creating security over its English law, Scots law and Northern Irish law assets in favour of the security trustee for itself and on trust for the noteholders.

Enforcement of the security. If the trustee serves an enforcement notice on the issuer and the security trustee, and the security becomes enforceable, the trustee may at its discretion direct the security trustee to take action to enforce the security, and will direct the security trustee to take such action to enforce the security as directed by the controlling class acting by way of a written resolution or by way of an extraordinary resolution, subject to the trustee and the security trustee having been indemnified and/or secured and/or prefunded to their satisfaction.

Following the service of an enforcement notice, the security trustee is not automatically required to liquidate the receivables at market value.

To the extent that the trustee acts in compliance with such directions of the controlling class acting by way of a written resolution or by way of an extraordinary resolution, it will have no obligation to take the interests of any other party into account or to follow a direction given by any other party. Only the trustee and the security trustee may enforce the rights of the noteholders against the issuer, whether the same arise under general law, the terms and conditions of the notes, a transaction document or otherwise.

Available Funds

Payments on the notes will be made from available interest collections, net swap counterparty receipts and available principal collections, or "available funds".

For each collection period:

- available interest collections are (a) the interest collections received from customers on the receivables, (b) the net recoveries collected by the servicer on receivables that have been written-off, (c) any positive adjustments received by the servicer for all redelivered vehicles, (d) the interest portion of receivables that have been repurchased or indemnified by FCE in its capacity as seller or servicer (e) any additional principal payments resulting from discrepancies in the allocation of interest and principal of a given instalment of a receivable, (f) vehicle surrender fees for all TCM contract vehicles redelivered in the month, (g) interest earned on the issuer's accounts (in the case of the reserve account, only to the extent not required to be retained in the reserve account), (h) any reserve amount allocated to available interest collections and (i) any other amounts received by the issuer on the receivables, and
- available principal collections are (a) the principal collections received from customers on the receivables, (b) any sale proceeds received by the servicer for redelivered vehicles up to an amount equal to the TCM contract vehicle sale expected proceeds of the redelivered vehicles (less the incentive fee if a liquidator or administrator has been appointed for the seller), (c) the net liquidation and auction proceeds from the sale of any repossessed vehicle received in the same collection period where such vehicles are repossessed or "liquidation proceeds" (less the incentive fee if a liquidator or administrator has been appointed for the seller), (d) reimbursed losses and principal deficiencies, (e) the principal portion of receivables that have been repurchased or indemnified by FCE in its capacity as seller or servicer of the receivables and (f) any reserve amount allocated to available principal collections.

In addition, payments on the Class A notes and the Class B notes on each payment date will be made from any net amount received under the interest rate swap agreement.

For more details about the available interest collections and available principal collections, you should read "Annex A: Terms and Conditions of the Notes".

Payments of Interest

Interest will accrue on the notes at the *per annum* interest rate for each class specified on the cover of this prospectus and will be due to the noteholders on each payment date. The issuer will make interest payments on each payment date to the noteholders of record on the day before the payment date.

Interest on the Class A notes and the Class B notes will be calculated based on the actual number of days in the interest period and a 365-day year. Interest on the Class C notes will be calculated on a 30/360 basis, provided that, from the closing date, for the first period, to the first payment date, the Class C notes will accrue interest on an actual/360 basis.

The Class A notes will bear interest determined by reference to compounded daily SONIA, plus 0.54%, provided that if compounded daily SONIA plus the margin for the Class A notes is less than zero, the interest rate will be zero. The Class B notes will bear interest determined by reference to compounded daily SONIA, plus 1.50%, provided that if compounded daily SONIA plus the margin for the Class B notes is less than zero, the interest rate will be zero. The Class C notes will bear interest at a fixed rate of 5.00% *per annum*. The calculation agent will calculate the interest rate on the Class A notes and the Class B notes. All determinations of interest by the calculation agent, in the absence of manifest or proven error, will be conclusive for all purposes and binding on the noteholders.

All interest due but not paid on any payment date will be due on the next payment date, together with interest on the unpaid amount at the applicable interest rate. Failure to pay interest that is due on the controlling class of notes that continues for five business days after its due date will be an event of default. Failure to pay interest that is due on a class of notes that is not part of the controlling class will not be an event of default.

The issuer will pay interest payments on the notes on each payment date from available interest collections and any applicable net swap counterparty receipts. Interest payments will not be made on the Class A notes until all issuer expenses up to £200,000 *per annum*, the servicer's fee and the net swap payment (if any) are paid in full. Interest payments will not be made on a junior ranking class of notes until all issuer expenses, the servicer's fee, all interest due on the Class A notes, any payments due to the swap counterparty that are not subordinated and, in respect of the Class C notes only, all interest due on the Class B notes, amounts necessary to maintain the reserve account, payments of reimbursed losses and principal deficiencies, any payments due to the swap counterparty that are subordinated and any issuer expenses not already paid under the priority of payments, are paid in full.

If the amount of available interest collections and any applicable net swap counterparty receipts is insufficient to pay all interest due on a class of notes on a payment date, each holder of notes of that class will receive its *pro rata* share of the funds that are available.

For more details about the priority of payments made from available funds on each payment date, including priority payments of principal of senior classes of notes, you should read "— Priority of Payments" below.

Following the service of an enforcement notice, interest due on the Class A notes will not be paid until all issuer expenses, the servicer's fee and any swap payments that are not subordinated are paid in full. Interest due on the subordinated classes of notes will then not be paid until both interest on and principal of more senior classes are paid in full. For instance, interest due on the Class B notes will not be paid until interest on and principal of the Class A notes is paid in full.

For more details about the payment priorities following an acceleration of the notes, you should read "— Accelerated priority of payments" below.

Payments of Principal

The issuer will pay principal on the notes on each payment date in the amounts described in the "Annex A: Terms and Conditions of the Notes". Principal payments will be made sequentially to each class in order of seniority, starting with the Class A notes. The issuer will not pay principal on any class of notes until the principal amounts of all more senior classes are paid in full. The principal amount of

each class of notes is expected to be repaid by that class's final legal maturity date. On the final legal maturity date for each class of notes, no interest will be paid on the subordinate class of notes until both interest and principal on the maturing class of notes are paid in full. If the principal amount of a class of notes is not repaid in full by its final legal maturity date an event of default will occur and the principal amount of all classes of notes may be declared immediately due and payable.

Following the service of an enforcement notice, principal due on the Class A notes will not be paid until all issuer expenses, the servicer's fee, the net swap payment (if any) and interest on the Class A notes are paid in full. Principal and interest due on junior classes of notes will then not be paid until both interest and principal on all classes of notes ranking senior to such junior notes are paid in full.

Priority of Payments

General rule. On each payment date, the cash manager will instruct the paying agent to apply available funds from the prior month to make payments in the priority of payments listed below.

Interest priority of payments. On each payment date before the service of an enforcement notice, the issuer will apply the available interest collections and any net swap counterparty receipts to make payments in the order of priority listed below:

- (i) payment of arrears of the issuer expenses due and payable on a previous interest payment date and remaining unpaid on such interest payment date within the limit set out in item (ii) below,
- (ii) payment of the issuer expenses up to maximum amount of £200,000 per annum,
- (iii) to the servicer, payment of arrears of servicing fee from the previous interest payment dates and remaining unpaid on such interest payment date,
- (iv) to the servicer, payment of the servicing fee,
- (v) to the swap counterparty, net amounts due to the swap counterparty under the interest rate swap agreement, other than any swap subordinated amounts,
- (vi) to the Class A noteholders, payment of any Class A interest shortfall (to be paid to each Class A noteholder), on a *pro rata* and *pari passu* basis;
- (vii) to the Class A noteholders, payment of the Class A interest amount (to be paid to each Class A noteholder), on a *pro rata* and *pari passu* basis,
- (viii) to the Class B noteholders, payment of any Class B interest shortfall (to be paid to each Class B noteholder), on a *pro rata* and *pari passu* basis,
- (ix) to the Class B noteholders, payment of the Class B interest amount (to be paid to each Class B noteholder), on a *pro rata* and *pari passu* basis,
- (x) to the reserve account, amounts necessary to maintain the reserve account (and any ledger of the reserve account) at its required reserve amount,
- (xi) as available principal collections, payment of reimbursed losses and principal deficiencies,
- (xii) to the swap counterparty, amounts due to the swap counterparty for any swap subordinated amounts,
- (xiii) payment of issuer expenses to the extent that such issuer expenses have not been paid under item (i) or item (ii) above,
- (xiv) to the Class C noteholders, payment of any Class C interest shortfall (to be paid to each Class C noteholder), on a *pro rata* and *pari passu* basis,

(xv) to the Class C noteholders, payment of the Class C interest amount (to be paid to each Class C noteholder), on a *pro rata* and *pari passu* basis, and

(xvi) to the seller, all remaining available interest collections and net swap counterparty receipts in the form of the deferred purchase price component,

in each case only to the extent that all payments and provisions of a higher priority due to be paid or provided for on such interest payment date have been made in full.

If there is a shortfall, the issuer will use the reserve account referred to in "*Credit Enhancement — Reserve Account*" to pay items (i) through (ix) above.

Principal Priority of Payments. On each payment date before the service of an enforcement notice, the issuer will apply the available principal collections to make the payments in the order of priority listed below:

(i) to the Class A noteholders, payment of principal on a *pro rata* and *pari passu* basis until all the Class A notes have been redeemed in full,

(ii) to the Class B noteholders, payment of principal on a *pro rata* and *pari passu* basis until all the Class B notes have been redeemed in full,

(iii) to the Class C noteholders, payment of principal on a *pro rata* and *pari passu* basis until all the Class C notes have been redeemed in full, and

(iv) to the seller, all remaining available principal collections in the form of the deferred purchase price component,

but in each case only to the extent that all payments and provisions of a higher priority to be paid or provided for on such payment date have been made in full.

The issuer will not pay principal on a class of notes until the principal amount of all classes of notes senior in priority to that class are paid in full.

If and during such time period that a monthly report is not provided to the cash manager, the cash manager will determine the amounts payable under the interest priority of payments and the principal priority of payments to the noteholders and the other transaction parties in compliance with the cash management agreement.

Accelerated priority of payments. Following the service of an enforcement notice, the security trustee will apply amounts available for distribution to the satisfaction of the amounts and in the order of priority set out below:

(i) payment of arrears of the issuer expenses due and payable on a previous payment date and remaining unpaid on such accelerated payment date,

(ii) payment of the issuer expenses,

(iii) to the servicer, payment of arrears of servicing fee on the previous payment dates and remaining unpaid on such accelerated payment date,

(iv) to the servicer, payment of the servicing fee,

(v) to the swap counterparty, net amounts due to the swap counterparty, other than any swap subordinated amounts,

(vi) to the Class A noteholders, payment of any Class A interest shortfall, on a *pro rata* and *pari passu* basis,

(vii) to the Class A noteholders, payment of the Class A interest amount, on a *pro rata* and *pari passu* basis,

(viii) to the Class A noteholders, repayment of the Class A notes on a *pro rata* and *pari passu* basis until all the Class A notes have been paid in full,

(ix) to the Class B noteholders, payment of any Class B interest shortfall, on a *pro rata* and *pari passu* basis,

(x) to the Class B noteholders, payment of the Class B interest amount, on a *pro rata* and *pari passu* basis,

(xi) to the Class B noteholders, repayment of the Class B notes on a *pro rata* and *pari passu* basis until all the Class B notes have been paid in full,

(xii) to the swap counterparty, amounts due to the swap counterparty for any swap subordinated amounts,

(xiii) to the Class C noteholders, payment of any Class C interest shortfall, on a *pro rata* and *pari passu* basis,

(xiv) to the Class C noteholders, payment of the Class C interest amount, on a *pro rata* and *pari passu* basis,

(xv) to the Class C noteholders, repayment of the Class C notes on a *pro rata* and *pari passu* basis until all the Class C notes have been paid in full, and

(xvi) to the seller, payment of any amount remaining as part of the deferred purchase price component,

in each case only to the extent that all payments and provisions of a higher priority due to be paid or provided for have been made in full.

If and during such time period that a monthly report is not provided to the cash manager, the cash manager will determine the amounts payable under the accelerated priority of payments to the noteholders and the other transaction parties in compliance with the cash management agreement.

Option to purchase

The issuer may, at its option, redeem all of the notes at their aggregate principal amount outstanding, together with interest on a payment date if the seller has exercised its option to redeem the notes for taxation and other reasons or it has exercised its "clean up call" to purchase all of the receivables. *For more details, you should read "Principal Transaction Documents — Receivables Sale Agreement — Clean Up Call"*. The seller will give notice to the issuer of the exercise of its clean up call at least 10 business days in advance. The seller will exercise the option by paying to the issuer the purchase price for the receivables on the date that the clean up call repurchase agreement is entered into, and the issuer will transfer to the seller without recourse, representation or warranty all of the issuer's right, title and interest in and to such receivables and all documents relating to such receivables.

Taxation

All payments of principal and interest on the notes will be made without withholding or deduction for, or on account of, present or future taxes, duties, assessments or governmental charges of any nature by the issuer or any paying agent unless required by law (or under FATCA), in which case the issuer or that paying agent will make that payment net of such withheld or deducted amounts and will account to the relevant authorities for the amount required to be withheld or deducted. Neither the issuer nor any paying agent will be obliged to make any additional payments to noteholders for such withholding or deduction. If a tax event occurs, it may lead to the early redemption of the notes.

Events of Default and Remedies

Each of the following will be an "event of default" under the notes:

- the issuer fails to pay interest due on notes of the controlling class within five business days of payment becoming due on such notes,
- the issuer fails to pay the principal amount of a class of notes in full on its final legal maturity date,
- the issuer breaches its covenants, not cured within 60 days after being notified of the breach,
- security granted under the transaction documents being terminated or otherwise becoming void or ineffective, or
- an insolvency event occurs regarding the issuer.

If an event of default occurs, the trustee at its absolute discretion may, and, if so requested by the controlling class acting by way of a written resolution or by way of an extraordinary resolution, will (subject to being indemnified and/or secured and/or prefunded to its satisfaction) give an enforcement notice to the issuer, the security trustee, the account bank, the cash manager and the principal paying agent declaring the notes due and each note will accordingly become immediately due at its principal amount outstanding together with accrued interest.

Enforcement and Non-Petition

Only the trustee may pursue the remedies available under the trust deed and, acting as security trustee, the deed of charge to enforce the rights of the noteholders.

None of the secured parties may take action, or have rights, against the issuer to recover any amount still unpaid once the security is enforced and the net proceeds of such enforcement distributed in accordance with the accelerated priority of payments (*for more details you should read "Priority of Payments" above*), and any such liability will be extinguished.

In particular, none of them may, until the expiry of one year and one day after the payment of all sums outstanding under the notes, petition or take any other step for the winding-up of the issuer provided that the trustee and the security trustee may prove or lodge a claim in the liquidation of the issuer initiated by another party and may take proceedings to obtain a declaration or similar judgment or order as to the obligations and liabilities of the issuer.

Amendments and waiver

Subject to those matters requiring a special quorum resolution, the trustee may without consulting or obtaining the consent of the noteholders at any time and from time to time concur (and direct the security trustee to concur) with the issuer in making modifications to the trust deed, deed of charge or other transaction documents to which it is a party or for which it holds security if the trustee is of the opinion that, subject to the detailed terms of the trust deed, (i) such modification will not be materially prejudicial to the interests of the noteholders or (ii) such modification is of a formal, minor or technical nature or is made to correct a manifest error or to comply with the mandatory provisions of law. Such modification will then as soon as practicable be notified to the noteholders and will be binding on the noteholders. Other modifications will require the consent of the noteholders, affected by such modifications.

Subject to the detailed terms of the trust deed, the servicer may require the issuer and the trustee to agree, and the trustee to direct the security trustee to agree, amendments or waivers of the transaction documents or conditions, including amendments or waivers which are materially prejudicial to the interests of the noteholders and the issuer, trustee and security trustee will make such amendments or waivers without the consent of the noteholders if: the amendments are either (i) necessary to implement new credit rating criteria to maintain the credit ratings assigned to the Class A notes or (ii) necessary to continue to comply with mandatory provisions of applicable law or

regulation, as well as the Securitisation Regulation and the requirements for simple, transparent and standardised securitisations set out in the Securitisation Regulation and in any regulatory technical standards authorised under the Securitisation Regulation or official guidance in relation thereto.

Subject to the detailed terms of the trust deed, in certain circumstances, including following the discontinuation of SONIA, and subject to certain conditions, the servicer can also request the issuer and the trustee to agree, and the trustee to direct the security trustee to agree, to amend the benchmark rate used to determine the interest rate of the Class A notes and the Class B notes and the applicable spread. As a consequence of such amendment to the benchmark rate used to determine the interest rate of the Class A notes and the Class B notes, for the purpose of aligning the benchmark rate and spread that applies to the interest rate swap agreement to the benchmark rate and spread that will apply to the Class A notes and the Class B notes, the issuer will request the swap counterparty to consent (such consent not to be unreasonably withheld) to amend the benchmark rate and spread that applies to the interest rate swap agreement accordingly.

Substitution and exchange

So long as the trustee believes that the interests of the noteholders will not be materially prejudiced, the trustee may agree, with the consent of the controlling class and the swap counterparty but without the consent of any of the other secured parties, subject to the detailed terms of the trust deed, to (i) the substitution of any other company or other entity in place of the issuer as principal debtor under the trust deed and the notes and replacement for it under the deed of charge and the other transaction documents, provided that the rating agencies confirm that such substitution will not adversely affect the then current rating of each class of listed notes, or (ii) the exchange of the notes for other securities or instruments, provided that the then current rating of each class of listed notes by the rating agencies is assigned to any such new securities or instruments.

Entitlement of the Trustee

In the exercise of its powers, trusts, authorities or discretions, the trustee (i) will only take into consideration the interests of the controlling class if there is a conflict between the interests of the controlling class and more junior classes of noteholders, (ii) will only take into consideration the interests of the noteholders as a class and will not take into consideration the consequences of such exercise for individual noteholders and (iii) will only have regard to the noteholders and not to the other secured creditors for so long as the notes are outstanding.

Governing Law

The notes and all non-contractual obligations arising out of or in connection with them are governed by, and will be construed in accordance with, English law.

PRINCIPAL TRANSACTION DOCUMENTS

The following is intended only to be an overview of the principal transaction documents and is qualified in its entirety by reference to the detailed terms of the relevant agreement which will be available at the office of the paying agents, as described in "General Information".

Receivables Sale Agreement

Sale and Purchase. Under the receivables sale agreement, on the closing date FCE will sell, and the issuer has agreed to purchase, receivables, together with the ancillary rights that FCE has represented and warranted satisfy the eligibility criteria.

Receivables with an aggregate net present value of £472,980,667.18 will be transferred to the issuer for a purchase price of £472,980,667.18.

FCE will also have a right, on each payment date, to receive all remaining available funds in the form of the deferred purchase price component. Such sale will take place with effect from the closing date.

For more details about the seller, you should read "Seller and Servicer" and for more details about the receivables, you should read "Receivables".

Title. Title to the related vehicles will remain with FCE until it is transferred to the relevant customer under the terms of the relevant hire purchase agreement or is sold by FCE following repossession of the vehicle from the relevant customer. Under the vehicle declaration of trust, FCE will hold title to any proceeds of sale of a financed vehicle for the issuer.

Residual Value. Under TCM contracts, a customer is given several options at the conclusion of the agreement. A customer can satisfy its obligations under a TCM contract by retaining the financed vehicle and paying the final balloon payment or by returning the financed vehicle to FCE instead of paying the balloon payment. If the customer decides not to make the balloon payment and instead returns the financed vehicle to FCE, the issuer will be exposed to the risk that the residual value of the financed vehicle may be less than anticipated at the outset of the receivable agreement and thus less than the amount outstanding under the relevant receivable agreement.

As of 31 August 2019, the aggregate residual value in respect of the receivables is (i) 47.9% of the aggregate net present value of the receivables and (ii) 44.3% of the aggregate principal amount of the receivables without applying the discount rate.

Eligibility Criteria

Receivables are randomly selected by FCE from its UK portfolio of retail receivable agreements that FCE determines to meet the eligibility criteria using selection procedures that FCE believes not to be adverse to noteholders. The eligibility criteria include that as at the cut-off date each receivable:

- is payable in sterling,
- has a positive net present value,
- is evidenced by a receivable agreement entered into to finance the purchase of a new or used car or light commercial vehicle,
- has had at least one full payment applied,
- is evidenced by a receivable agreement that has been entered into with a retail customer residing in the United Kingdom,
- has no amount greater than £1 that is more than 30 days delinquent,
- has been originated within the last 18 months,

- if a standard contract, has an original term no greater than 60 months,
- has a final payment amount under the TCM contract that does not exceed 60% of the sum of (i) the original amount financed and (ii) any down payment, and
- has a final scheduled payment date under the TCM Contract that is not more than 40 months from the first payment date of such TCM Contract.

Representations and Warranties of FCE about the Receivables. FCE will make representations and warranties about the receivables to the issuer. Generally, these representations and warranties relate to legal standards for origination and transfer of the receivables, terms of the agreements, and the nature of the interest in the receivables and the financed vehicles. FCE will also represent and warrant that the receivables satisfy the criteria described under "*Receivables — Criteria for Selection of the Receivables*".

In addition, FCE will represent that:

Origination of receivables

- the receivables were originated in the United Kingdom in the ordinary course of FCE's business and underwritten according to FCE's bank working procedures, pursuant to credit granting standards which are no less stringent than those applied to receivables which will not be securitised,

Receivables in force

- each receivable is in existence and no receivable has been terminated or rescinded,

Random selection; eligibility criteria

as at the cut-off date:

- the receivables were randomly selected by the seller from its portfolio of retail receivable agreements which the seller determined to comply with the eligibility criteria,
- each receivable complies in all respects with the eligibility criteria,
- where a customer under a receivable agreement has a guarantee from a third party, the eligibility criteria in respect of the customer is complied with as if the reference to a customer was to the guarantor,

Homogeneity

- as at the cut-off date, for the purposes of Article 20(8) of the Securitisation Regulation, and the Commission Delegated Regulation of 28 May 2019 supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards on the homogeneity of the underlying exposures in securitisation, as adopted by the European Commission (subject to legislative scrutiny and publication in the Official Journal), the receivables:
 - have all been underwritten according to FCE's bank working procedures,
 - are all serviced according to FCE's bank working procedures,
 - all fall within the same asset type for the purposes of the Securitisation Regulation, being auto loans and leases, and
 - all arise from receivable agreements that have been entered into with retail customers who were domiciled in the United Kingdom at the point of sale,

Residual Value

- in accordance with Article 20(13) of the Securitisation Regulation, as of the cut-off date, the aggregate residual value in respect of the receivables is (i) 47.9% of the aggregate net present value of the receivables and (ii) 44.3% of the aggregate principal amount of the receivables without applying the discount rate.

Compliance with law

- each receivable agreement, each payment protection policy and the origination of each receivable agreement complied in all material respects at the time it was originated and as at the closing date complied with all requirements of English law, Scots law or Northern Irish law (as applicable), except where failure to do so would not materially prejudice the noteholders,

Binding obligation

- each receivable (1) is derived from a receivable agreement which was entered into substantially on the terms of a standard form contract and such standard form contract includes rights and remedies allowing the creditor of a receivable to enforce the terms of such receivable, and (2) constitutes legal, valid, binding and enforceable rights and obligations with full recourse against the customer and, where applicable, the guarantor,

Breach of receivable agreement

- to the seller's knowledge, no customer is in material breach of an obligation under the relevant receivable agreement and no steps have been taken by the seller to commence proceedings against a customer in respect of a material breach of an obligation under a receivable agreement,

No defences

- to the seller's knowledge, no right of revocation, rescission, set-off, claim, counterclaim or defence has been asserted or threatened regarding any receivable,

Obligation to pay cash

- except in the case of TCM contracts, regarding any receivable where a customer may elect not to exercise its option to pay the optional final payment and return the vehicle, an early settlement of the receivable agreement before its scheduled maturity date under the CCA or a voluntary termination of the receivable agreement under the CCA, such customer's obligation *vis-à-vis* the seller remains an obligation to discharge the final payment under the receivable agreement in cash (as opposed to in kind),

Good title

- the seller is the sole legal and beneficial owner of the benefit of the receivable agreement and each vehicle. Except for the rights of the relevant customer under each receivable agreement, the seller has not sold, assigned, pledged or granted a security interest in or otherwise transferred any receivable or vehicle to any person other than the issuer. Immediately before the assignment and/or transfer under the receivables sale agreement, the seller had good and marketable title to each receivable and vehicle free and clear of any charge, encumbrance, other security interest or right of third parties save for as set out in the relevant agreement and save for the rights of the relevant customer under each receivable agreement. Immediately after the transfer under the receivables sale agreement, the issuer will have good title to or, as applicable, the beneficial interest in each receivable,

Valid assignment and transfer

- no receivable has been originated in, or is subject to the laws of, any jurisdiction under which the sale of such receivable under the receivables sale agreement would be unlawful, void or voidable. The receivables are fully and freely assignable and transferable and are not encumbered or otherwise in a condition that can be foreseen to adversely affect the enforceability of the sale, assignment or transfer of such receivables and the seller has not entered into any agreement with any customer that prohibits, restricts or imposes any conditions on the sale, assignment or transfer of the receivables by the seller to the issuer, nor is the seller otherwise prohibited from making such sale or transfer. The sale and assignment of each receivable (other than a Scottish receivable) in compliance with the terms of the receivables sale agreement will be a valid equitable assignment of the seller's beneficial right, title and interest in such receivable to the issuer and each Scottish completion trust will, once entered into in compliance with the terms of the receivables sale agreement be a valid and effective trust over the Scottish receivables in favour of the issuer,

No withholding tax

- the payments due from the customer related to a receivable are not subject to any deduction or withholding on account of tax imposed by the law of the United Kingdom,

VAT

- all United Kingdom value added tax payable regarding the purchase by the seller of each vehicle relating to a receivable agreement has been paid or will be paid when due,

Insurance

- the terms of each receivable agreement require that the relevant customer insures the relevant vehicle comprehensively against all risks for the full replacement value of the vehicle,

Servicing

- each receivable has been serviced in compliance with all material requirements of law and according to FCE's bank working procedures,

No material amendments

- except as required by law (or any reasonable interpretation of such law) or deemed necessary by the servicer on reasonable grounds to comply with the requirements of any regulatory authority with whose requirements it is customary to comply, no material amendments have been made to a receivable agreement except according to the bank working procedures,

List of receivables, selection procedure

- the information in the list of receivables is true and correct in all material respects as at the cut-off date, no selection procedures believed by the seller to be adverse to the noteholders have been utilised in selecting the receivables and each of the receivables offered for sale under the receivables sale agreement and each vehicle relating to such receivables is clearly identified and specified in the list of receivables in compliance with the Consumer Credit Act 1974 as a regulated or an unregulated agreement thereunder,

Payment default; Customer credit impairment

- as of the cut-off date, the receivables do not relate to a credit-impaired customer or guarantor, who on the basis of information obtained (i) from the customers, (ii) in the course of the seller's servicing of other loan agreements with the relevant customer, or the seller's risk management procedures or (iii) from a third party:
 - (i) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures within three years prior to the date of assignment and transfer of the respective receivable to the issuer,
 - (ii) had, at the time of origination, where applicable, a credit assessment indicating, based on the seller's underwriting policy, a significant risk that contractually agreed payments would not be made, or
 - (iii) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable receivables held by the seller which are not securitised,
- as at the date of origination of the receivable agreement:
 - (i) (a) the customer is not explicitly flagged in Experian as having an adverse credit history, or (b) if the customer is registered with Experian, the customer is registered with Experian for reasons that can be reasonably ignored by the seller for the purposes of its credit risk assessment on the basis of other information obtained by the seller (1) from the relevant customer, (2) in the course of the seller's servicing of other loan agreements with the relevant customer, or the seller's risk management procedures or (3) from a third party,
 - (ii) the seller has not been granted a right of enforcement or material damages by a court as a result of a missed payment from the customer within three years before the date of origination,
- as of the cut-off date, the seller does not believe that the customer is likely to default on its payment obligations to the seller,

Assessment of customer creditworthiness

- the assessment of each customer's creditworthiness (i) will be performed on the basis of sufficient information, where appropriate obtained from the customer and, where necessary, on the basis of a consultation of the relevant database, (ii) will be repeated before any significant increase in the total amount is granted after the conclusion of the receivable agreement, in combination with an update of the customer's financial information and (iii) will meet the requirements set out in Article 8 of Directive 2008/48/EC,

Credit granting

- in accordance with Article 9(1) of the Securitisation Regulation, the seller has:
 - (1) made each receivable under a receivable agreement on the basis of the same sound and well-defined criteria for credit granting which it applies to non-securitised receivables, and has clearly established processes for approving, amending, renewing and financing such receivable and has effective systems in place to apply those criteria and processes to ensure that any such credit granting was based on a thorough assessment of the customer's creditworthiness, taking appropriate account factors relevant to verifying the

prospect of the customer meeting its obligations under the contractual documents,

- (2) applied to each receivable under a receivable agreement purported to be sold and assigned by it to the issuer under the receivables sale agreement the same sound and well-defined criteria for credit granting which it applies to non-securitised receivables and has applied the same clearly established processes for approving and, where relevant, amending, renewing and refinancing credits in relation to each receivable under a receivable agreement which it applies to other receivables to its other customers that are originated by it but are not purposed to be sold and assigned by it under the receivables sale agreement, and
- (3) effective systems in place to apply the criteria and processes referred to in subparagraphs (1) and (2) above in order to ensure that credit granting is based on a thorough assessment of the relevant customer's creditworthiness taking appropriate account of factors relevant to verifying the prospect of the customer's meeting its obligations under the contractual documents,

Termination right

- the receivable agreements do not contain an express contractual right of termination in favour of the related customer, except that there is a statutory right of termination for consumers,

Governing law

- the receivables and the ancillary rights are governed by English law, Scots law or Northern Irish law,

Licence fees

- the terms of each receivable agreement require the customer to pay all licence fees, registration charges and road tax related to the vehicle,

Limitation and exclusions

- the limitations or exclusions of liability of the seller in the receivable agreements are fair and reasonable having regard to the circumstances of the particular customer for the purposes of the Unfair Contract Terms Act 1977,

Satisfactory terms

- the terms of the contract under which each vehicle relating to a receivable agreement was purchased from the motor vehicle dealer by the seller (a) provide that each vehicle complies with (i) the terms implied into such contract by the Consumer Rights Act 2015, the Sale of Goods Act 1979 and the Supply of Goods (Implied Terms) Act 1973, (ii) the terms and conditions agreed by the dealer and/or the Seller with the relevant Customer and (iii) the Road Traffic Acts (1960, 1962, 1974, 1988 and 1991) (or such analogous legislation as applies in Northern Ireland) and (b) do not provide that the rights of the seller against such dealer for breach of such contract are excluded or limited in any way,

Unfair terms

- to the extent that any receivable agreement was entered into between the seller and a "consumer" resident in the United Kingdom:
 - (i) before 1 October 2015 and if such receivable agreement was not "individually negotiated" with such consumer (as such terms are defined in the Unfair Terms in Consumer Contracts Regulations 1999, or the "Regulations"), (a) none of the

terms in such receivable agreements are unfair terms within the meaning of the regulations and no injunction or other order has been granted by the court under regulation 12 of the Regulations which might prevent or restrict the use in a receivable agreement of any particular term or the enforcement of any such term and (b) in carrying out the procedures for enabling customers to enter into such receivable agreements, the seller complied with the Regulations and, in particular, ensured that each customer had a real opportunity of becoming acquainted with the terms of the relevant receivable agreement before the conclusion of the receivable agreement, except for any provision or provisions of any receivable agreement the invalidity or unenforceability of which taken as a whole would not reasonably be expected to have a material adverse effect on the enforceability or collectability of the relevant receivables, or

- (ii) on or after 1 October 2015, (a) none of the terms in such receivable agreements are unfair terms within the meaning of the Consumer Rights Act 2015 and no injunction or other order has been granted by the court under paragraph 3 of Schedule 3 of the Consumer Rights Act 2015 which might prevent or restrict the use in a receivable agreement of any particular term or the enforcement of any such term and (b) in carrying out the procedures for enabling customers to enter into such receivable agreements, the seller complied with the Consumer Rights Act 2015 and, in particular, ensured that each customer had a real opportunity of becoming acquainted with the terms of the relevant receivable agreement before the conclusion of the receivable agreement, except for any provision or provisions of any receivable agreement the invalidity or unenforceability of which taken as a whole would not reasonably be expected to have a material adverse effect on the enforceability or collectability of the relevant receivables,

Third party

- any third party intermediary who has introduced a receivable agreement to the seller was before 1 April 2014 appropriately licensed under the Consumer Credit Act 1974 and after 1 April 2014 held the necessary permissions under the Financial Services and Markets Act 2000, and

Lost or stolen vehicles

- to the seller's knowledge, as at the cut-off date, no vehicle relating to a receivable agreement is a total loss for insurance purposes nor has it been stolen or is not in the possession or under the control of the relevant customer,

Transferable securities

- none of the receivables or any ancillary rights consist of transferable securities as defined in MiFID II, derivatives or any securitisation positions.

The seller will also undertake to select receivables in accordance with Article 6(2) of the Securitisation Regulation.

Obligation to Repurchase Receivables or indemnify on breach. If a representation or warranty made by FCE about a receivable was untrue when made and has a material adverse effect on such receivable, the issuer's sole remedy will be to require FCE to take one of the following remedial actions by the last day of the collection period in which a responsible person obtains actual knowledge or is notified of such breach (FCE having the option to decide which remedial action to take):

- remedy the matter resulting in the breach if it is capable of remedy or, provided that a remedy within the current collection period is not practicable, FCE will have the option of remedying the breach by the last day of the following collection period, or

- repurchase the relevant receivables and any ancillary right for an amount equal to the outstanding balance of such receivables for the prior collection period before such repurchase plus interest at the applicable rate provided that if it is not practicable to repurchase such receivables within the current collection period, FCE will have the option to repurchase such receivables on the payment date immediately following the last day of the following collection period.

If the relevant receivable does not exist, FCE will indemnify the issuer for an amount equal to the outstanding balance of the receivable, plus interest at the applicable rate. If it is not practicable to repurchase the receivable within the current collection period, FCE will have the option to indemnify the issuer on the payment date immediately following the last day of the following collection period.

Other Repurchases. If the servicer agrees to modify an agreement for the purposes of refinancing the balloon payment for customers who choose to retain their vehicle at the end of their TCM contract, the seller will repurchase the relevant receivables and all ancillary rights.

If the servicer takes a deposit from a customer during the life of the securitisation transaction that is in excess of the current limit set by the Financial Services Compensation Scheme, the seller will repurchase the relevant receivables and all ancillary rights.

Notification of Assignment of Receivables. No notification of the assignment and transfer of receivables will be made to the customers unless any of the following events occur, each a "customer notification event":

- the seller's appointment as servicer of the receivables is terminated or an insolvency event has occurred regarding the seller, or
- such notification is required for enforcement of the issuer's rights related to such receivables, provided that if no event of default has occurred and is continuing, the issuer will seek the approval of the seller, such approval not to be unreasonably delayed or withheld, or
- the seller fails to perform or comply with its obligations under the receivables sale agreement (other than a failure which, in the opinion of the security trustee, is not materially prejudicial to the noteholders) and such failure continues for more than 60 days following the service of notice by the security trustee on the seller requiring the same to be remedied or, if such failure is not capable of remedy, immediately upon service of such notice, or
- (i) the delivery by the facility agent of a notice of acceleration to FCE (as the borrower) following the occurrence of an event of default under the multicurrency revolving credit facility agreement dated 25 April 2013 (as the same may be extended, amended, supplemented and/or replaced with any substantially similar facility from time to time) which has not been remedied in accordance with the provisions thereof or (ii) the termination of such multicurrency revolving credit facility agreement without FCE entering into a replacement thereof.

Immediately following the occurrence of a customer notification event the issuer will require the security trustee to give notice to the customers of the assignment and transfer of the receivables to the issuer and to make payments on the receivables to the issuer's distribution account.

The multicurrency revolving credit facility agreement dated 25 April 2013 (as the same may be extended, amended, supplemented and/or replaced with any substantially similar facility from time to time) is FCE's principal bank funding agreement under which it gives a number of representations and warranties. Breach of these representations and warranties in a material respect by FCE (in addition to other specified events) would give rise to an event of default and, if the relevant remedial action is not taken, would give the facility agent the right to serve a notice of acceleration on FCE. Given the importance of this agreement to FCE's funding strategy, delivery of such a notice of acceleration or the expiration of the agreement without replacement would be regarded as a severe deterioration in the seller's credit quality standing and as such will constitute a customer notification event under this securitisation transaction.

Clean Up Call. FCE will have a "clean up call" option to purchase all of the receivables on a payment date when the aggregate principal amount outstanding of the listed notes is 5% or less than the initial aggregate principal amount of the listed notes as at the closing date. FCE may exercise its clean up call only if the purchase price for the receivables is sufficient, taking into account any amounts in the distribution account, to pay in full the listed notes and all items ranking in priority to the listed notes in accordance with the interest priority of payments and the principal priority of payments.

Data Protection. The issuer will agree to administer and use all data, documents and information transferred to it under the receivables sale agreement in compliance with applicable laws. The personal data of customers provided by FCE to the issuer will be encoded to protect the confidentiality of the identities of the customers, and the key to such encoded data will be kept by U.S. Bank Global Corporate Trust Limited as data agent. The encoded personal data will be delivered to the issuer corporate services provider acting on behalf of the issuer and the key which decodes such personal data will be delivered to the data agent.

Reserve Amount. On the closing date, the issuer will use £2,898,000.00 from the proceeds of the Class C notes to fund the reserve amount. The amount in the reserve account will equal 0.60% of the aggregate outstanding receivables balance or, equivalently, 0.75% of the aggregate principal amount of the listed notes.

For more details about the reserve amount, you should read "Credit Enhancement — Reserve Account".

Vehicle Declaration of Trust

FCE will also create a trust over the proceeds of the financed vehicles in favour of the issuer which will apply to such proceeds whether governed by Northern Irish, Scots or English law.

Servicing Agreement

Servicing Obligations. Under the servicing agreement FCE will agree to manage, service, administer and collect the receivables with reasonable care using that degree of skill and attention that FCE exercises in relation to all comparable automotive receivables that it services for itself or others and according to FCE's bank working procedures. The servicer has full power and authority acting alone or through any party properly identified by it under the servicing agreement, to do all things in connection with such servicing and administration that it may deem necessary and desirable.

Under the servicing agreement, the servicer is authorised and empowered, unless such power and authority is removed by the security trustee after the occurrence of a servicer termination event, to do the following:

- to collect and apply all payments made on the receivables,
- process requests for extensions, refunds, rebates and modifications regarding any receivable,
- send invoices and respond to enquiries from customers,
- investigate and administer payoffs, delinquencies, defaults and late payments,
- to repossess vehicles and to sell repossessed or returned vehicles (including redelivered vehicles),
- maintain accurate and complete accounts and computer systems for servicing the receivables,
- provide to the issuer copies, or access to, any documents, instruments, notices and correspondence that modify information in the contractual documents,
- furnish the monthly reports and any other periodic reports required by the transaction documents, and

- to the extent permitted by law, do all or any other acts as are necessary or desirable in the reasonable opinion of the servicer in relation to the receivables as regards compliance with FATCA or any other tax information arrangement, or as are reasonably requested by the issuer to assist it in complying with FATCA or any other tax information arrangement including, but not limited to, conducting diligence as to the nationality or tax residence of the customers, providing information about the receivables and the customers to any applicable tax authority or to the issuer.

For further information on the servicer and its servicing procedures, you should read "Seller and Servicer".

The servicer will agree to perform its servicing obligations in compliance with (i) all applicable requirements of the laws, rules and regulations of England, Scotland and Northern Ireland, (ii) the applicable receivable agreements relating to the receivables and (iii) the applicable FCE origination and servicing procedures. The servicer may change the terms of the receivable agreements, FCE origination and servicing procedures or its servicing business in any respect, so long as, in the reasonable judgment of the servicer, none of the noteholders will be materially adversely affected except if required by law or deemed necessary by FCE on reasonable grounds to comply with regulatory authority requirements.

Bank Working Procedures. For the purpose of compliance with the requirements stemming from Article 21(9) of the Securitisation Regulation, remedies and actions relating to delinquency and default of debtors, debt restructuring, debt forgiveness, forbearance, losses, charge offs, recoveries, payment holidays and other asset performance remedies are applied, (if applicable), in accordance with FCE's bank working procedures.

In the servicing agreement, FCE will agree with the issuer and the security trustee that it will comply with its bank working procedures and, in particular:

- unless required by law (or any reasonable interpretation of such law) or deemed necessary by the servicer on reasonable grounds to comply with the requirements of any regulatory authority with whose requirements it is customary to comply, will not agree to any material amendment to or variation of any receivable agreement except in accordance with its bank working procedures, and
- in relation to any default by a customer under or in connection with a receivable agreement, may exercise discretion in applying its bank working procedures in accordance with the servicing agreement.

Servicer Modifications. The servicer will follow its policies and procedures in servicing the receivables. As part of its normal collection efforts, the servicer may waive or modify the terms of a receivable, including granting payment extensions and rewriting, rescheduling or amending a receivable agreement or waiving late fees, extension fees or other administrative fees, according to FCE's bank working procedures.

For more details about the servicer's policies and procedures for servicing the receivables, including extensions and rewrites, you should read "Seller and Servicer — Servicing and Collections".

Obligation to Purchase Receivables. The servicer generally must maintain perfection of the issuer's ownership in each receivable until the receivable is paid in full or repurchased. For written-off receivables, the servicer will repurchase from the issuer the benefit of such written-off receivable and will deal with such written-off receivables according to the servicer's policies and procedures. If the servicer breaches certain of its servicing obligations in a manner which materially and adversely affects a receivable or determines, in its discretion acting as a reasonable prudent servicer of receivables of this nature, that, as a result of a computer systems error or computer systems limitation or for any other reason the servicer is unable to service a receivable according to the FCE origination and servicing procedures and the servicer does not correct the failure in all material respects by the end of the second month following the month in which a responsible person of the servicer obtains actual knowledge or was notified of the breach, the servicer must purchase the receivable. The purchase price for a receivable purchased by the servicer generally will be an amount equal to the

outstanding balance of such receivable for the prior collection period before such repurchase plus 30 days of interest at the applicable rate.

Deposit of Collections. The servicer will deposit all collections on the receivables in the issuer's distribution account within two business days after the receipt and application of such collections. If FCE's short-term counterparty risk assessment is, or, if the entity does not have one, its short-term unsecured, unguaranteed and unsubordinated debt obligations are, assigned a rating of at least "P-1" by Moody's and its long-term counterparty risk assessment is, or, if the entity does not have one, its long-term unsecured, unsubordinated and unguaranteed debt obligations are, assigned a rating of at least "A2" by Moody's and its long-term unsecured debt is rated at least "A" by DBRS or, if the entity does not have a rating from DBRS, it has a DBRS equivalent rating of at least "A", the servicer may remit collections to the distribution account on each payment date. For each month, "collections" will consist of (i) all principal and interest collected on the receivables and applied by the servicer during the month, (ii) all amounts received under insurance policies relating to the financed vehicles or customers, (iii) net auction proceeds and the liquidation proceeds from the sale of repossessed or redelivered vehicles and other amounts received on defaulted accounts, and (iv) net recoveries on written-off accounts.

Until deposited in the issuer's distribution account, collections may be used by the servicer for its own benefit and will not be segregated from its own funds.

Allocation of Collections. The servicer will identify and calculate amounts to be allocated to the issuer's distribution account from available funds including:

- On each business day, the servicer will identify amounts received into the issuer's distribution account since the prior business day as available interest collections or available principal collections.
- On each monthly reporting date, the servicer will calculate the available interest collections and the net swap counterparty receipts for the prior month.
- On each payment date, the servicer will allocate available interest collections and the net swap counterparty receipts for the prior collection period to each item in the interest priority of payments. *For more details about the interest priority of payments you should read "Annex A: Terms and Conditions of the Notes".*
- On each monthly reporting date, the servicer will calculate available principal collections for the prior collection period.
- On each payment date, the servicer will allocate the available principal collections in accordance with the principal priority of payments. *For more details about the principal priority of payments you should read "Annex A: Terms and Conditions of the Notes".*

Monthly Report. The servicer will on each monthly reporting date prepare a monthly report, as described in "*Reporting obligations of the Servicer - Monthly Reports*".

Loan-level Data. Under the servicing agreement and subject to applicable data protection rules, FCE as servicer will,

- for as long as the Class A notes or, if possible in compliance with the Bank of England eligibility criteria in force from time to time, any other Class of notes intended to be held in a manner which will allow Bank of England eligibility, to make loan-level data available in such a manner as required to comply with the Bank of England eligibility criteria as set out in the Detailed Information Transparency for Asset-Backed Securities for Auto-loan ABS of 17 December 2012 as amended,
- for as long as the Class A notes or, if possible in compliance with the Eurosystem eligibility criteria in force from time to time, any other Class of notes intended to be held in a manner which will allow Eurosystem eligibility, make loan-level data available in such a manner as required to comply with the Eurosystem eligibility criteria as set out in Annex 8 (Loan-level

data reporting requirements for asset-backed securities) of the Guideline of the European Central Bank of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (recast) (ECB/2014/60) as amended.

Securitisation Regulation. The seller and the issuer will designate FCE, the originator, to fulfil the applicable disclosure requirements set out in Article 7(1) of the Securitisation Regulation and the related regulatory technical standards adopted by the EU Commission, as well as under any associated ESMA guidelines, or the "Securitisation Regulation Disclosure Requirements". *For more details about the servicer's reporting obligations in respect of the Securitisation Regulation, you should read "Reporting obligations of the Servicer — Securitisation Regulation".*

Custodial Obligations of FCE. The servicer will maintain a record in its computer systems, on a receivable by receivable basis, of:

- all the amounts paid by each customer,
- all the amounts due from a customer,
- the balance payable under a receivable, and
- the list of customers.

The servicer will provide such information in encrypted form to the issuer corporate services provider.

Delegation of Obligations. As long as FCE is the servicer, the servicer may without notice or consent delegate its obligations under the servicing agreement to Ford or certain affiliates of Ford. The servicer may perform its obligations through sub-contractors. No such delegation or sub-contracting will relieve the servicer of its responsibilities for such obligations and the servicer will remain responsible for such obligations. The servicer will be responsible for the fees of any sub-contractors.

Limitations on Liability. The servicer will not be liable for any losses or expenses of the other parties to the servicing agreement or the noteholders as a result of the performance of the servicer's obligations except where such loss or expense is the result of its fraud, wilful default or negligence in the performance of its obligations.

Servicing Fees. The servicer will receive a servicing fee on each payment date equal to 0.02% x 1/12 of the aggregate principal balance of the receivables (including applicable VAT) as at the first day of the prior month. In addition, the servicer will retain any late fees, extension fees and other administrative fees received from customers. The servicer will have a right to reimbursement for fees and expenses paid to third parties related to the repossession and disposition of financed vehicles as well as for continued collection activities on written-off accounts. The servicer may net these fees and expenses from collections remitted to the issuer.

Resignation and Termination of the Servicer. The servicer may not resign as servicer unless it is no longer permitted to perform its obligations under law or with the consent of at least the majority of noteholders of each class.

Each of the following events will be a "servicer termination event" under the servicing agreement:

- FCE fails to pay or deposit any proceeds or payment required to be paid or deposited by it under the servicing agreement and that failure continues for five business days after it receives notice of the failure from the trustee or the security trustee or a responsible person of FCE learns of the failure, unless
 - the failure was caused by an event outside FCE's control and does not continue for more than ten business days, and FCE uses all commercially reasonable efforts to perform its obligations under the servicing agreement and promptly notifies the trustee, the security trustee, the issuer and the noteholders of the failure and the steps being taken to correct it, or

- the failure relates to an amount no greater than 0.05% of the outstanding aggregate amount payable in respect of all notes and does not continue for more than (a) if FCE's long-term debt is rated investment grade by both rating agencies rating the notes, 90 days after FCE receives notice of the failure or a responsible person of FCE learns of the failure or (b) if FCE's long-term debt is not so rated, 90 days after such failure, or
- FCE fails to observe or perform any other obligations under the servicing agreement and such failure is materially prejudicial to the interests of the noteholders and such default continues unremedied for a period of 60 days after the earlier of a responsible person of FCE becoming aware of such default and receipt by FCE of notice from the security trustee requiring the same to be remedied, or
- an insolvency of FCE.

FCE's appointment under the servicing agreement may be terminated by the issuer, so long as the security trustee (acting as directed by the trustee) consents to such termination, or the security trustee.

The issuer, after the resignation or termination of the appointment of FCE as servicer, and the security trustee will use their best efforts to search for and appoint a replacement servicer. No resignation or termination of the appointment of the servicer will become effective until a replacement servicer has been appointed.

Data processing. To the extent that the security trustee will gain access to personal data and/or perform any other data processing task on behalf of the issuer, it will comply with the relevant provisions set out in the servicing agreement.

Cash Management Agreement

General. U.S. Bank Global Corporate Trust Limited will act as a cash manager under the cash management agreement. The cash manager will manage the issuer's accounts, including the reserve account, and arrange for payments to be made on behalf of the issuer from such accounts on the basis of information in the monthly report in accordance with the relevant priority of payments set out in "*Annex A: Terms and Conditions of the Notes*". If the monthly report is not delivered to the cash manager, the cash manager will not be obliged to make payments other than payment of the issuer expenses, the servicing fee and the amounts required under the notes in accordance with the relevant priority of payments set out in "*Annex A: Terms and Conditions of the Notes*".

For further information on the cash manager, you should read "Cash Manager".

Resignation and Termination of the Cash Manager. U.S. Bank Global Corporate Trust Limited's appointment may be terminated by the security trustee or by the issuer with the security trustee's consent after the occurrence of the following events, each a "cash manager termination event":

- subject to certain cure periods, U.S. Bank Global Corporate Trust Limited defaults on a payment to be made by U.S. Bank Global Corporate Trust Limited under the cash management agreement,
- subject to certain cure periods, U.S. Bank Global Corporate Trust Limited fails to fulfil any other material obligation imposed on it under the cash management agreement and such failure is materially prejudicial to the interests of the noteholders,
- an insolvency of U.S. Bank Global Corporate Trust Limited, or
- if U.S. Bank Global Corporate Trust Limited is not or ceases to be exempt from any deduction or withholding under FATCA.

If the cash manager's appointment is terminated following a cash manager termination event, the cash manager will assist in a transfer to a substitute cash manager. The issuer corporate services provider will assist the issuer in appointing a replacement cash manager. In no event will the trustee

and/or the security trustee be required to act as cash manager. No termination of the cash manager will become effective until a replacement cash manager has been appointed.

Bank Account Operation Agreement and Issuer's Bank Accounts

General. Elavon Financial Services DAC, U.K. Branch will act as the account bank under the bank account operation agreement. The account bank will open and operate certain bank accounts in compliance with the bank account operation agreement.

The bank accounts described below will be utilised in the securitisation transaction and the issuer's interest in such accounts will form part of the security for the notes. Each account was established and will be maintained with Elavon Financial Services DAC, U.K. Branch (as account bank), whose principal place of business is at 125 Old Broad Street, London EC2N 1AR.

Elavon Financial Services DAC's long-term senior debt has been assigned a rating of "AA" (outlook stable) by Fitch, "Aa2" (outlook stable) by Moody's and "AA-" (outlook stable) by S&P.

For further information on the account bank, you should read "Account Bank".

The issuer's distribution account, reserve account and counterparty downgrade collateral account are required to be maintained at a financial institution that is permitted to accept deposits and (i) whose COR is at least "A (high)", or if the financial institution does not have a COR, whose unsecured, unsubordinated and unguaranteed long-term debt obligations are rated at least "A" by DBRS or, if the relevant institution has no rating from DBRS, a DBRS equivalent rating of at least "A" and (ii) who has a short-term deposit rating of at least "P-1" (or its equivalent) from Moody's or a long-term deposit rating of at least "A2" (or its equivalent) from Moody's or, if the financial institution does not have such rating, it must be guaranteed by an institution having such rating. If at any time the account bank or, to the extent that the account bank is guaranteed by an institution having such rating, the guarantor ceases to be an eligible institution, then, within 30 days of such time, the cash manager will, on the instructions of the issuer or the security trustee, as applicable, cause the transfer of the relevant accounts to another bank or banks that are eligible institutions.

The issuer may terminate the appointment of the account bank provided that a replacement account bank has been appointed. The account bank may resign by giving the issuer and the cash manager at least six months prior notice. However, such resignation will not take effect until a successor account bank is appointed.

Distribution Account. All amounts received by FCE on the receivables will be paid within two business days of applying such collections to a customer's account, into an interest bearing account of the issuer, being the "distribution account". On the payment date after the end of each calendar month, all amounts deposited in the distribution account during the prior month will be distributed as described in "Priority of Payments", "— Servicing Agreement — Allocation of Collections" and "Annex A: Terms and Conditions of the Notes".

Reserve Account. The reserve account will be credited with the reserve amount and debited according to "Credit Enhancement — Reserve Account".

Counterparty Downgrade Collateral Account. Any collateral posted by the swap counterparty under the credit support annex will be paid into the counterparty downgrade collateral account. The collateral which needs to be returned to the swap counterparty under the credit support annex will be withdrawn from the counterparty downgrade collateral account.

For more details about the posting collateral under the interest rate swap agreement, you should read "Interest Rate Swap Agreement — Swap Collateral".

Trust Deed

General. The notes will be constituted pursuant to the trust deed between the issuer and the trustee. U.S. Bank Trustees Limited will act as trustee under the trust deed.

For further information on the trustee, you should read "Trustee and Security Trustee".

The trust deed contains provisions requiring the trustee to have regard to the interests of the holders of all classes of notes issued by the issuer unless in the trustee's opinion there is a conflict between the interests of the holders of the different classes of notes, in which case the trustee will be required to have regard only to the interests of the holders of the most senior class of notes then outstanding.

The trust deed contains provisions governing the responsibility of the trustee and providing for its indemnification in certain circumstances.

Under the trust deed, the trustee will only be bound to take any action at the direction of the noteholders if it will be indemnified and/or secured and/or prefunded to its satisfaction.

For more details you should read "Description of the Notes" and "Annex A: Terms and Conditions of the Notes".

Deed of Charge

General. U.S. Bank Trustees Limited will act as security trustee under the deed of charge.

For further information on the security trustee, you should read "Trustee and Security Trustee".

Security. The notes are secured under and on the terms set out in a deed of charge between the issuer and the security trustee on certain English, Scots and Northern Irish law governed assets of the issuer.

Enforcement of the Security. If the trustee serves an enforcement notice on the issuer and the security trustee, and the security becomes enforceable, the trustee may at its discretion direct the security trustee to take action to enforce the security, and will direct the security trustee to take such action to enforce the security as directed by the controlling class acting by way of written resolution or by way of an extraordinary resolution subject to the trustee and/or the security trustee having been indemnified and/or secured and/or prefunded to their satisfaction.

To the extent that the trustee acts in compliance with such directions of the controlling class, it will have no obligation to take the interests of any other party into account or to follow a direction given by any other party. Only the trustee and the security trustee may enforce the rights of the noteholders against the issuer, whether the same arise under general law, the terms and conditions of the notes, a transaction document or otherwise. None of the noteholders will have the right to proceed directly against the issuer.

Application of Proceeds — Accelerated Priority of Payments. On enforcement of the security, the security trustee is required to apply moneys available for distribution to satisfy the amounts owing by the issuer in the accelerated priority of payments set out in *"Annex A: Terms and Conditions of the Notes"*.

Shortfall after Application of Proceeds. If the net proceeds of the security being enforced and liquidated under the deed of charge are not sufficient to pay the notes after payment of all other claims ranking in priority to the notes, the obligations of the issuer under the notes will be limited to such net proceeds and no other assets of the issuer will be available for any further payments on the notes. The right to receive any further payments will be extinguished.

The deed of charge does not contain provisions which require automatic liquidation of the receivables at market value.

Data Custody Agreement

The personal data of the customers provided by the seller will be encoded to protect the confidentiality of the identity of the customers, and the key to such encoded data will be kept by U.S.

Bank Global Corporate Trust Limited as data agent under a custody agreement between FCE, the issuer, the security trustee and data agent.

Under the data custody agreement, the data agent will immediately surrender the key transferred to it in the following circumstances: (i) at the request of the issuer or the security trustee, to a replacement servicer or the issuer after termination of the receivables servicing agreement, (ii) to the seller or, at the request of the seller, the issuer or the security trustee, to the replacement data agent after the termination of the data custody agreement or (iii) to the security trustee after confirmation by the security trustee that a customer notification event has occurred.

Interest Rate Swap Agreement

General. The issuer and Lloyds Bank Corporate Markets plc, as swap counterparty, will enter into an interest rate swap agreement documented by an ISDA master agreement with the swap counterparty for the sole purpose of hedging the interest rate risk relating to the Class A notes and the Class B notes. On each payment date, on a net basis, the issuer will pay to the swap counterparty amounts in Sterling calculated by reference to a fixed rate of interest equal to 0.602% and the swap counterparty will pay to the issuer amounts in Sterling calculated by reference to a floating rate of interest equal to compounded daily SONIA calculated on a notional amount equal to the lesser of (a) principal amount outstanding of the Class A notes and the Class B notes and (b) a predefined amortisation schedule which is based on the projected amortisation of the Class A notes and the Class B notes assuming the receivables have a 0% default rate and prepay at a constant prepayment rate of 0%).

Under the interest rate swap agreement, if the floating rate amount payable by the swap counterparty is a negative amount due to compounded daily SONIA being negative, no amount will be payable by the swap counterparty to the issuer and instead the issuer will be required to pay an amount corresponding to the absolute value of that negative floating amount to the swap counterparty. If compounded daily SONIA plus the margin for the floating rate notes is less than zero however, the interest rate for the relevant notes will be zero. If the floating rate amount payable by the swap counterparty under the interest rate swap agreement is negative, this would therefore result in the issuer having to pay both a floating rate amount to the swap counterparty and the amounts that are due and payable on the notes.

The issuer will represent not to enter into any derivative contracts other than for the purposes of hedging the interest rate risk of the receivables described above.

The interest rate swap agreement will terminate on the final legal maturity date of the Class A notes and the Class B notes or when the notes are paid in full before maturity, unless terminated in whole or in part earlier.

Early Termination. If an event of default specified in the interest rate swap agreement occurs, the non-defaulting party may elect to terminate the interest rate swap agreement. These events include failure to make payments due under the interest rate swap agreement and the occurrence of certain insolvency events.

The interest rate swap agreement may also be terminated if a termination event stated in the interest rate swap agreement occurs. These termination events include:

- changes in law resulting in illegality,
- certain tax events,
- subject to certain provisos, the notes become repayable after the service of an enforcement notice under the notes,
- failure of the swap counterparty or, if applicable, its guarantor:
 - (i) to have a specified level of required ratings from Moody's, generally equal to a long-term counterparty risk assessment or, if it does not have such rating, a long-term

unsecured and unsubordinated debt rating of "A3" or better (the "**Moody's Collateral Trigger**") and within the time periods specified in the interest rate swap agreement and after such failure to have the required ratings, to post collateral in the amount and manner stated in the credit support annex, or (ii) to have a specified level of required ratings from Moody's, generally equal to a long-term counterparty risk assessment or, if it does not have such rating, a long-term unsecured and unsubordinated debt rating of "Baa3" or better (the "**Moody's Transfer Trigger**") to post collateral in the amount and manner stated in the credit support annex and then, within the time periods specified in the interest rate swap agreement and after such failure to have the required ratings, to undertake one of the following actions:

- (1) obtain a guarantee of its obligations under the swap transaction from a sufficiently rated third party,
- (2) transfer all of its rights and obligations under the swap transaction to an eligible third party with a sufficient rating, and/or
- (3) take such other action which (as confirmed by Moody's) will result in the rating of the Class A notes and the Class B notes following such action to be maintained at, or restored to, the level it would have been at immediately prior to the occurrence of the Moody's Transfer Trigger, and/or

(ii)

- (1) to have a COR of, or if the swap counterparty does not have a COR, unsecured, unsubordinated and unguaranteed long-term debt obligations rated, at least "A" by DBRS or, if the swap counterparty has no rating from DBRS, a DBRS equivalent rating of at least "A", and/or
- (2) to have a COR of, or if the swap counterparty does not have a COR, unsecured, unsubordinated and unguaranteed long-term debt obligations rated, at least "BBB" by DBRS or, if the swap counterparty has no rating from DBRS, a DBRS equivalent rating of at least "BBB", and

after such failure to have the required ratings specified in sub-paragraphs (1) and (2) above, to post collateral in the amount and manner set forth in the credit support annex and then, within the time periods specified in the interest rate swap agreement, to either obtain a guarantee from a guarantor having the applicable required ratings, transfer the interest rate swap agreement to an eligible swap counterparty having the applicable required ratings or take such other action as will maintain the rating of the notes.

If the interest rate swap agreement is terminated because of an event of default or a termination event, an early termination payment may be due either to the issuer or the swap counterparty depending on market rates or other conditions at the time of termination. The amount of any early termination payment will be determined by the method described in the interest rate swap agreement and could be substantial if market rates or other conditions have changed materially. Any early termination payment payable by the issuer will be payable in the priority described above in "*Description of the Notes – Priority of Payments*". If the swap counterparty is the defaulting party or the sole affected party for a termination event (other than illegality or tax event), the early termination payment due to the swap counterparty will not be payable on a payment date until interest on the listed notes and all required principal payments on that payment date have been paid.

If the interest rate swap agreement is terminated before repayment in full of the principal of the notes, the issuer will be required to enter into an agreement on similar terms with a new swap counterparty. Any upfront payment to any replacement swap counterparty under the interest rate swap agreement payable by the swap counterparty will be paid directly to the replacement swap counterparty and not in accordance with the priority of payments.

Swap Collateral. If the swap counterparty posts collateral, the collateral will be credited to a separate swap collateral account. Any such collateral up to the value of any termination payment payable by the swap counterparty to the issuer under the interest rate swap agreement and to the extent it is not used to purchase any replacement interest rate swap agreement may be used by the issuer to make payments on the notes, in accordance with the priority of payments, if the swap counterparty does not fulfil its payment obligations under the interest rate swap agreement. Any excess swap collateral will be paid directly to the swap counterparty and not in accordance with the priority of payments.

EMIR. Regulation 648/2012 of 4 July 2012, known as the European Market Infrastructure Regulation or "EMIR" which took effect on 16 August 2012 provides for mandatory clearing of certain OTC derivative contracts through an authorised central counterparty, the reporting of OTC derivative contracts to a trade repository and certain risk mitigation requirements, including requirements to post collateral, in relation to derivative contracts which are not centrally cleared.

The clearing obligation applies to financial counterparties or "FCs" and certain non-financial counterparties or "NFCs" which have positions in OTC derivative contracts exceeding specified "clearing thresholds" other than those entered into for hedging purposes. Such OTC derivative contracts also need to be sufficiently standardised and of a class of derivative which has been identified by the European Commission (such decision to be prepared by the Securities and Markets Authority or "ESMA") as being subject to the clearing obligation. The issuer will represent that it is an "NFC -" for the purposes of EMIR and that the interest rate swap agreement to be entered into by it is for hedging purposes only.

The Commission Delegated Regulation 2016/2251 supplementing EMIR, or "Regulation 2016/2251", was adopted on 4 October 2016 and provides, amongst other things, that certain counterparties to OTC derivative contracts are now subject to an obligation to post variation margin and initial margin. In compliance with Article 24 of Regulation 2016/2251 however, as an "NFC-", the issuer will not be required to post variation margin or initial margin.

The reporting obligation applies to all types of counterparties and covers the entry into, modification or termination of centrally cleared and non-centrally cleared derivative contracts, including the interest rate swap agreement.

FCs and NFCs which enter into non-centrally cleared derivative contracts must ensure that appropriate procedures and arrangements are in place to measure, monitor and mitigate operational and counterparty credit risk. Such procedures and arrangements include, among other things, the timely confirmation of the terms of a derivative contract, formalised processes to reconcile trade portfolios, identify and resolve disputes and monitor the value of outstanding contracts and collateral management. This also will apply to the interest rate swap agreement.

It should also be noted that further changes have been made to the EMIR framework by Regulation (EU) 2019/834 amending EMIR, or the "EMIR Refit Regulation", which entered into force on 17 June 2019. The EMIR Refit Regulation makes certain changes including introducing a new category of "small financial counterparty", delegated reporting and changes to the NFC+ calculation whereby an NFC+ would only have to clear relevant derivatives contracts in the asset class(es) in which the NFC+ exceeds the specified clearing thresholds.

The issuer will grant to the servicer full authority to perform the issuer's EMIR obligations under the interest rate swap agreement on the issuer's behalf. In particular, the servicer will perform trade reporting, give notices and perform and satisfy the issuer's obligations for record-keeping, portfolio reconciliation and dispute resolution. The servicer will have no liability in connection with the issuer's EMIR obligations. The issuer will remain solely and wholly liable for the performance of its EMIR obligations under the interest rate swap agreement.

Taxation. All payments by the issuer or the swap counterparty under the interest rate swap agreement will be made without deduction or withholding for or on account of tax unless such deduction or withholding is required by law (or under FATCA). Neither the issuer nor the swap counterparty will in any circumstances be required to gross up if deductions or withholding taxes are imposed on payments made under the interest rate swap agreement. If the swap counterparty is

required to make a withholding or deduction for or on account of tax on payments to be made by it under the interest rate swap agreement, the issuer may request the swap counterparty to transfer its rights and obligations under the interest rate swap agreement to another office or branch or to an affiliate. Failing such remedy, the interest rate swap agreement may be terminated and, if terminated, the notes will become subject to mandatory redemption unless a replacement swap agreement is entered into. If the issuer is required to make a withholding or deduction for or on account of tax on payments to be made by it under the interest rate swap agreement, the swap counterparty may request the issuer to transfer its rights and obligations under the interest rate swap agreement to a substitute company which will also become issuer of the notes, as described in "*Annex A: Terms and Conditions of the Notes*".

Assignment. Except as stated under "*Taxation*" above or as expressly permitted in the interest rate swap agreement, neither the issuer nor the swap counterparty is permitted to assign, novate or transfer as a whole or in part its rights, obligations or interests under the interest rate swap agreement. The interest rate swap agreement will provide that (a) the issuer may assign the interest rate swap agreement by way of security in favour of the security trustee under the deed of charge and (b) the swap counterparty may assign its interest rate swap agreement to another swap counterparty with the minimum swap counterparty rating.

For further discussion of the termination payment under the interest rate swap agreement, you should read "Risk Factors — Risks associated with interest rate swaps".

Collection Accounts Trust

General. Under certain declarations of trust and supplemental declarations of trust dated before the closing date, FCE declared trusts in favour of itself and issuers regarding existing securitisations over all amounts from time to time standing to the credit of the accounts in the name of FCE into which customers pay amounts under receivable agreements, whether or not relating to the receivables. On the closing date, the issuer will become a beneficiary of the trusts over these accounts under supplemental declarations of trust to be dated on or about the closing date.

FCE will, within two business days of applying collections to a customer's account, pay from the relevant collections accounts (i) amounts relating to receivables which are unrelated to the securitisation transaction into accounts of the party with the beneficial right to such amounts and (ii) all monies received related to the receivable agreements into the distribution account with the account bank for distribution on each payment date to the issuer and other transaction parties, provided that FCE will not be required to transfer collections received by it on the receivables before the closing date until the second business day after the closing date.

Governing law

All of the transaction documents and all non-contractual obligations arising out of or in connection with the transaction documents will be governed by English law or, in the case of certain terms regarding security and sale, Scots law or Northern Irish law.

CREDIT ENHANCEMENT

This securitisation transaction is structured to provide credit enhancement that increases the likelihood that the issuer will make timely payment of interest and principal on the Class A notes and the Class B notes and decrease the likelihood that losses on the receivables will impair the issuer's ability to do so. Credit enhancement may not provide protection against all risks of loss and does not guarantee payment of interest and repayment of the entire principal amount of the notes. If losses on receivables exceed the credit enhancement available, noteholders will bear their allocable share of the loss. The noteholders will have no recourse to FCE as a source of payment.

Reserve Account

On the closing date, the issuer will use £2,898,000.00 from the proceeds of the Class C notes to fund the reserve amount. The amount in the reserve account will equal 0.60% of the aggregate outstanding receivables balance or, equivalently, 0.75% of the aggregate principal amount of the listed notes.

The issuer will only have the right to use the reserve amount to the extent that the available interest collections are not sufficient to make payments up to and including the payment of interest on the Class A notes and Class B notes or to pay principal on the notes on the final legal maturity date. In the event of an interest collections shortfall, such amount will be allocated to available interest collections.

If amounts are withdrawn from the reserve account, the reserve account will be replenished in accordance with the priority of payments to the initial reserve amount to the extent there are available funds on future payment dates after all higher priority payments are made.

The issuer will apply the reserve amount to the available principal collections after the earlier of (a) the outstanding principal amount of the Class A notes and the Class B notes having been reduced to zero, or (b) confirmation from the rating agencies that the reserve amount or any part of it may be released.

Any interest not required to maintain the reserve amount will be allocated to available interest collections.

Subordination

This securitisation transaction is structured so that the issuer will pay interest on the Class A notes, and then will pay interest sequentially on the remaining classes of notes in order of seniority. The issuer will not pay interest on the Class B notes or Class C notes until all interest due on the Class A notes is paid in full.

The issuer will pay principal sequentially to each class of notes in order of seniority. The issuer will not pay principal on a class of notes until the principal amounts of all more senior classes of notes are paid in full.

Following the service of an enforcement notice, the priority of payments will change and the issuer will not pay interest or principal on a class of notes that are not part of the controlling class until the notes of the controlling class and all amounts payable to the swap counterparty (except for a swap termination payment due in circumstances where the swap counterparty is the defaulting party or consequent to an additional termination event where the swap counterparty is the sole affected party) are paid in full. These subordination features provide credit enhancement to more senior ranking classes of notes with the Class A notes benefiting the most.

Excess Spread

A substantial number of the receivables have an APR less than the highest interest rate payable on the notes. Since the pool of receivables includes a substantial number of low APR receivables, the pool could generate less collections of interest than the sum of the senior fees and expenses of the issuer, the interest payments on the notes and any required deposits to the reserve account if the low

APR receivables are not adequately offset by high APR receivables in the pool. To compensate for the low APRs on these receivables, this securitisation transaction is structured to provide a certain amount of excess spread.

Excess spread for any payment date will be the amount by which collections of interest on the receivables during the prior month plus any net swap counterparty receipts from the swap counterparty (except any termination payment not available for distribution) exceeds the sum of the trustee and security trustee fees and other senior issuer expenses, the servicing fee, the net swap payments due to the swap counterparty (other than a swap subordinated amount) and the interest payments due on the Class A notes and the Class B notes for that payment date. The amount of excess spread will depend on factors such as the customer rate on the receivables, the discount rate, interest rates on the notes, prepayments and losses. Any excess interest collections, following the payment of interest on the Class B notes and the replenishment of the reserve account (if required), will be used to cover losses on written-off receivables and deficiency of payments of principal on the receivables. Accordingly, excess spread provides a source of funds to absorb any losses on the receivables and reduces the likelihood of losses on the notes.

The purchase price paid for the receivables by the issuer to FCE is calculated on a discounted cash flow approach to provide the issuer with interest cash flows in excess of what is available through the regular collections allocated to interest on the receivables. The net present value of each receivable will be calculated by discounting each remaining monthly instalment on the receivables at the greater of the customer rate in the receivable agreement and 3.9%. This has the effect of creating additional interest cash flow by reallocating a portion of the principal amount of each monthly instalment of a receivable to interest for the receivable agreements whose customer rate is lower than 3.9%. The minimum discount rate is set by the issuer to achieve sufficient additional interest to satisfy the issuer expenses and may provide additional credit enhancement to absorb losses.

The purchase price paid for the receivables transferred to the issuer is calculated on the basis of the net present value of the receivables.

MATURITY AND PREPAYMENT CONSIDERATIONS

General

The amount of principal payments that will be made on your notes on each payment date is not certain because that amount will depend on the amount of principal payments, including prepayments, received on the receivables during the prior month. The final legal maturity date for each class of notes is listed on the cover of this prospectus. These dates have been calculated for each class of notes assuming all receivables pay as scheduled with no delays, defaults or prepayments and, for the notes, adding 24 months to the calculated date. The issuer expects that the final payment of each class of notes will occur before its final legal maturity date. The final payment of a class of notes could occur significantly earlier (or could occur later) than such class's final legal maturity date.

Prepayments

"Prepayments" on the receivables will occur in the following circumstances:

- customers may prepay their receivable agreements in full or in part at any time,
- liquidation proceeds on defaulted receivables may be received, and
- proceeds from claims on insurance policies covering the financed vehicles or the customers may be received.

In addition:

- the seller may be required to repurchase ineligible receivables from the issuer on the occurrence of breaches of representations and warranties as described under "*Principal Transaction Documents — Receivables Sale Agreement — Obligation to repurchase Receivables or indemnify on breach*" if the seller fails to remedy the breach within the applicable timeframe,
- the servicer, for so long as FCE is servicer, may be required to purchase receivables if the servicer breaches its servicing obligations, as described under "*Principal Transaction Documents — Servicing Agreement — Obligation to purchase Receivables*", and
- the seller will have the option to purchase the receivables from the issuer on a payment date when the aggregate principal amount outstanding of the listed notes is 5% or less than the initial aggregate principal amount of the listed notes as at the closing date, provided that sufficient funds are available to pay interest and principal on the listed notes in full.

In FCE's experience, prepayments on receivable agreements occur primarily when customers decide to purchase new vehicles, defaulted receivable agreements are liquidated or insurance proceeds are received. In addition, the short-term nature and smaller principal amount of receivable agreements makes the benefit of refinancing smaller. Furthermore, the use of low-rate financing to increase sales of new motor vehicles limits the situations in which a customer could take advantage of lower rates by refinancing.

Reinvestment risk resulting from a faster or slower rate of prepayment of receivables will be borne entirely by the noteholders. Higher than anticipated rates of prepayment and defaults on the receivables will cause principal to be paid to the noteholders faster than expected. Noteholders will bear the risk of not being able to reinvest the principal repaid faster than expected at a rate of return that is equal to or greater than the rate of return on the notes. Noteholders may also have to wait longer than anticipated to receive principal payments if prepayment rates are slower than assumed, exposing them to reinvestment risk at the time principal is paid or to lost investment opportunities that may arise before receipt of principal from the issuer.

Weighted Average Life of the Notes

The expression "weighted average life" refers to the average amount of time from the closing date to the date of payment to the noteholder of each pound sterling paid in reduction of the outstanding principal amount of the notes (assuming no losses). The weighted average life of the notes will be influenced by, among other things, the rate at which principal is paid on the receivables, which may occur through scheduled payments, prepayments or enforcement proceedings.

Prepayments on auto receivables are commonly measured relative to a constant prepayment standard or model. The model used in this prospectus for the receivables is constant prepayment rates or "CPR", which represents an assumed rate of prepayments each month relative to the then aggregate outstanding principal balance of the receivables for the life of such receivables.

The results shown in the CPR tables should approximate the results that would be obtained using the actual pool of receivables that will be transferred to the issuer based on the following assumptions:

- the scheduled monthly payments for the receivables have been based on their net present value, discount rate, remaining term to maturity and balloon amount, such that the receivables will amortise in amounts sufficient for their repayment over their remaining term to maturity,
- there are no repurchases of receivables by FCE,
- there are no delinquencies or losses on the receivables, and principal payments on the receivables will be received on a timely basis together with prepayments, if any, at the CPR set out in the table,
- payments on the notes are made on the 20th day of each month and the first payment date is 21 October 2019,
- FCE exercises the 5% clean up call on the first payment date that the option is available,
- the notes are issued on 19 September 2019, and
- there are equal monthly instalments excluding agreements with balloon payments.

The actual characteristics and performance of the receivables transferred to the issuer will differ from the assumptions used in constructing the CPR tables. The CPR tables only give a general sense of how each class of notes may amortise at different assumed CPR rates with other assumptions held constant. It is unlikely that the receivables will prepay at a constant rate until maturity, that all of the receivables will prepay at the same rate and that there will be no delinquencies or losses on the receivables. Any difference between these assumptions and the actual characteristics and performance of the receivables, or actual prepayment or loss experience, will affect the percentages of the weighted average life and period during which principal is paid on each class of notes.

Percentage of Initial Principal Amount at various CPR Rates⁽¹⁾

Date	Class A Notes					Class B Notes				
	0%	15%	20%	25%	30%	0%	15%	20%	25%	30%
Initial Percentage	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
October 2019	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
November 2019.....	97.93	96.14	95.48	94.78	94.03	100.00	100.00	100.00	100.00	100.00
December 2019.....	95.85	92.35	91.07	89.72	88.29	100.00	100.00	100.00	100.00	100.00
January 2020	93.76	88.63	86.77	84.82	82.77	100.00	100.00	100.00	100.00	100.00
February2020.....	91.67	84.98	82.58	80.07	77.45	100.00	100.00	100.00	100.00	100.00
March 2020	89.57	81.40	78.50	75.48	72.35	100.00	100.00	100.00	100.00	100.00
April 2020.....	87.46	77.89	74.52	71.04	67.44	100.00	100.00	100.00	100.00	100.00
May 2020	85.35	74.45	70.64	66.73	62.71	100.00	100.00	100.00	100.00	100.00
June 2020	83.21	71.06	66.85	62.55	58.16	100.00	100.00	100.00	100.00	100.00
July 2020	81.03	67.70	63.13	58.48	53.76	100.00	100.00	100.00	100.00	100.00
August 2020.....	78.81	64.37	59.47	54.52	49.51	100.00	100.00	100.00	100.00	100.00
September 2020.....	76.47	61.02	55.82	50.60	45.34	100.00	100.00	100.00	100.00	100.00
October 2020	74.23	57.82	52.36	46.89	41.42	100.00	100.00	100.00	100.00	100.00
November 2020.....	72.00	54.71	48.99	43.31	37.66	100.00	100.00	100.00	100.00	100.00
December 2020.....	69.74	51.63	45.70	39.84	34.04	100.00	100.00	100.00	100.00	100.00
January 2021	67.49	48.62	42.51	36.49	30.57	100.00	100.00	100.00	100.00	100.00
February 2021.....	65.23	45.68	39.40	33.26	27.25	100.00	100.00	100.00	100.00	100.00
March 2021	62.99	42.81	36.40	30.15	24.07	100.00	100.00	100.00	100.00	100.00
April 2021.....	60.73	39.99	33.46	27.13	21.01	100.00	100.00	100.00	100.00	100.00
May 2021	58.47	37.23	30.61	24.22	18.08	100.00	100.00	100.00	100.00	100.00
June 2021	56.11	34.46	27.77	21.35	15.22	100.00	100.00	100.00	100.00	100.00
July 2021	53.57	31.61	24.89	18.48	12.38	100.00	100.00	100.00	100.00	100.00
August 2021.....	50.58	28.50	21.80	15.45	9.44	100.00	100.00	100.00	100.00	100.00
September 2021.....	46.03	24.30	17.78	11.63	5.83	100.00	100.00	100.00	100.00	100.00
October 2021	42.07	20.64	14.27	8.29	2.69	100.00	100.00	100.00	100.00	100.00
November 2021.....	38.12	17.08	10.88	5.09	0.00	100.00	100.00	100.00	100.00	97.19
December 2021.....	33.99	13.47	7.49	1.93	0.00	100.00	100.00	100.00	100.00	69.06
January 2022	29.68	9.83	4.09	0.00	0.00	100.00	100.00	100.00	88.38	41.47
February 2022.....	24.10	5.41	0.06	0.00	0.00	100.00	100.00	100.00	53.26	0.00
March 2022.....	18.42	1.03	0.00	0.00	0.00	100.00	100.00	62.49	19.11	0.00
April 2022	13.67	0.00	0.00	0.00	0.00	100.00	74.78	30.81	0.00	0.00
May 2022	9.37	0.00	0.00	0.00	0.00	100.00	43.36	0.00	0.00	0.00
June 2022	5.06	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00
July 2022	0.00	0.00	0.00	0.00	0.00	99.08	0.00	0.00	0.00	0.00
August 2022.....	0.00	0.00	0.00	0.00	0.00	28.61	0.00	0.00	0.00	0.00
September 2022.....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
October 2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
November 2022.....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
December 2022.....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
January 2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
February 2023.....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
March 2023.....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
April 2023.....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
May 2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
June 2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
July 2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
August 2023.....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
September 2023.....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
October 2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
November 2023.....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
December 2023.....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
January 2024	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
February 2024.....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
March 2024	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
April 2024.....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Weighted Average Life to Call (Years) ⁽²⁾	1.68	1.27	1.16	1.05	0.95	2.86	2.60	2.50	2.39	2.26
Weighted Average Life to Maturity (Years) ⁽³⁾	1.68	1.27	1.16	1.05	0.95	2.86	2.61	2.50	2.39	2.27

(1) Annualised CPR. Weighted average life computed based on monthly CPR.

(2) The weighted average life of a note is determined by (a) multiplying the amount of each principal payment on a note by the number of years from the date of issuance of the note to the related payment date, (b) adding the results and (c) dividing the sum by the original principal amount of the note.

(3) The weighted average life to maturity of a note is determined as stated in footnote (1) however with the assumption that FCE will not exercise the 5% clean up call.

The CPR tables were prepared based on the assumptions described above, including the assumptions regarding the characteristics and performance of the receivables that will differ from the actual characteristics and performance of the receivables. You should be sure you understand these assumptions when reading the CPR tables.

Calculations of the estimated weighted average life of the notes are derived from information provided by FCE.

USE OF PROCEEDS

The net proceeds from the sale of the notes issued (£382,703,720.00) will be used by the issuer to purchase the interests in the receivables from FCE.

The purchase price paid for the receivables transferred to the issuer is calculated on the basis of the net present value of the receivables.

A portion of the net proceeds from the sale of the Class C notes will be used to fund the reserve account.

REPORTING OBLIGATIONS OF THE SERVICER

Monthly Reports

On the second business day before the relevant payment date, the servicer will prepare and deliver a monthly report to the issuer, the cash manager, the trustee, the security trustee, the swap counterparty, the principal paying agent and, if requested, the rating agencies. Each monthly report will contain information about payments to be made on the notes on the payment date, the performance of the receivables during the prior month and the status of any credit enhancement. FCE will publish each monthly report on its investor website (<https://www.ford.com/finance/investor-center/asset-backed-securitization>) and on the website <https://edwin.eurowdw.eu/edweb/>, being an external website that conforms to the requirements set out in the fourth sub-paragraph of Article 7(2) of the Securitisation Regulation. If a securitisation repository should be registered in accordance with Article 10 of the Securitisation Regulation, FCE will also make the information available to such securitisation repository.

A form of the monthly report is in Annex D. The monthly report will contain the following information for each payment date:

- collections on the receivables allocated by interest and principal,
- fees and expenses payable to the trustee, the security trustee and certain other transaction parties,
- servicing fee payable to the servicer,
- net swap payment payable to the swap counterparty or net swap counterparty receipts payable to the issuer,
- a swap termination payment, if any, payable to or by the swap counterparty,
- amount of interest and principal payable and paid on each class of notes,
- the principal amount of each class of notes at the beginning of the period and the end of the period and the note factors needed to compute the principal amount of each class of notes, giving effect to all payments to be made on the payment date,
- the balance of the reserve account and the amount of any withdrawals from or deposits to the reserve account to be made on the payment date,
- information on the performance of the receivables for the prior month, including the aggregate outstanding receivables balance, collections and the aggregate amount paid by FCE to indemnify or to repurchase ineligible receivables or servicer impaired receivables and the number of receivables remaining in the pool,
- delinquency and loss information on the receivables for the prior month,
- the amount of available funds paid to the seller in the form of the deferred purchase price component,
- a description of any material changes to FCE's bank working procedures since the previous monthly reporting date, and
- the amount and method of FCE's retained interest, including information on which of the modalities provided for in Article 6(3) of the Securitisation Regulation has been applied.

In addition, FCE will disclose, in the first monthly report, the amount of notes:

- privately placed with investors which are not the seller or (a) the seller's holding companies, (b) the seller's subsidiaries or (c) any other affiliated company as set out in the published accounts of any such company, but excluding any entities that are in the business of

investing in securities and whose investment decisions are taken independently of, and at arm's length from, the seller, or the "seller's group",

- retained by the seller or by a member of the seller's group, and
- publicly placed with investors which are not in the seller's group.

FCE will also disclose (to the extent possible), in relation to any amount initially retained by a member of the seller's group, but subsequently placed with investors which are not in the seller's group, such placement in the next monthly report.

The defined terms used in the monthly report are as detailed in this prospectus.

The cash manager will use the monthly report to instruct the paying agent on payments to be made to the noteholders on each payment date. The paying agent will have no obligation to verify calculations made by the servicer.

The monthly report will include a note factor for each class of notes that you can use to compute the portion of the principal amount outstanding on that class of notes each month. The factor for each class of notes is a seven-digit decimal indicating the remaining outstanding principal amount of that class of notes as at the applicable payment date divided by its original principal amount, after giving effect to payments to be made on the payment date. For each note, the portion of the principal amount outstanding on that class of notes can be determined by multiplying the original denomination of that note by the note factor for that class of notes. The factors for each class of notes will initially be 1.0000000 and will decline as the outstanding principal amount of the class declines.

Following the coming into force of the applicable regulatory technical standards and implementing technical standards published in accordance with Article 7(3) and Article 7(4) of the Securitisation Regulation, the servicer will amend or supplement the monthly report to comply with the Securitisation Regulation Disclosure Requirements.

Loan-level Data

Under the servicing agreement and subject to applicable data protection rules, the servicer will,

- for as long as the Class A notes or, if possible in compliance with the Bank of England eligibility criteria in force from time to time, any other Class of notes intended to be held in a manner which will allow Bank of England eligibility, to make loan-level data available in such a manner as required to comply with the Bank of England eligibility criteria as set out in the Detailed Information Transparency for Asset-Backed Securities for Auto-loan ABS of 17 December 2012 as amended,
- for as long as the Class A notes or, if possible in compliance with the Eurosystem eligibility criteria in force from time to time, any other Class of notes intended to be held in a manner which will allow Eurosystem eligibility, make loan-level data available in such a manner as required to comply with the Eurosystem eligibility criteria as set out in Annex 8 (Loan-level data reporting requirements for asset-backed securities) of the Guideline of the European Central Bank of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (recast) (ECB/2014/60) as amended.

Securitisation Regulation

Pursuant to Article 22(5) of the Securitisation Regulation, FCE, the originator, is responsible for compliance with Article 7 of the Securitisation Regulation. Under the receivables sale agreement, the seller and the issuer will designate FCE, the originator, to fulfil the applicable disclosure requirements set out in Article 7(1) of the Securitisation Regulation and the related regulatory technical standards adopted by the EU Commission, as well as under any associated ESMA guidelines, or the "Securitisation Regulation Disclosure Requirements". FCE's obligations in respect of the Securitisation Regulation Disclosure Requirements are set out in the servicing agreement and will be performed by FCE in its capacity as servicer.

Under the servicing agreement, FCE in its capacity as servicer will:

- as from the closing date until the date designated by the servicer and the issuer following the endorsement by the European Parliament and Council of the final disclosure templates and its application date for the purpose of compliance with Article 7 of the Securitisation Regulation, or the "Disclosure Template Adoption Date":
 - (i) publish at least quarterly an investor report as required by and in accordance with Article 7(1)(e) of the Securitisation Regulation, and
 - (ii) publish on at least a quarterly basis certain loan-by-loan information in relation to the receivables, as required by and in accordance with Article 7(1)(a) of the Securitisation Regulation,

which will be published simultaneously on the relevant monthly reporting date, which will be at the latest one month after the relevant payment date, and in each case substantially in the form of the standardised template provided by the Bank of England applicable to the issuer, the seller and the receivables,

- following the Disclosure Template Adoption Date:
 - (i) publish at least quarterly an investor report as required by and in accordance with Article 7(1)(e) of the Securitisation Regulation, and
 - (ii) publish on at least a quarterly basis certain loan-by-loan information in relation to the receivables, as required by and in accordance with Article 7(1)(a) of the Securitisation Regulation,

which will be published simultaneously on the relevant monthly reporting date, which will be at the latest one month after the relevant payment date, and in each case substantially in the form of the final disclosure templates following the endorsement by the European Parliament and Council of the delegated regulation as set forth in Article 7(3) of the Securitisation Regulation applicable to the issuer, the seller and the receivables,

- publish without delay any information required to be published in accordance with Article 7(1)(f) of the Securitisation Regulation,
- publish without delay any significant event including any significant events described in Article 7(1)(g) of the Securitisation Regulation, and
- make available, as from the closing date, copies of the relevant transaction documents and this prospectus.

The servicer will publish or make otherwise available the reports and information referred to above as required under Article 7 and Article 22 of the Securitisation Regulation by means of:

- once there is a securitisation repository registered under Article 10 of the Securitisation Regulation and appointed by the servicer for the securitisation transaction described in this prospectus, such securitisation repository, or
- while no securitisation repository has been registered and appointed by the servicer, the website <https://edwin.eurodw.eu/edweb/>, being an external website that conforms to the requirements set out in the fourth sub-paragraph of Article 7(2) of the Securitisation Regulation.

The servicer will make the information referred to above available to the noteholders, relevant competent authorities referred to in Article 29 of the Securitisation Regulation and, upon request, to potential investors in the notes.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above for the purposes of complying with Article 5 of the Securitisation

Regulation and none of the issuer, FCE or the joint lead managers makes any representation that the information described above is sufficient in all circumstances for such purposes.

Under the servicing agreement, the servicer will also undertake to notify the issuer and the trustee, and to cause the issuer to notify the noteholders:

- of any updated information that becomes available related to the environmental performance of the financed vehicles in accordance with Article 22(4) of the Securitisation Regulation, and
- if (i) the events of default under the multicurrency revolving credit facility agreement dated 25 April 2013 are amended, (ii) a notice of acceleration is served on FCE under such agreement or (iii) such agreement is replaced with a similar facility.

For more information about the obligations of the servicer, you should read "Principal Transaction Documents — Servicing Agreement".

SOME IMPORTANT LEGAL CONSIDERATIONS

The structure of the issue of the notes and the ratings which are to be assigned to them are based on English law, Scots law and Northern Irish law as at the date of this prospectus, and the UK's current membership of the European Union. *For more information, you should read "Risk Factors — Increased regulation and changes of law".*

Receiver as Agent

A receiver of a company would generally be the agent of the company until its liquidation and therefore, while acting within his powers, only incurs liability on behalf of the company. If, however, the receiver's appointer unduly directed or interfered with or influenced the receiver's actions, a court may decide that the receiver was the agent of his appointer and that his appointer should be responsible for the receiver's acts and omissions. Following an event of default, the security trustee may appoint a receiver for the issuer. Payments to, among others, the security trustee (which has the right to receive remuneration, reimbursement for its expenses and an indemnity for its potential liabilities) will rank ahead of the interest and principal due under the notes. Accordingly, should the security trustee become liable for the acts of such a receiver, the amount that would otherwise be ultimately available for payment to you under the notes may be reduced.

Recharacterisation of Fixed Security Interest

An English court (or a court in Northern Ireland, if applicable) could hold that the fixed security interests expressed to be created by the issuer under the deed of charge could take effect as floating charges as the description given to them under the deed of charge as fixed charges is not determinative. There is no equivalent concept of recharacterisation in relation to fixed security interests constituted under Scots law.

Whether any fixed security interests created under the deed of charge will be upheld under English law (or under the laws of Northern Ireland, if applicable) as fixed security interests rather than floating security interests will depend, among other things, on whether the security trustee has the requisite degree of control over the relevant assets and if so, whether such control is exercised by the security trustee in practice. Where the chargor is free to deal with the secured assets, or any proceeds received on realisation of the secured assets, without the consent of the chargee, the court will be likely to hold that the security interest in question is a floating charge, notwithstanding that it is described as a fixed charge. If the fixed security interests are recharacterised as floating security interests, the claims of (i) the unsecured creditors (if any) of the issuer, related to that part of the net property of the issuer which is ring fenced as a result of the Enterprise Act 2002 and the equivalent Article 3 of the Insolvency (Northern Ireland) Order 1989 (Prescribed Part) Order (Northern Ireland) 2006 (see "*Share of floating charge assets for unsecured creditors*" below) and (ii) certain statutorily defined preferential creditors of the issuer may have priority over your rights to the proceeds of enforcement of such security. Under the Enterprise Act 2002, and, through the equivalent Article 6 of the Insolvency (Northern Ireland) Order 2005, the Crown's preferential status in respect of certain taxes (VAT, PAYE and NIC) was abolished but from 6 April 2020 it is expected that HMRC's preferential status in respect of other taxes (e.g. VAT, PAYE and employee NICs) will be reintroduced. The only remaining categories of preferential debts are certain amounts payable for occupational pension schemes, employee remuneration, levies on coal and steel production, debts owed to the Financial Services Compensation Scheme, or the "FSCS", retail banking deposits whose amount is protected under the FSCS and certain retail banking deposits owed to depositors that are not otherwise protected by the FSCS. The issuer will not have employees, so it is unlikely to have preferential creditors, with the exception of HMRC in respect of certain taxes (VAT in particular), if HMRC's preferential status in respect of those taxes is reinstated.

A receiver or administrative receiver appointed by the security trustee under the deed of charge would be obliged to pay preferential creditors and set aside funds for ring fenced assets out of floating charge realisations in priority to payments to the secured parties (including the noteholders).

Share of floating charge assets for unsecured creditors

Section 176A of the Insolvency Act 1986 and the equivalent Article 150A of the Insolvency (Northern Ireland) Order 1989 (as amended, among others, by the Insolvency (Northern Ireland) Order 2005) provide that where a company has gone into liquidation or administration, or where there is a provisional liquidator or receiver, a "prescribed part" of the company's net property is to be applied in satisfaction of unsecured debts in priority over floating charge holders. The amount available for unsecured creditors will depend on the value of the company's net property, being the amount of the company's property which would otherwise be available for satisfaction of the claims of floating charge holders or holders of a debenture secured by a floating charge. As at the date of this prospectus, the "prescribed part" has been set as 50% of the first £10,000 of a company's net property and 20% of the net property that exceeds £10,000 up to a maximum of £600,000. Where the company's net property is less than a prescribed minimum of £10,000, the liquidator, administrator or receiver may disapply this rule without application to the court for a company if it believes that the cost of making a distribution to unsecured creditors would outweigh the benefits. If the company's net property is more than the prescribed minimum, the liquidator, administrator or receiver may apply to the court for an order that the rule may be disapplied on the same ground.

Administration expenses

If the security trustee is prohibited from appointing an administrative receiver, whether by virtue of the amendments made to the Insolvency Act 1986 by the Enterprise Act 2002 (or the equivalent Insolvency (Northern Ireland) Order 1989 as amended by the Insolvency (Northern Ireland) Order 2005) or otherwise, or fails to exercise its right to appoint an administrative receiver within the relevant notice period, and an administrator is appointed to the issuer, the expenses of the administration would also rank ahead of the claims of the security trustee as floating charge holder. Furthermore, in such circumstances, the administrator would be free to dispose of floating charge assets without the leave of the court, although the security trustee would have the same priority for the property of the company representing the floating charge assets disposed of (if any) as it would have had for such floating charge assets. If an administrative receiver is not appointed for the issuer, then this may lead to the ability to realise the security created by the issuer being delayed and/or the value of that security being impaired.

Risk of Claw Back

As the seller is a credit institution incorporated under the laws of England and Wales, the assignment of the receivables may, in principle, be avoided or set aside following an insolvency of the seller under English insolvency rules if such assignment was at an undervalue or created a preference in favour of certain creditors of the seller. However, the risk of the assignment being characterised as an undervalue is mitigated by the purchase price paid for the receivables being equal to the net present value of the receivables, calculated at a commercially reasonable discount rate.

Receivable Agreements regulated by the Consumer Credit Act 1974 (as amended)

Changes to the UK regulatory structure

The Financial Conduct Authority, or the "FCA", is responsible for the supervision and regulation of regulated consumer credit business in the UK. Under the Financial Services and Markets Act 2002, or "FSMA": (a) carrying on certain credit-related regulated activities otherwise than in compliance with permission from the FCA will render the credit agreement unenforceable without FCA approval; 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 credit agreements or in contravention of its product intervention rules. There is also formalised cooperation between the FCA and the Financial Ombudsman Service, particularly where issues identified potentially have wider implications, with a view to the FCA requiring affected firms to operate consumer redress schemes.

Regulatory framework

The regulatory framework for consumer credit in the UK consists of FSMA, and its secondary legislation, including the Financial Services and Markets Act (Regulated Activities) Order 2001, or the "RAO", the Consumer Credit Act 1974 (amended by the Consumer Credit Act 2006) and its retained associated secondary legislation, or the "CCA", and rules and guidance in the FCA Handbook,

including the Consumer Credit sourcebook, or the "CONC". Article 60B of the RAO defines a regulated credit agreement as an agreement between an individual and any other person under which the other person provides the individual with credit of any amount and which is not an exempt agreement under articles 60C to 60HA of the RAO. Article 60C of the RAO exempts consumer credit contracts exceeding the value of £25,000, which are entered into wholly or predominantly for the debtor's business purposes.

The CCA applies to regulated consumer credit contracts. The application of the CCA to the receivable agreements will have several consequences including the following:

(a) *Voluntary Terminations*

At any time before the last payment falls due under the relevant regulated consumer credit contract, the customer may, under sections 99 and 100 of the CCA, terminate the relevant regulated consumer credit contract. Customers do not have to state a reason for exercising their rights under these sections. Generally customers may take advantage of the right of voluntary termination when they are in financial difficulty, or when the residual value of the vehicle on part-exchange is less than the amount that would be payable on early settlement. To terminate the regulated consumer credit contract, the customer is required to give notice to FCE and after notification the customer must return the vehicle, at its own expense, to an address as reasonably required by FCE, together with everything supplied with the vehicle.

In such a case FCE has a right to:

- (i) all arrears of payments due and damages incurred for any other breach of the regulated consumer credit contract by the customer before such termination;
- (ii) the amount (if any) by which one half of the total amount which would have been payable under the regulated consumer credit contract if it had run its course exceeds the aggregate of sums already paid by the customer and amounts due from the customer under the regulated consumer credit contract immediately before exercise by the customer of its statutory right of termination;
- (iii) possession of the relevant vehicle subject to the regulated consumer credit contract being terminated; and
- (iv) any other sums due but unpaid by the customer under the regulated consumer credit contract.

Following the voluntary termination of a receivable agreement, FCE will take possession of the relevant vehicle and will sell such vehicle according to its customary FCE origination and servicing procedures. FCE will apply (a) any amounts received per paragraphs (i) and (ii) above and (b) any proceeds from the sale of the vehicle to reduce the receivables balance of the receivable agreement that remains outstanding following the voluntary termination. Following such application, any remaining amounts of receivables balance on the receivable agreement that has been the subject of the voluntary termination will be written-off and reduced to zero.

If a customer terminates a receivable agreement under section 99 of the CCA, it is possible that the issuer will not receive the full amount of the principal amount outstanding on the relevant receivable and an amount of principal will accordingly be written-off. This in turn could trigger losses under the notes.

(b) *Early Settlement of regulated consumer credit contracts*

The customer has a statutory right to discharge his payment liability, and obtain title to the vehicle, under a regulated consumer credit contract in advance of its scheduled final repayment date by paying FCE all unpaid scheduled payments through to the scheduled final repayment date together with all other amounts due and payable under the relevant regulated consumer credit contract less a rebate calculated under the Consumer Credit (Early

Settlement) Regulations 2004, or the "Early Settlement Regulations" (see "*Rebate on Early Settlement or on Termination of a regulated consumer credit contract by FCE*" below).

In addition, the customer under a regulated consumer credit contract has a right to make partial early repayments of the regulated consumer credit contract. One or more partial early repayment(s) may be made at any time during the life of the relevant regulated consumer credit contract, subject to the customer taking certain steps as outlined in Section 94 of the CCA. The terms on partial early settlement are largely the same as those for full early settlement and the framework operates in much the same way.

(c) *Termination of regulated consumer credit contracts*

FCE has the right to terminate a regulated consumer credit contract in the event of an unremedied material breach of agreement by the customer. In such case FCE has the right to repossess the vehicle (however, where the customer has paid at least one-third of the total amount payable, the vehicle becomes "protected" under the CCA with the consequences described in "*Protected Goods*" below) and recover either:

(i)

- (1) all arrears of payments due and damages incurred for any breach of the regulated consumer credit contract by the customer before such termination;
- (2) all FCE's expenses of recovering or trying to recover the vehicle, storing it and tracing the customer and any shortfall relating to the sale or other disposal of vehicle (including all expenses of sale); and
- (3) any other sums due but unpaid by the customer under the regulated consumer credit contract less a rebate calculated in compliance with the Early Settlement Regulations (see "*Rebate on Early Settlement or on Termination of a regulated consumer credit contract by FCE*" below).

(ii) or such lesser amount as a court considers will compensate FCE for its loss.

Court decisions have conflicted on whether the amount payable by the customer on termination by the lender (for example, for repudiatory breach by the customer) is restricted to the amount calculated by the one-half formula for termination by the customer. The agreements provide that the amount payable by the customer on termination by FCE is the outstanding balance of the total amount payable under the agreement less any statutory rebate for early settlement and less any proceeds of sale or estimated value of the vehicle so the agreements reflect those court decisions favourable to FCE on this point.

(d) *Rebate on Early Settlement or on Termination of a regulated consumer credit contract by FCE*

In the case of regulated consumer credit contracts, a rebate of credit charges may be due on early settlement. The amount of the rebate is calculated under the Early Settlement Regulations. The rebate is available only in the circumstances specified in the Early Settlement Regulations. No rebate is required where the customer exercises his right to terminate a regulated consumer credit contract as described in (a) above, as the customer may terminate the relevant regulated consumer credit contract, without discharging in full the total amount payable under the regulated consumer credit contract.

(e) *Time Orders*

If, for a regulated consumer credit contract, certain default or enforcement proceedings are taken or notice of early termination is served on a customer, the customer can apply to the court for a time order to change the timing of payments under his contract or to repay the outstanding sum by lower instalments than provided for in his regulated consumer credit contract. Under the CCA the court has a wide discretion to order amendments to the relevant

regulated consumer credit contract as it considers fit, to achieve the objectives of the time order.

(f) *Bona fide purchaser*

A disposition of the vehicle by the customer to a bona fide private purchaser without notice of the hire purchase agreement will transfer to the purchaser FCE's title to the vehicle.

(g) *Enforcement of improperly executed or modified regulated consumer credit contracts*

If a regulated consumer credit contract has been "improperly executed" (as described in the CCA) or improperly modified under the CCA, it may be unenforceable unless a court order has been obtained.

(h) *Interpretation of technical rules*

FCE has interpreted certain technical rules under the CCA in a way common with many other lenders in the vehicle finance market. If such interpretation were held to be incorrect by a court or other dispute resolution authority, then the contract would be unenforceable without a court order. If such interpretation were challenged by a significant number of customers, then this could lead to significant disruption and shortfall in the income of the issuer. Court decisions have been made on technical rules under the CCA against certain lenders, but such decisions are very few 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, lenders have historically pursued such debts as though they are enforceable, until such time as those defects were raised by the borrower and/or the court in any claim. To mitigate the risks associated with this approach, lenders 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.

(i) *"Unfair relationship"*

The court has power under section 140A of the CCA to determine that the relationship between a lender and a customer arising out of the credit agreement (whether alone or with any related agreement) is unfair to the consumer. In applying the unfair relationship test, the courts are able to consider a wider range of circumstances surrounding the transaction, including the lender's conduct before and after making the agreement. There is no statutory definition of "unfair" as the intention is for the test to be flexible and subject to judicial discretion. However the word "unfair" is not an unfamiliar term in legal use in the United Kingdom due to the Unfair Contract Terms Act 1977, the Unfair Terms in Consumer Contracts Regulations 1999 and the Consumer Rights Act 2015. The courts may look to the above legislation for guidance. The FCA principles are also relevant and apply to the way contract terms are used in practice and not just the way they are drafted. Once an obligor alleges that an unfair relationship exists, the burden of proof is on the lender to prove the contrary.

Plevin v Paragon [2014] UKSC 61, a November 2014 Supreme Court judgment, 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 or PPI 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" and in August 2016 the FCA published a supplementary Consultation Paper CP 16/20 and its final Policy Statement on 2 March 2017. The new rules and/or guidance may result in an increase in the volume of Plevin-based unfair relationship claims brought against lenders who failed to disclose significant PPI commissions

when entering into credit agreements. A key aspect of the FCA's consultation is a PPI complaints deadline which will be 29 August 2019.

The FCA has given no indication during the periods of consultation that it will extend the Plevin PPI complaints rules and guidance specifically to undisclosed commissions in relation to GAP insurance. 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.

(j) *Financial Ombudsman Service*

The Financial Ombudsman Service is an out-of-court dispute resolution scheme with jurisdiction to determine complaints against authorised persons under the FSMA relating to conduct in the course of specified regulated activities including in relation to consumer credit.

Under FSMA, the Financial Ombudsman Service is required to make decisions on, among others, complaints relating to the terms in agreements on the basis of what, in the Ombudsman's opinion, would be fair and reasonable in all the circumstances of the case, taking into account, among others, law and guidance. Complaints brought before the Financial Ombudsman Service for consideration must be decided on a case-by-case basis, 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. The Financial Ombudsman Service may order a money award to a customer, which may adversely affect the value at which the receivable agreement could be realised and accordingly the ability of the issuer to meet its obligations under the notes. The jurisdiction of the Financial Ombudsman Service has applied since 6 April 2007.

(k) *Private rights of action under the FSMA*

A customer who is a private person may have a right to claim damages for loss suffered as a result of any contravention by an FCA authorised person of a rule under the FSMA. From 1 April 2014, such rules include rules in the CONC, which transposes certain requirements previously made under the CCA and in OFT guidance. The customer may set off the amount of the claim for contravention of CONC against the amount owing under the regulated consumer credit contract or any other credit agreement he has taken with the authorised person (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 when due on the notes.

(l) *Enforcement action by the FCA*

The FCA has a broad range of enforcement powers under the FSMA which it can take against authorised firms where the firm breaches a requirement of the FSMA. These powers include the ability to order restitution and implement consumer redress schemes under Section 404 of FSMA as well as product intervention powers where it considers there is the potential for significant consumer detriment. In addition where a lender or broker does not have the relevant permission an agreement will be unenforceable against the customer without an order of the FCA.

(m) *FCA review of the motor finance sector*

The FCA have been carrying out a review of the motor finance sector in the UK and published its final findings in March 2019. The FCA found that commission models allowing broker discretion on interest rates have the potential for significant customer harm in terms of higher interest charges. 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. The FCA is currently assessing the options for intervening to address the harm it has identified. This could include strengthening existing FCA rules or other steps such as banning certain types of commission model or limiting broker discretion.

(n) *Servicing Requirements*

FCE must comply with certain post contract information requirements under the CCA. Failure to comply with these requirements may have a significant impact. For example: (a) the credit agreement is unenforceable against the customer for any period when the lender fails to comply with requirements as to periodic statements, arrears notices or default fee notices (although any such unenforceability may be cured prospectively by the lender complying with requirements as to periodic statements, arrears notices and default fee notices); (b) the customer is not liable to pay interest or default fees for any period when the lender 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).

Liability for misrepresentations and breach of contract and set-off

(a) *Regulated consumer credit contracts*

Under section 75 of the CCA, a customer may make a claim against FCE as well as a supplier for misrepresentations made by the supplier in a transaction between the supplier and the customer during negotiations between them before execution of the relevant regulated consumer credit contracts or for a breach of contract. This liability arises in relation to, for example, insurance products where the creditor can be liable to the customer for misrepresentation or breach of contract by an insurer (or a dealer on its behalf) in relation to an insurance contract between the insurer and the customer and financed by a regulated consumer credit contract. A customer may set-off the amount of the claim against the amount owing under the regulated consumer credit contract. Any such set-off may adversely affect the issuer's ability to make payments in full when due on the notes.

In all the above circumstances, FCE normally has a right to be reimbursed by the supplier for any amount paid to the customer regarding the customer's claim and any costs (including legal costs) incurred in defending the claim.

In addition under section 56 of the CCA where a credit broker, such as a dealer, carries out antecedent negotiations with a debtor those negotiations will be deemed to be performed in the capacity of agent of the creditor as well as in his actual capacity. As a result FCE will be potentially liable for misrepresentations made by a credit broker involved in introducing a customer to FCE. This liability arises in relation to the vehicle, and applies for example, to the dealer's promise to the customer on the quality or fitness of the vehicle, and can extend, for example, to the dealer's promise to apply a part-exchange allowance to discharge an existing credit agreement. If such pre-contractual statement is a misrepresentation or implied condition in the regulated consumer credit contract, then the customer has a right to, amongst other things, rescind the contract and return the goods, and to treat the contract as repudiated by FCE and accept such repudiation by notice, and is not liable to make further payments, and may claim repayment of the amounts paid by the customer under the contract and damages such as the cost of hiring an alternative vehicle. The customer may set-off the amount of such money claim against the amount owing by the customer under the credit agreement or any other credit agreement he has taken with FCE (or exercise analogous rights in Scotland or Northern Ireland). Such set-off may adversely affect the issuer's ability to make payments in full when due on the notes.

(b) *All receivable agreements (including regulated consumer credit contracts)*

Under the Supply of Goods (Implied Terms) Act 1973 a customer may also make a claim for breach of contract against FCE or, potentially, terminate the receivable agreement for repudiatory breach if the vehicle the subject of the receivable agreement is not of satisfactory quality (which includes an assessment of whether it is fit for its intended purpose).

For agreements entered into on or after 1 October 2015 by a customer acting wholly or mainly outside that customer's trade, business, craft or profession) equivalent protections are set out in the Consumer Rights Act 2015.

FCE cannot exclude liability for breach of a consumer's statutory rights arising either under the Supply of Goods (Implied Terms) Act 1973 or the Consumer Rights Act 2015 and any exclusion where the customer is a business customer will be subject to a test of reasonableness.

In the above circumstances, FCE will normally have a right to claim against the dealer or supplier for any amount paid to the customer regarding the customer's claim and any costs (including legal costs) incurred in defending the claim. If such case arises and the customer's claim is successful, FCE would also ordinarily seek to sell the vehicle back to the dealer.

Protected Goods

If, under a regulated consumer credit contract, the customer has paid FCE one-third or more of the total amount payable under the relevant regulated consumer credit contract, the vehicle becomes "protected" under section 90 of the CCA and FCE does not have the right to repossess it, unless FCE first obtains an order from the court to this effect. If, however, the customer terminates the regulated consumer credit contract, the vehicle ceases to be "protected" and FCE may effect repossession unless the court grants the customer a "time order" rescheduling the customer's outstanding liabilities under the regulated consumer credit contract, or otherwise exercises any other discretion which it may have under the CCA. If any of the vehicles used by customers are protected, this could cause delays in recovering amounts due from the customers and may reduce amounts available to noteholders.

Other Risks Resulting from Consumer Legislation

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

The Unfair Terms in Consumer Contracts Regulations 1999, or the "UTCC Regulations" apply in relation to the receivable agreements involving consumers entered into before 1 October 2015. A customer may challenge a term in an agreement on the basis that it is "unfair" within the meaning of the UTCC Regulations and therefore not binding on the customer.

A term will be regarded as unfair if, contrary to the requirement of good faith, it causes a significant imbalance in the parties' rights and obligations arising under the contract to the detriment of the consumer. There is no strict definition as to what will be an "unfair" term, although Schedule 2 to the UTCC Regulations provides a (non-exhaustive) list of terms that may potentially be deemed to be unfair. The assessment of unfairness will take into account all the circumstances at the time of the conclusion of the contract.

Ultimately, only a court can decide whether a term is fair and it will take into account any relevant guidance published by the Competition and Markets Authority or the FCA. The FCA had previously published guidance on how it would interpret the UTCC Regulations. This guidance was withdrawn in March 2015 following a number of decisions by the Court of Justice of the European Community and the then impending enactment of the Consumer Rights Act 2015 on 1 October 2015 and the repeal on that date of the UTCC Regulations. The FCA will also consider the terms of agreements, and how the terms are applied in light of their "Treating Customers Fairly" principle. In particular, they will look at whether satisfactory outcomes have been achieved for customers.

For transactions entered into on and after 1 October 2015, the Consumer Rights Act 2015 will apply in place of the UTCC Regulations. The Consumer Rights Act 2015 continues to provide consumers with substantially the same rights as they enjoyed under the UTCC Regulations and also extends protection to announcements or other communications, whether or not in writing, that may be seen by the consumer that are related to the receivable agreement. The Consumer Rights Act 2015 makes both consumer contracts and consumer notices unenforceable if they fail the fairness test; introduces a more stringent test for fairness by making main subject matter of the contract or terms which set the price subject to the fairness test if they are not both transparent and prominent; and introduces new terms into the list of potentially unfair clauses in consumer contracts.

It is not certain whether the implementation of the Consumer Rights Act 2015 or changes to guidance will have an adverse effect on the receivables, FCE, the issuer and their respective businesses and operations. The broad and general wording of the UTCCR and the Consumer Rights Act 2015 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. It is therefore possible that the agreements made with consumers may contain unfair terms, which may result in the possible unenforceability of those unfair terms. This may adversely affect the ability of the issuer to dispose of receivables, or any part of the receivables, in a timely manner and/or the realisable value of the receivables, or any part of the receivables, and accordingly affect the ability of the issuer to meet its obligations under the notes when due.

It is not certain whether future changes to the Consumer Rights Act 2015, the manner in which the Consumer Rights Act 2015 is applied, interpreted or enforced, or changes to guidance relating to the Consumer Rights Act 2015 will have an adverse effect on the receivables, FCE, the issuer and their respective businesses and operations. This may adversely affect the ability of the issuer to dispose of receivables, or any part of the receivables in a timely manner and/or the realisable value of the receivables, or any part of the receivables, and accordingly affect the ability of the issuer to meet its obligations under the notes when due.

(b) Unfair Commercial Practices Directive 2005

On 11 May 2005, the European Parliament and of the Council adopted the Unfair Commercial Practices Directive (SI 2005/29/EC), or the "UCPD". The UCPD is a maximum harmonisation Directive, which means that (except for financial services and immoveable property) Member States may not impose more stringent terms than those provided for by the UCPD.

The UCPD seeks to harmonise unfair trading laws in all Member States by: (i) introducing a general prohibition on traders not to treat consumers unfairly; (ii) obliging businesses not to mislead consumers through acts or omissions or through subjecting them to aggressive commercial practices such as high pressure selling techniques; and (iii) introducing a prohibition of specified practices that will be deemed unfair in all circumstances. The UCPD has a wide scope in that it prohibits unfair business-to-consumer practices in all sectors, however, it only focuses on the protection of economic interests. Other interests such as health, safety, taste or decency are outside its scope.

The UCPD is intended to protect only the collective interests of consumers; it does not seek to provide individual consumers with a private right of action.

The Consumer Protection from Unfair Trading Regulations 2008 (SI 2008/1277), or the "Consumer Protection Regulations", which implement the UCPD, came into force on 26 May 2008.

The Consumer Protection Regulations include three key restrictions:

- (i) Regulation 3 sets out a general prohibition of unfair commercial practices, so as to catch all practices which do not fall into the specific prohibitions of misleading and aggressive practices or the specifically banned practices. Under Regulation 3, a commercial practice is "unfair" if:

- (1) the practice contravenes the requirements of "professional diligence" (which is the special skill and care a trader may be reasonably expected to exercise commensurate with honest market practice or the general principle of good faith in its field of activity; and
 - (2) the practice materially distorts or is likely to materially distort the economic behaviour of the average consumer with regard to the product in question.
- (ii) Regulations 5 to 7 set out specific prohibitions regarding misleading actions or omissions, and aggressive practices, respectively.
 - (iii) Schedule 1 to the Consumer Protection Regulations contains a list of 31 specified commercial practices that are in all circumstances to be deemed unfair. Evidence of their effect, or likely effect, on the average consumer is not required to prove a breach under the Consumer Protection Regulations.

Enforcers (such as the Competition Markets Authority and local trading standards authorities) may take civil enforcement action regarding a breach of the Consumer Protection Regulations and consumers also have a right to redress for prohibited practices, including a right to unwind agreements, claim damages or obtain a discount.

The Consumer Protection (Amendment) Regulations 2014 have amended the Consumer Protection Regulations 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 Consumer Protection Regulations require the Competition and Markets Authority (or before 1 April 2014, the OFT) and local trading standards authorities to enforce the Consumer Protection Regulations by prosecution or by seeking an enforcement order to prevent a business from carrying on unfair practices. In addition, the FCA (or before 1 April 2014, the OFT) addresses unfair practices in its regulation of consumer finance. It is not certain whether any regulatory action or guidance related to the Consumer Protection Regulations will have a material adverse effect on the agreements and accordingly on the issuer's ability to make payments in full when due on the notes.

Scottish Receivables

Legal title to the Scottish receivables will remain with FCE because no formal assignation of the Scottish receivables duly notified to the relevant customers will be made unless a perfection event will have occurred. The benefit of any Scottish receivables will be transferred by the seller to the issuer under Scottish completion trusts, under which the seller will hold the benefit of such receivables on trust for the issuer. The holding of a beneficial interest under a Scottish trust has (broadly) equivalent legal consequences in Scotland to the holding of an equitable interest in England and Wales, as set out below.

The fixed charge granted by the issuer in favour of the security trustee over the issuer's assets provides for, among other things, an assignation in security of the issuer's interest in the trusts over Scottish receivables and the relevant vehicle declaration of trust.

Equitable Assignment

The assignment by FCE in its capacity as seller to the issuer of the benefit of the receivables which are governed by the laws of England and Northern Ireland will take effect in equity because no notice of the assignment will be given to customers on the closing date. The issuer has granted the security trustee a charge over, among other things, its beneficial interest in the receivables.

The lack of notice to a customer of the assignments by FCE has the following legal consequences:

- (a) notice to the customer would mean that the issuer would take priority over any interest of a later encumbrancer or assignee of the rights of FCE who has no notice of the assignment to the issuer;

- (b) notice to a customer would mean that the customer should no longer make payment to FCE as creditor under the relevant receivable agreement but should make payment instead to the issuer. If the customer were to ignore a notice of assignment and pay FCE for its own account, the customer would still be liable to the issuer for the amount of such payment. However, for so long as FCE remains servicer under the servicing agreement it is also the agent of the issuer for the purposes of the collection of the receivables and will, accordingly, be accountable to the issuer for any amount paid to it regarding the receivables;
- (c) until notice is given to the customer, equitable set-offs (such as for misrepresentation and breach of contract as referred to in "*Liability for misrepresentations and breach of contract and set-off*" above) and other rights of set-off (for example, the statutory set-off rules applicable on insolvency of the seller) may accrue in favour of the customer regarding his obligation to make payments under the relevant receivable agreement. These may, therefore, result in the issuer receiving less moneys than anticipated from the receivables. The assignment of the receivables to the issuer will be subject both to any prior equities which have arisen in favour of the customer before the assignment and to any equities which may arise in the customer's favour after the assignment until such time (if ever) as he receives actual notice of the assignment. Set-off rights arising under claims arising out of a transaction connected with a receivable agreement will not be affected by that notice;
- (d) notice to the customer would prevent FCE and the customer amending a receivable agreement without the involvement of the issuer. However, FCE will agree not to impair in a material respect the rights of the issuer or the security trustee in the receivable agreements, other than according to its usual operating policies (as described below); and
- (e) lack of notice to the customer means that the issuer will have to join FCE as a party to any legal action which the issuer may choose to take against any customer. FCE will, however, grant powers of attorney to the issuer and the security trustee (or appoint the issuer and the security trustee as substitute attorneys) under which the relevant attorney or substitute attorneys will have the right to make demands and sue for amounts due under the receivable agreements.

Some of the receivable agreements (which are expressly governed by English law) have been entered into with customers who are (a) consumers and (b) located in Scotland and certain of the vehicles financed under the receivable agreement are located in Scotland. In these circumstances, there is a risk that the Scottish courts could apply Scots law based on regulations 5 and 8 of the Unfair Terms in Consumer Contracts Regulations 1999 and from 1 October 2015 the Consumer Rights Act 2015.

If a Scottish court were to declare that a receivable agreement was in fact governed by Scots law, the Scots court may declare that such receivable agreement had always been governed by Scots law, and that the receivable agreement should be interpreted as a matter of Scots law. There is therefore a risk that the transfer under English law of receivables derived from receivable agreements governed by Scots law sold by FCE in its capacity as seller to the issuer may not be considered to be a valid transfer by the Scots courts.

To mitigate this risk, receivables originating under such receivable agreements will be included within the Scottish completion trusts in favour of the issuer referred to above.

It should be noted that it may be difficult to trace and repossess a vehicle, that the proceeds of sale arising on the disposal of a vehicle may be less than the net present value of the relevant receivable agreement, that a vehicle may be subject to an existing lien (for example, related to repairs performed by a garage for which no payment has yet been made) and that action to recover outstanding amounts may not be pursued if to do so would be uneconomic.

Insurance

Each receivable agreement requires the customer to take out comprehensive motor insurance and to assign to the seller the proceeds of any claim for the loss, theft or damage beyond repair of the

financed vehicle, and to pay such proceeds over to the seller in part settlement of the relevant receivable agreement.

Because FCE does not track that insurance is maintained on the financed vehicle, it is not certain whether such insurance is in place or that it is effectively assigned by way of security to the issuer or that FCE will receive any moneys from such insurance.

At their option, the customers under the receivable agreements may take out payment protection insurance to finance repayment of the relevant receivable agreement in the event of death or critical illness and to finance their periodic payments under the receivable agreement in the event of injury and illness and/or unemployment.

At their option, the customers under the receivable agreements may also take out GAP insurance to insure against the underlying vehicle suffering a total loss for insurance purposes and the amount recovered under the customer's vehicle insurance policy being less than the greater of the amount payable under the finance contract and the original purchase price for the vehicle.

Both payment protection insurance and GAP insurance policies name FCE as a beneficiary however, such insurance policies may be terminated by the relevant customer at any time without payment or penalty.

There is also a potential risk of set-off by customers under regulated consumer credit contracts for liability under section 75 CCA. This would arise, for example, where the creditor is liable for a misrepresentation or breach of contract by an insurer or a dealer on its behalf in relation to an insurance contract between the insurer and the customer which is financed by a regulated consumer credit contract. However, regarding the receivable agreements, payment protection insurance or GAP insurance premiums are not financed from a customer's deposits (or otherwise under the receivable agreements) and FCE does not collect insurance premiums on behalf of customers therefore such rights of set-off should not arise.

Restriction on Assignment

If FCE has agreed or agrees with any customer on restrictions on the assignment of the receivables, such receivables may not be validly assigned to the issuer under the receivables sale agreement. Any assignment of a receivable which contravenes such restriction on assignment generally will be invalid. Where such receivable agreement is entered into with a company, merchant or sale trader as customer, such assignment would not be invalid, but such customer may continue to repay the receivables to FCE with discharging effect, notwithstanding notice of assignment being given to it. The terms of FCE's standard receivable agreements, however, do not prohibit FCE from assigning rights under such standard receivable agreements.

Validity of Contractual Priority of Payments

The validity of contractual priority of payments such as those contemplated in this securitisation transaction has previously been challenged in the English and U.S. courts in connection with the insolvency of a secured creditor (namely, the swap counterparty). These proceedings considered whether such payment priorities breached the anti-deprivation principle under English and U.S. insolvency law (referred to as *ipso facto* clauses in the U.S.). These rules prevent a party from enforcing a provision that deprives its counterparty's creditors of an asset (or in the U.S. which also triggers a default) solely as a result of the counterparty's insolvency.

In England, the rule established by the House of Lords in *British Eagle International Airlines Ltd v Compagnie Nationale Air France* [1975] 1 WLR 758 HL was that on bankruptcy or liquidation, the assets of an insolvent debtor are not to be removed from the insolvent estate but are to be available for distribution among the general body of the debtor's creditors.

In *Perpetual Trustee Co Ltd v BNY Corporate Trustee Services Ltd* (2009) EWCA Civ 1160, it was argued that, following the rule in *British Eagle*, the provisions under which a secured creditor had subordinated itself to noteholders on the insolvency of that secured creditor should be void because the secured creditor would as a consequence have deprived its own creditors of the secured asset.

The Court of Appeal dismissed this argument and upheld the validity of the priority of payments provisions, stating that the anti-deprivation principle was not breached by such provisions on the facts of the case.

The Supreme Court has since upheld the findings of the Court of Appeal. In *Belmont Park Investments Pty Limited & Others v BNY Corporate Trustee Services Limited and Lehman Brothers Special Financing Inc.* [2011] UKSC 38 the court considered payment priorities which "flipped" the priority position of the swap counterparty on that counterparty defaulting under the swap agreement. The Supreme Court held that the provisions of the swap agreement were enforceable. The Supreme Court strongly stated that the anti-deprivation principle should have a "common sense application which prevents its application to *bona fide* commercial transactions which do not have as their predominant purpose, or one of the main purposes, the deprivation of the property of one of the parties on bankruptcy."

While the ruling of the U.S. Bankruptcy Court for the Southern District of New York on this issue was once directly at odds with the judgment of the English Courts, that court distinguished its prior decisions in a recent June 2016 opinion, *Lehman Brothers Special Financing Inc. v Bank of America National Association, et al.* (No. 10-03547 (SCC)) (*In re Lehman Bros. Holdings, Inc.*). In that case, the court found, among other things, that provisions in a swap agreement that established the priority of distributions to a swap participant at the time an early termination occurred resulting from the filing of a bankruptcy case, were not prohibited *ipso facto* clauses under the U.S. Bankruptcy Code and were enforceable against the debtor. In contrast, in the court's prior decisions, the priorities at issue there were established at the time the swaps were entered into and then later reversed as a result of an early termination caused by the filing of a bankruptcy case. Therefore, the court held in those cases that such provisions were prohibited *ipso facto* clauses. Consistent with its prior rulings, the court also ruled in its June 2016 decision that certain other transactions at issue in that case involving the reversing of pre-determined priorities resulting from the filing of a bankruptcy case also violated the *ipso facto* prohibitions under the U.S. Bankruptcy Code.

If a creditor of the issuer (such as the swap counterparty) or a related entity becomes subject to insolvency proceedings in a jurisdiction outside England and Wales, and it is owed a payment by the issuer (such as a termination payment due under the swap agreement which purports to have been subordinated as a result of the swap counterparty's insolvency), it is not certain whether the insolvent creditor or an insolvency official appointed for that creditor could successfully challenge either the validity or enforceability of subordination provisions included in the English law governed transaction documents. An example would be a provision relating to the ranking in the priority of payments of the swap counterparty's payment rights under the swap agreement.

Additionally, it is not certain whether such subordination provisions would be upheld under the insolvency laws of England and Wales or a relevant jurisdiction outside England and Wales. If the courts of a jurisdiction outside England and Wales do not uphold such provisions, it is unclear whether and to what extent the relevant proceedings and corresponding findings would be recognised by the English courts. While the English courts have to date been generally supportive of subordination arrangements, it is not certain whether such support would be maintained in a case where the English court is co-operating with the courts in another jurisdiction in a cross-border insolvency case.

For more information, you should read "Risk Factors — Validity of contractual priority of payments"

Rating Agencies

In general, European regulated investors as outlined in Article 4(1) of the Credit Rating Agencies Regulation 1060/2009 of the European Parliament and of the Council of 16 September 2009 as amended or "CRA3" are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under CRA3. The credit ratings included or referred to in this prospectus have been issued by the rating agencies, each of which has been registered or certified in compliance with the CRA3.

The list of registered and certified rating agencies published by the European Securities and Markets Authority or "ESMA" on its website in compliance with the CRA3 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.

CRA3 has introduced a requirement that issuers or related third parties of structured finance instruments solicit two independent ratings for their obligations and should consider appointing at least one rating agency having less than a 10% market share or a "small CRA". FCE considered the appointment of a small CRA when appointing the rating agencies and, along with Moody's, appointed DBRS which has a market share of less than 10 per cent.

For more details, you should read "Transaction Overview" and "Risk Factors — Ratings of the Notes" and "Risk Factors — Qualifying Securitisation/ Simple, Transparent and Standardised Securitisation".

Banking Act 2009

The 2009 Act came into effect on 21 February 2009. It gives the UK Treasury, the Bank of England and the Prudential Regulation Authority powers to act, under a special resolution regime, to address situations where all or part of the business of a UK Deposit-Taker such as FCE has encountered, or is likely to encounter, financial difficulties.

The UK Treasury and the Bank of England have been given wide powers to support the implementation of the stabilisation measures contemplated by the 2009 Act. The UK Treasury may, in certain circumstances, take a UK Deposit-Taker into temporary public ownership by means of a share transfer order. The Bank of England may also transfer all or part of a UK Deposit-Taker's business to a private sector purchaser or a bridge bank wholly owned by the Bank of England. A transfer to a private sector purchaser may be a transfer of securities issued by a UK Deposit-Taker or a transfer of all or part of its property, rights and liabilities. A transfer to a bridge bank may be achieved only by a property transfer. A share transfer may comprise all or some of the securities issued by a UK Deposit-Taker. A share transfer order can extend to a wide range of securities, including shares and bonds issued by a UK Deposit-Taker or its holding company and warrants for such shares and bonds.

Before the Bank of England or the UK Treasury are able to exercise these powers, the Prudential Regulation Authority or the Bank of England must be satisfied that the UK Deposit-Taker is failing, or is likely to fail, to meet certain regulatory conditions. The purpose of the powers is to maintain confidence in the banking and financial systems of the United Kingdom and they can only be exercised in circumstances consistent with the achievement of this objective.

The powers under the 2009 Act are wide ranging and may entail divesting the UK Deposit-Taker of its assets or transferring ownership of securities issued by it. Accordingly, the enforceability of the rights and obligations of FCE could be affected if the Prudential Regulation Authority, the Bank of England or the UK Treasury exercised such powers over FCE.

A share or property transfer made under the 2009 Act takes effect despite any restriction under contract, legislation or otherwise, and free from any trust, liability or encumbrance (which may be extinguished). A transfer of property, rights or liabilities may occur regardless of whether the property, rights and liabilities are foreign property which may not be effectively transferred by the property transfer instrument. The transfer can also be disregarded in determining whether a default event in a contract has been triggered.

Where property is held on trust, a property transfer instrument may provide for the terms on which the property is to be held after the instrument takes effect, and may also provide for how powers and liabilities related to the property will be exercisable or have effect after the transfer.

The Bank of England may also cancel or vary a contract or other arrangement between the transferor and a group company (or a company which, immediately before the transfer, was a group company), or to confer rights and impose obligations on such a company and the transferor or transferee, where the Bank of England considers this step to be necessary to ensure the provision of services and facilities required to enable the transferee to operate the transferred business effectively.

There is also power for the UK Treasury to amend the law (except for the 2009 Act) by order for the purpose of enabling the special resolution regime powers to be used effectively, potentially with retrospective effect.

Safeguards restrict the making of partial property transfers related to protected arrangements, such as capital market arrangements, security interests, set-off and netting arrangements. There is a restriction preventing the transfer of some, but not all, of the property, rights and liabilities of a UK Deposit-Taker which are or form part of a capital market arrangement to which it is a party. An arrangement is a "capital market arrangement" if it includes at least one of several specified characteristics, including a grant of security to a trustee for a holder of a capital market investment issued by a party to the arrangement. A "capital market investment" is defined, subject to limited exceptions, to mean a debenture, debenture stock, loan stock, bond, certificate of deposit or other instrument creating or acknowledging indebtedness which is rated for the purposes of investment by an internationally recognised rating agency or designed to be so rated. This safeguard does not apply where the only property, rights and liabilities transferred relate to deposits. There is also a restriction preventing the transfer of property or rights against which a liability is secured from being transferred unless that liability and the benefit of the security for the liability are also transferred.

If a share transfer instrument or order or a property transfer instrument(s) is made, the 2009 Act requires for the UK Treasury to make related compensation arrangements.

In addition to the stabilisation powers mentioned above, the 2009 Act provides for two special insolvency proceedings, referred to as a modified form of liquidation or "bank insolvency" and a modified administration procedure or "bank administration" in relation to a residual bank where there has been a partial property transfer to a bridge bank or a private sector purchaser which may be started by specified UK authorities in relation to relevant UK Deposit-Takers.

Amendments have been made to the 2009 Act with effect from 1 August 2014 under the Financial Services Act 2012, including extending certain stabilising powers to, amongst others, "banking group companies". A "banking group company" is defined by reference to the definition of "group undertaking" set out in section 1161 of the Companies Act 2006 as being a company in the same group as a UK bank. Whether the issuer is a group undertaking as defined in section 1161 of the Companies Act 2006 for a UK bank (or other relevant UK entity for these purposes) is in practice likely to be primarily an accounting consolidation test based on relevant accounting principles.

Further, the Banking Act 2009 (Banking Group Companies) Order 2014, S1 2014/1831 (the "Banking Group Companies Order"), which also came into force on 1 August 2014, provides for the exclusion from the meaning of "banking group company" of certain entities, including any entity which is a securitisation company" and is not an "investment firm" or a "financial institution" (as each term is defined in the Banking Group Companies Order).

It is possible that the issuer may fall within this exception. However there remains a possibility that the Prudential Regulation Authority, the Bank of England or the UK Treasury might seek to exercise their stabilisation powers related to the issuer under the 2009 Act and that, in those circumstances, the noteholders would be adversely affected by such action.

Banking Reform Act 2013

The Financial Services (Banking Reform) Act 2013 or the "Banking Reform Act" was passed by the UK Parliament on 18 December 2013. It includes amendments to the 2009 Act to provide a bail-in option among the powers of the Bank of England.

The bail-in option came into force with effect from 1 January 2015, through the passing of secondary legislation, which ensures that the UK's bail-in stabilisation measures are consistent with the regime in the Banking Recovery and Resolution Directive 2014/59/EU of 15 May 2014 or "BRRD".

The bail-in option is introduced as an additional power available to the Bank of England, to enable it to recapitalise a failed institution by allocating losses to its shareholders and unsecured creditors in a manner that ought to respect the hierarchy of claims in an insolvency of a relevant financial institution, consistent with shareholders and creditors of financial institutions not receiving less favourable

treatment than they would have done in insolvency. The bail-in option includes the power to cancel a liability or modify the terms of contracts for the purposes of reducing or deferring the liabilities of the bank under resolution and the power to convert a liability from one form to another. The conditions for use of the bail-in option are, in summary, that (i) the Prudential Regulation Authority determines that the bank is failing or likely to fail, (ii) it is not reasonably likely that other action can be taken to avoid the bank's failure, (iii) the Bank of England determines that it is in the public interest to exercise the bail-in power and (iv) that one or more of the objectives of the special resolution regime, for example, ensuring the continuity of banking services in the UK and of critical functions or protecting and enhancing the stability of the financial system of the UK, would not be met to the same extent by the winding-up of the bank.

It is not certain whether the noteholders will be adversely affected by action taken against FCE under the 2009 Act or the Banking Reform Act and/or that this would affect the ability of the issuer to satisfy all or any of its obligations under the notes.

Basel Capital Accord and regulatory capital requirements

The regulatory capital framework published by the Basel Committee on Banking Supervision, or the "Basel Committee", in 2006, or the "Basel II framework" has not been fully implemented in all participating countries. The implementation of the framework in relevant jurisdictions may affect the risk-weighting of the notes for investors who are or may become subject to capital adequacy requirements that follow the framework.

The Basel Committee has subsequently approved significant changes and extensions to the Basel II framework (such changes and extensions being commonly referred to as "Basel III"), including new capital and liquidity requirements intended to reinforce capital standards and to establish minimum liquidity standards for credit institutions. In particular, the changes refer to, amongst other things, new requirements for the capital base (including an increase in the minimum Tier 1 capital requirement), measures to strengthen the capital requirements for counterparty credit exposures arising from certain transactions and the introduction of a leverage ratio as well as short-term and longer-term standards for funding liquidity (the latter being referred to as the "Liquidity Coverage Ratio" and the "Net Stable Funding Ratio" respectively). The European authorities have now incorporated the Basel III framework into EU law, primarily through Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directive 2006/48/EC and 2006/49/EC (Capital Requirements Directive or "CRD"), as amended by Directive (EU) 2019/878 of 20 May 2019 (the "CRD V"), and Regulation (EU) No.575/2013 of 20 June 2013 (the "CRR") as amended by the CRR Amending Regulation (as defined below) and as amended by Regulation (EU) 2019/876 of 20 May 2019 (the "CRR II"). The changes under CRD V and Basel III, which recently entered into force, may have an impact on the capital requirements in respect of the notes and/or on incentives to hold the notes for investors that are subject to requirements that follow the relevant framework and, as a result, may affect the liquidity and/or value of the notes.

Additionally, in accordance with Article 460 of the CRR, on 17 January 2015, the Commission Delegated Regulation (EU) No 2015/61 of 10 October 2014 with regard to liquidity coverage requirement for Credit Institutions to supplement Regulation (EU) No 575/2013 of the European Parliament and of the Council or the "LCR Regulation", was published in the Official Journal of the European Union, and this subsequently entered into force on 1 October 2015. The LCR Regulation sets out assumed asset inflow and outflow rates to better reflect actual experience in times of stress. Further, it sets out the EU application of the Liquidity Coverage Ratio, and defines specific criteria for assets to qualify as "high quality liquid assets", the market value of which will be used by credit institutions for the purposes of calculating their relevant Liquidity Coverage Ratio. The criteria for high quality liquid assets are not entirely consistent with recent market standards and, given the lack of guidance on the interpretation of the LCR Regulation, no assurance can be given as to whether the notes qualify as high quality liquid assets in each participating Member state of the European Union and the issuer makes no representation as to whether such criteria are met by the notes.

On 30 October 2018, Delegated Regulation (EU) 2018/1620 amending the LCR Regulation, or the "LCR Delegated Regulation", was published in the Official Journal of the European Union and subsequently entered into force on 19 November 2018, pursuant to which, *inter alia*, (i) the calculation

of the expected liquidity outflows and inflows on repurchase agreements, reverse repurchase agreements and collateral swaps will be aligned with the international liquidity standard developed by Basel Committee on Banking Supervision; (ii) the treatment of certain reserves held with third-country central banks will be amended and exposure to securitisation transactions, which qualify as simple, transparent and standardised securitisations in accordance with the Securitisation Regulation, will qualify as Level 2B high quality liquid assets, if they additionally fulfil the conditions laid down in Article 13 of the LCR Regulation. The LCR Delegated Regulation will apply as from 30 April 2020.

On 28 December 2017 Regulation (EU) 2017/2401 amending Regulation (EU) 575/2013, or the "CRR Amending Regulation", was published in the Official Journal of the European Union, the CRR Amending Regulation was intended to implement the revised securitisation framework developed by the Basel Committee on Banking Supervision.

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

The matters described above as well as the Securitisation Regulation and any other changes to the regulation or regulatory treatment of the notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, have a negative impact on the price and liquidity of the notes in the secondary market.

The Securitisation Regulation STS criteria may change over time or parties on which the issuer relies in order for the notes to continue to meet the Securitisation Regulation STS criteria may fail to perform their obligations under the transaction documents. In addition, no assurance can be given on how competent authorities will interpret and apply the Securitisation Regulation STS criteria. Furthermore any international or national regulatory guidance may be subject to change over time and related regulations, such as the CRR Amending Regulation and the LCR Regulation, are subject to change. Therefore what is or will be required in future to demonstrate compliance with the Securitisation Regulation criteria with respect to national regulators remains unclear.

You should take your own advice and/or seek advice from your regulator on compliance with, and the application of, the provisions of each of the above laws and regulations.

STS SECURITISATION

Pursuant to Article 18 of the Securitisation Regulation a number of requirements must be met if an originator and an SSPE (as defined in the Securitisation Regulation) wish to use the designation 'STS' or 'simple, transparent and standardised' for securitisation transactions initiated by them.

The seller will submit an STS notification to ESMA in accordance with Article 27 of the Securitisation Regulation on the closing date, pursuant to which compliance with the requirements of Articles 19 to 22 of the Securitisation Regulation will be notified with the intention that the securitisation transaction described in this prospectus is to be included in the list administered by ESMA within the meaning of Article 27 of the Securitisation Regulation. The STS notification will be available for download on the website of ESMA. ESMA has, in accordance with Articles 27(6) and(7) of the Securitisation Regulation developed and published on 16 July 2018 a final draft regulatory technical standard specifying the information that the originator, sponsor and SSPE are required to provide in order to comply with their STS notification requirements. As of the date hereof, such regulatory technical standard still has to be adopted by the European Commission. ESMA is obliged to maintain on its website a list of all securitisations which the originators and sponsors have notified as meeting the STS requirements in accordance with Article 27(5) of the Securitisation Regulation. For this purpose, ESMA has set up a register on an interim basis under <https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation>. According to ESMA, a more established register is to be launched in due course and placed on the dedicated section of its website under <https://registers.esma.europa.eu/publication/>.

The seller, as originator, and the issuer, as SSPE (as defined in the Securitisation Regulation), have used the services of PCS, a third party authorised pursuant to Article 28 of the Securitisation Regulation, to verify whether the securitisation transaction described in this prospectus complies with Articles 19 to 22 of the Securitisation Regulation and the compliance with such requirements is expected to be verified by PCS on the closing date. However, none of the issuer, the seller, the servicer or the joint lead managers gives any explicit or implied representation or warranty as to (i) inclusion in the list administered by ESMA within the meaning of Article 27 of the Securitisation Regulation, (ii) that the securitisation transaction described in this prospectus does or continues to comply with the Securitisation Regulation and (iii) that this securitisation transaction does or continues to be recognised or designated as 'STS' or 'simple, transparent and standardised' within the meaning of Article 18 of the Securitisation Regulation after the date of this prospectus.

The verification by PCS does not affect the liability of the seller, as originator and the issuer, as SSPE (as defined in the Securitisation Regulation), in respect of their legal obligations under the Securitisation Regulation. Furthermore, the use of such verification by PCS will not affect the obligations imposed on institutional investors as set out in Article 5 of the Securitisation Regulation. Notwithstanding PCS' verification of compliance of a securitisation with Articles 19 to 22 of the Securitisation Regulation, such verification by PCS does not ensure the compliance of a securitisation with the general requirements of the Securitisation Regulation. A verification does not remove the obligation placed on investors to assess whether a securitisation labelled as 'STS' or 'simple, transparent and standardised' has actually satisfied the criteria. Investors must not solely or mechanically rely on any STS notification or PCS' verification to this extent. The seller, as originator, will include in its notification pursuant to Article 27(1) of the Securitisation Regulation, a statement that compliance of the securitisation described in this prospectus with Articles 19 to 22 of the Securitisation Regulation has been verified by PCS. Should the securitisation transaction described in this prospectus cease to meet the STS requirements or if competent authorities have taken remedial or administrative measures, the servicer will make such information available pursuant to and in accordance with Article 7(1)(g)(iv) of the Securitisation Regulation and notify ESMA accordingly.

The designation of the securitisation transaction described in this prospectus as an STS securitisation is not a recommendation to buy, sell or hold securities. It is not investment advice, whether generally or as defined under MiFID II, and it is not a credit rating, whether generally or as defined under the CRA3 or Section 3(a) of the United States Securities Exchange Act of 1934 (as amended). By designating the securitisation transaction described in this prospectus as an STS securitisation, no views are expressed about the creditworthiness of the notes or their suitability for any existing or potential investor or as to whether there will be a ready, liquid market for the notes

CRR ASSESSMENT, LCR ASSESSMENT AND STS VERIFICATION

Application has been made to Prime Collateralised Securities (PCS) UK Limited, or "PCS", to assess compliance of the notes with the criteria set forth in the CRR regarding STS securitisations and the criteria set forth in the LCR Delegated Regulation regarding STS securitisations that are Level 2B securitisations, or the "CRR Assessment and the LCR Assessment". There can be no assurance that the notes will receive the CRR Assessment and/or the LCR Assessment (either before issuance or at any time thereafter) and that CRR is complied with. In addition, an application has been made to PCS for the securitisation transaction described in this prospectus to receive a report from PCS verifying compliance with the criteria stemming from Article 18, 19, 20, 21 and 22 of the Securitisation Regulation, or the "STS Verification".

There can be no assurance that the securitisation transaction described in this prospectus will receive the STS Verification (either before issuance or at any time thereafter) and if the securitisation transaction described in this prospectus does receive the STS Verification, this will not, under any circumstances, affect the liability of the seller, as the originator, and the issuer, as the SSPE (as defined in the Securitisation Regulation), in respect of their legal obligations under the Securitisation Regulation, nor will it affect the obligations imposed on institutional investors as set out in Article 5 of the Securitisation Regulation.

The STS Verification, the CRR Assessment and the LCR Assessment, or the "PCS Services", are provided by PCS. No PCS Service is a recommendation to buy, sell or hold securities. The PCS Services are not investment advice whether generally or as defined under MiFID II and are not a credit rating whether generally or as defined under CRA3 or Section 3(a) of the United States Securities Exchange Act of 1934 (as amended). PCS is not an "expert" as defined in the Securities Act.

PCS is not a law firm and nothing in any PCS Service constitutes legal advice in any jurisdiction. PCS is incorporated in England and Wales and is authorised by the United Kingdom Financial Conduct Authority, pursuant to Article 28 of the Securitisation Regulation, to act as a third party verifying STS compliance. This authorisation covers STS Verifications in the European Union. Other than as specifically set out above, none of the activities involved in providing the PCS Services are endorsed or regulated by any regulatory and/or supervisory authority nor is PCS regulated by any other regulator, including ESMA.

By providing any PCS Service in respect of any securities, PCS does not express any views about the creditworthiness of these securities or their suitability for any existing or potential investor or as to whether there will be a ready, liquid market for these securities or financings. Investors should conduct their own research regarding the nature of the PCS Services. It is expected that the PCS Services prepared by PCS will be available on the PCS website (<https://www.pcsmarket.org/sts-verification-transactions/>) together with detailed explanations of their scope at <https://pcsmarket.org/disclaimer/> on and from the closing date. In the provision of any PCS Service, PCS has based its decision on information provided directly and indirectly by the seller. PCS does not undertake its own direct verification of the underlying facts stated in the prospectus, deal sheet, documentation or certificates for the relevant instruments and the completion of any PCS Service is not a confirmation or implication that the information provided by or on behalf of the seller as part of the relevant PCS Service is accurate or complete.

In completing an STS Verification, PCS bases its analysis on the STS criteria appearing in Articles 20 to 26 of the Securitisation Regulation together with, if relevant, the appropriate provisions of Article 43. Unless specifically mentioned in the STS Verification, PCS relies on the English version of the Securitisation Regulation. In addition, Article 19(2) of the Securitisation Regulation requires the EBA, from time to time, to issue guidelines and recommendations interpreting the STS criteria. The EBA has issued the EBA STS Guidelines for Non-ABCP Securitisations. The task of interpreting individual STS criteria rests with national competent authorities, or "NCAs". Any NCA may publish or otherwise publicly disseminate from time to time interpretations of specific criteria, or "NCA Interpretations". The STS criteria, as drafted in the Securitisation Regulation, are subject to a potentially wide variety of interpretations.

In compiling an STS Verification, PCS uses its discretion to interpret the STS criteria based on (a) the text of the Securitisation Regulation, (b) any relevant guidelines issued by EBA and (c) any relevant NCA Interpretation. There can be no guarantees that any regulatory authority or any court of law interpreting the STS criteria will agree with the interpretation of PCS. There can be no guarantees that any future guidelines issued by EBA or NCA Interpretations may not differ in their approach from those used by PCS in interpreting any STS criterion prior to the issuance of such new guideline or interpretation. In particular, guidelines issued by EBA are not binding on any NCA. There can be no guarantees that any interpretation by any NCA will be the same as that set out in the EBA guidelines and therefore used, prior to the publication of such NCA interpretation, by PCS in completing an STS Verification. Although PCS will use all reasonable endeavours to ascertain the position of any relevant NCA as to STS criteria interpretation, PCS cannot guarantee that it will have been made aware of any NCA interpretation in cases where such interpretation has not been officially published by the relevant NCA.

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

The task of interpreting individual CRR criteria, liquidity coverage ratio, or "LCR", criteria as well as the final determination of the capital required by a bank to allocate for any investment or the type of assets it may put in its LCR pool rests with prudential authorities supervising any European bank. The CRR and LCR criteria, as drafted in the CRR and the LCR Delegated Regulation, are subject to a potentially wide variety of interpretations. In compiling a CRR Assessment or a LCR Assessment, PCS uses its discretion to interpret the CRR and LCR criteria based on the text of the CRR and the LCR Delegated Regulation, and any relevant and public interpretation by the EBA. Although PCS believes its interpretations reflect a reasonable approach, there can be no guarantees that any prudential authority or any court of law interpreting the CRR and LCR criteria will agree with the PCS interpretation. PCS also draws attention to the fact that, in assessing capital requirements and the composition of any bank's LCR pool, prudential regulators possess wide discretions.

Accordingly, when performing a CRR Assessment or an LCR Assessment, PCS is not confirming or indicating that the securitisation the subject of such assessment will be allowed to have lower capital allocated to it under the CRR or that it will be eligible to be part of any bank's LCR pool. PCS is merely addressing the specific CRR and LCR criteria and determining whether, in PCS' opinion, these criteria have been met.

Therefore, no investor should rely on a CRR Assessment or LCR Assessment in determining the status of any securitisation in relation to capital requirements or liquidity cover ratio pools and must make its own determination. All PCS Services speak only as of the date on which they are issued. PCS has no obligation to monitor (nor any intention to monitor) any securitisation the subject of any PCS Service. PCS has no obligation and does not undertake to update any PCS Service to account for (a) any change of law or regulatory interpretation or (b) any act or failure to act by any person relating to those STS criteria that speak to actions taking place following the close of any transaction such as, without limitation, the obligation to continue to provide certain mandated information.

TAXATION

General

The following is a general discussion of certain tax consequences of the acquisition, ownership and disposal of notes. This discussion is not a comprehensive description of all tax considerations which may be relevant to a decision to purchase, hold or dispose of notes. It is not a complete analysis of all tax considerations relating to the notes and should be treated with appropriate caution. This discussion does not consider specific facts or circumstances that may apply to a particular holder or prospective holder of the notes. This overview is based on the laws of England and Wales currently in force and as applied on the date of this prospectus, which are subject to change, possibly also with retroactive or retrospective effect.

The overview is not tax or legal advice and the comments below are of a general nature only. Prospective holders of notes are advised to consult their own tax advisers as to the tax consequences of the purchase, ownership and disposition of notes and the receipt of interest on the notes, including the effect of state or local taxes, under the tax laws of England and Wales and each country of which they are residents or citizens.

You should also read "*Risk Factors*" in conjunction with this section.

Withholding tax and reporting requirements

Interest on the Class A notes and the Class B notes will be payable without withholding or deduction for or on account of United Kingdom income tax provided that the Class A notes and the class B notes are and remain listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007, or the "Income Tax Act". Euronext Dublin is currently so recognised and provided that the Class A notes and the class B notes are and remain admitted to trading on the main market of Euronext Dublin and Euronext Dublin continues to be a "recognised stock exchange" for the purposes of section 1005 of the Income Tax Act, the interest on the Class A notes and the Class B notes will be payable without withholding or deduction for or on account of United Kingdom income tax.

If the Class A notes or the Class B notes cease to be listed on a "recognised stock exchange", an amount must be withheld for or on account of United Kingdom income tax at the basic rate, currently 20%, from interest paid on them, subject to (i) a direction to the contrary from HM Revenue and Customs related to such relief as may be available under the terms of an applicable double taxation treaty, or (ii) certain other exceptions including the interest being paid to the persons (including companies within the charge to United Kingdom corporation tax) and in the circumstances stated in sections 930 to 938 of the Income Tax Act and, potentially, under section 888A of the Income Tax Act and the Qualifying Private Placement Regulations 2015.

Any person through whom interest is paid to, or by whom interest is received on behalf of, a noteholder, whether resident in the United Kingdom or elsewhere, may be required to provide information in relation to the payment (including the amount of the interest, and the noteholder concerned, including their name and address) to HM Revenue and Customs. In certain circumstances, HM Revenue and Customs may communicate this information to the tax authorities of certain other jurisdictions.

In the event any such withholding or deduction would be required for payments on the notes, under the terms and conditions of the notes no person will be required to pay additional amounts as a result of the withholding or deduction.

FATCA

Under certain terms 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 terms of the 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 terms and IGAs to instruments such as the notes, including whether withholding would ever be required under FATCA or an IGA for payments on instruments such as the notes, are uncertain and may be subject to change. Even if withholding would be required under FATCA or an IGA for payments on instruments such as the notes, such withholding would not apply before two years following the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register. 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 also be "grandfathered" for the purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the issuer). In the event withholding would be required under FATCA or an IGA for payments on the notes, under the terms and conditions of the notes no person will be required to pay additional amounts as a result of the withholding.

Holders should consult their own tax advisors regarding how these rules may apply to their investment in the notes.

Stamp Duty and Stamp Duty Reserve Tax

On the assumption that the notes do not carry a right to interest which exceeds a reasonable commercial return on the nominal amount of the capital, no United Kingdom *ad valorem* stamp duty or stamp duty reserve tax is payable on the issue of the notes or on any future transfer of the notes.

SUBSCRIPTION AND SALE

Purchase of the Notes

Banco Santander, S.A., BNP Paribas, Lloyds Bank Corporate Markets plc and NatWest Markets Plc as joint lead managers, acting severally, will subscribe and pay for the principal amount of the Class A notes and the Class B notes, indicated in the following table, at an issue price of 100% of their principal amount, under the senior note purchase agreement.

Joint Lead Managers	Class A notes	Class B notes
Banco Santander, S.A.....	87,500,000.00	9,100,000.00
BNP Paribas	87,500,000.00	9,100,000.00
Lloyds Bank Corporate Markets plc.....	87,500,000.00	9,100,000.00
NatWest Markets Plc.....	87,500,000.00	9,100,000.00
Total	350,000,000.00	36,400,000

The senior note purchase agreement will set out the joint lead managers' mutual responsibilities in relation to the product governance rules under MiFID II.

The senior note purchase agreement is subject to a number of conditions and may be terminated by the joint lead managers in certain circumstances before payment for the Class A notes and the Class B notes to the issuer.

The Class C notes will be purchased by FCE, as the originator, under the junior note purchase agreement. FCE will retain on an ongoing basis a material net economic interest of not less than 5% in this securitisation transaction in compliance with Article 6 of the Securitisation Regulation. As at the closing date, such interest will in compliance with Article 6, paragraph (3) sub-paragraph (d) of the Securitisation Regulation, be the retention by FCE of the Class C notes which is equivalent to no less than 5% of the nominal amount of the securitised exposures.

No action has been taken in any jurisdiction that would permit a public offering of the notes, or possession or distribution of this prospectus or other offering materials, in any country or jurisdiction where action for that purpose is required. Each of the joint lead managers under the senior note purchase agreement and FCE under the junior note purchase agreement will to the best of its knowledge comply with all relevant securities laws and directives in each jurisdiction in which it purchases notes or has in its possession this prospectus or other offering materials.

The issuance of the notes is not designed to comply with the U.S. Risk Retention Rules other than under the "foreign offering" exemption under Section 20 of the U.S. Risk Retention Rules. "U.S. Risk Retention Rules" means Regulation RR (17 C.F.R Part 246) implementing the risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended, adopted under the requirements of Section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

The notes sold as part of the initial distribution of the notes may not be purchased by, or for the benefit or account of, any person except for persons that are not "U.S. persons" as defined in the U.S. Risk Retention Rules, or "Risk Retention U.S. Persons". Prospective investors should note that, although the definition of "U.S. person" in the U.S. Risk Retention Rules is similar to the definition of "U.S. person" in Regulation S, the definitions are not identical and persons who are not "U.S. persons" under Regulation S may be "U.S. persons" under the U.S. Risk Retention Rules.

Each purchaser of notes, including beneficial interests in such notes will be deemed, and in certain circumstances will be required, to have made certain representations and agreements, including that it (1) is not a Risk Retention U.S. Person; (2) is acquiring such note or a beneficial interest in such notes for its own account and not with a view to distribute such note; and (3) is not acquiring such note or a beneficial interest in such notes as part of a scheme to evade the requirements of the U.S. Risk Retention Rules. Each prospective investor will be required to make these representations as a condition to placing any offer to purchase the notes. The issuer, the seller and the joint lead managers will rely on these representations, without further investigation.

Selling Restrictions

Each joint lead manager represents and agrees in the senior note purchase agreement the following with respect to notes being offered by this prospectus:

United States of America and its Territories. The notes have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons, except under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws and under circumstances designed to preclude the issuer from having to register under the Investment Company Act.

The notes offered by this prospectus (a) may not be offered, sold or delivered by each of the joint lead managers, whether or not participating in the offering, within the United States or to, or for the account or the benefit of, U.S. persons (i) as part of their distribution at any time and (ii) otherwise until 40 days after the later of the commencement of the offering of the notes and closing date, and (b) may only be offered, sold or delivered only outside the United States to non-U.S. persons in compliance with Rule 903 of Regulation S; accordingly, none of the joint lead managers, their respective affiliates (as defined in Rule 501(b) of Regulation D under the Securities Act, or "affiliates"), or any persons acting on its or their behalf have engaged or will engage in any directed selling efforts (within the meaning of Regulation S) with respect to the notes, and the joint lead managers, their respective affiliates and any such persons have complied and will comply with the offering restrictions requirement of Regulation S.

At or prior to confirmation of sales of the notes offered by this prospectus, each of the joint lead managers will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases notes from it during the distribution compliance period (as defined in Regulation S) a confirmation or notice to substantially the following effect: The notes offered under this prospectus have not been and will not be registered under the Securities Act or the securities laws of any state of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons by any person referred to in Rule 903(b)(2)(iii) of Regulation S under the Securities Act (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering of the notes and the date of closing of the relevant offering except in either case in compliance with Regulation S under the Securities Act.

Terms used in paragraphs above have the meaning given to them by Regulation S under the Securities Act.

U.S. Risk Retention Rules. Each joint lead manager will only, directly or indirectly, sell and deliver the notes to a prospective investor in the notes who (a) has provided representations to the issuer and the seller, with a copy to the joint lead managers, relating to its status as a Risk Retention U.S. Person and (b) has been approved by the seller as a person to whom a sale is to be made and such approval has been confirmed by the seller to the joint lead managers. Each prospective investor will be required to provide representations to the issuer and the seller relating to its status as a Risk Retention U.S. Person: (a) from the time of the announcement of the securitisation transaction involving the issuance of the notes and (b) if such representations have not been previously made, as a condition to placing any offer to purchase the notes. The joint lead managers, the issuer and the seller will rely on the representations each prospective investor will be required to make as outlined in the immediately preceding sentence without further investigation.

Notwithstanding the foregoing, the parties acknowledge and agree that the issuer can, with the consent of, and in reliance on, the seller, sell a limited portion of the notes to, or for the account or benefit of, Risk Retention U.S. Persons under the "foreign offering" exemption under Section __.20 of the U.S. Risk Retention Rules.

United Kingdom.

- 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 them in connection with the issue or sale of the notes in circumstances in which section 21(1) of the FSMA does not apply to the issuer, and

- It has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any notes in, from or otherwise involving the United Kingdom.

European Economic Area. In relation to each Member State of the European Economic Area, none of them has made and none of them will make an offer of notes which was the subject of the offering contemplated by this prospectus to the public in that Member State other than:

- to any legal entity which is a qualified investor as defined in the Prospectus Regulation,
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the consent of the joint lead managers nominated by the issuer for any such offer, or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of notes will require the issuer or any joint lead manager to publish a prospectus under Article 3 of the Prospectus Regulation or supplement a prospectus under Article 23 of the Prospectus Regulation.

For the purposes of this section, the expression an "offer of notes to the public" with respect to any notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe for the notes. The expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

No offer to retail investors. None of the joint lead managers will offer, sell or deliver any of the notes to retail investors in the European Economic Area or distribute, or cause to be distributed, this prospectus or any other offering material with respect to the notes to retail investors in the European Economic Area. For the purposes of this section, the expression "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 or superseded) or (ii) a customer within the meaning of Directive 2016/97/EU (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of Directive 2014/65/EU (as amended or superseded); or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014, or the "PRIIPs Regulation", for offering or selling the notes or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation.

General. Subject to being entitled to rely on the representations from each prospective investor relating to its status as a Risk Retention U.S. Person without further investigation and in reliance on the seller regarding the sale of any notes, to, or for the account or benefit of, Risk Retention U.S. Persons (as consented to by the seller) under the "foreign offering" exemption under Section __20 of the U.S. Risk Retention Rules, none of the joint lead managers will, directly or indirectly, offer, sell or deliver any of the notes or distribute the prospectus, the preliminary prospectus or any other offering material relating to the notes, in or from any jurisdiction except under circumstances that will result in compliance with the applicable laws and regulations of such jurisdiction.

GENERAL INFORMATION

1. The issue of the notes has been authorised by a resolution of the board of directors of the issuer passed on 4 September 2019.
2. It is expected that admission of the Class A notes and Class B notes offered by this prospectus to the official list of Euronext Dublin will be granted on or before 19 September 2019, subject only to the issue of the notes.
3. The issuer is not and has not been involved in governmental, legal or arbitration proceedings (including proceedings which are pending or threatened of which the issuer is aware) which may have or have had, since its incorporation, a significant effect on the financial position or results of the issuer.
4. Since the date of the issuer's incorporation, there has been no material adverse change in the financial position or prospects of the issuer and no significant change in its trading or financial position.
5. The expenses related to the application for admission to trading are expected to be €8,241.20 (including applicable VAT).
6. As from the closing date and for the duration of the securitisation transaction, copies of the following documents will be available for inspection by the noteholders, in printed or electronic form, at the office of the paying agents during usual business hours on a weekday (public holidays excepted) as well as on the website <https://edwin.euroweb.eu/edweb/>:
 - this prospectus,
 - the memorandum and articles of association of the issuer,
 - the annual financial statements of the issuer, as soon as published,
 - the monthly report,
 - the agency agreement,
 - the trust deed,
 - the deed of charge,
 - the vehicle declaration of trust,
 - the receivables sale agreement,
 - the servicing agreement,
 - the cash management agreement,
 - the collection account trusts,
 - the bank account operation agreement, and
 - the interest rate swap agreement.
7. Prior to the pricing of the notes, the seller will make available (i) the information required pursuant to Article 7 of the Securitisation Regulation, (ii) the information required pursuant to Article 22(1) of the Securitisation Regulation set out in Annex C of this prospectus and (iii) a liability cash flow model as referred to in Article 22(3) of the Securitisation Regulation to potential investors upon their request.

- 8. For the duration of the securitisation transaction, FCE will procure that Moody's Analytics makes a liability cash flow model as referred to in Article 22(3) of the Securitisation Regulation available to noteholders on its website (www.sfportal.com). The website of Moody's Analytics does not form part of the information provided for the purposes of this prospectus and disclaimers may be posted in respect of Moody's Analytics' liability with respect to the information posted on such website.
- 9. The issuer has not started trading and has not published an opening balance sheet or annual financial statements and has not published and does not intend to publish interim financial statements. It is anticipated that the first published annual financial statements of the issuer will be for the year ending 31 December 2019. As soon as published, such financial statements and all future financial statements of the issuer will be available, free of charge, at the office of the paying agent.
- 10. The issuer's auditors are PricewaterhouseCoopers whose address is at 1 Embankment Place, London WC2N 6NN, United Kingdom.
- 11. The issuer does not intend to provide post-issuance information on the notes or the collateral other than what is set out in the servicing agreement regarding reporting duties.
- 12. The listed notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The table below lists the Common Codes and ISIN for the notes.

Class A global note	Class B global note
ISIN: XS2049295210	ISIN: XS2049297182
Common Code: 204929521	Common Code: 204929718

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TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, subject to completion and amendment, will be applicable to the notes represented by a note in global form and the notes in definitive form issued in exchange for the notes in global form and which will be endorsed on such notes.

The £350,000,000.00 Class A Floating Rate Asset-Backed Notes due September 2026 (the "**Class A Notes**"), the £36,400,000.00 Class B Floating Rate Asset-Backed Notes due September 2026 (the "**Class B Notes**") and the £86,580,667.18 Class C Fixed Rate Asset-Backed Notes due September 2026 (the "**Class C Notes**") and, together with the Class A Notes and the Class B Notes, the ("**Notes**") are constituted by a trust deed (the "**Trust Deed**") dated 19 September 2019 between Globaldrive Auto Receivables UK 2019-A plc (the "**Issuer**") and U.S. Bank Trustees Limited (the "**Trustee**", which expression will include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for, among others, the Noteholders (as defined in Condition 1 (*Form, denomination and title*)). The Class A Notes, the Class B Notes and the Class C Notes are together the "**Notes**".

The Notes are secured under and on the terms set out in a deed of charge (the "**Deed of Charge**") dated 19 September 2019 between the Issuer and U.S. Bank Trustees Limited (in this capacity, the "**Security Trustee**", which expression includes its permitted successors and assigns) on certain assets of the Issuer (the "**Charged Property**") including, without limitation, the Issuer's rights, title, interest and benefit, present and future, in, under and to all its assets including the Issuer's rights, title, interest and benefit, present and future, in, under and to the Transaction Documents (as defined below) which include an agency agreement (the "**Agency Agreement**") dated 19 September 2019 between the Issuer, the Trustee, the Security Trustee, Elavon Financial Services DAC, U.K. Branch as principal paying agent (in such capacity, the "**Principal Paying Agent**", which expression includes its permitted successors and assigns and, together with any other paying agent appointed, the "**Paying Agents**"), Elavon Financial Services DAC, U.K. Branch as calculation agent (the "**Calculation Agent**", which expression includes its permitted successors and assigns) and Elavon Financial Services DAC, U.K. Branch as registrar (the "**Registrar**", which expression includes its permitted successors and assigns).

The security created under the Deed of Charge, and all further security created under such document, are together referred to as the "**Security**".

Payments under the Notes will be made under the Agency Agreement and the Cash Management Agreement (as defined below).

The Trust Deed, the Deed of Charge, the issuer corporate services agreement dated 19 September 2019 between, among others, the Issuer and Wilmington Trust SP Services (London) Limited as issuer corporate services provider (the "**Issuer Corporate Services Provider**", which expression includes its permitted successors and assigns) (the "**Issuer Corporate Services Agreement**"), a 1992 ISDA master agreement, the schedule thereto and the credit support annex thereunder (the "**Credit Support Annex**") each dated as of 10 September 2019 and the interest rate swap agreement confirmation dated 12 September 2019 between Lloyds Bank Corporate Markets plc as swap counterparty (the "**Swap Counterparty**", which expression includes its permitted successors and assigns) and the Issuer (together, the "**Interest Rate Swap Agreement**"), the Agency Agreement, the Receivables Sale Agreement (as defined below), the Receivables Servicing Agreement (as defined below), the data custody agreement dated 19 September 2019 between the Issuer, the Seller (as defined below), the Security Trustee and U.S. Bank Global Corporate Trust Limited as data agent (the "**Data Agent**", which expression includes its permitted successors and assigns) (the "**Data Custody Agreement**"), the bank account operation agreement dated 19 September 2019 between the Issuer, the Security Trustee, U.S. Bank Global Corporate Trust Limited as cash manager (the "**Cash Manager**", which expression includes its permitted successors and assigns), Elavon Financial Services DAC, U.K. Branch as account bank (the "**Account Bank**", which expression includes its permitted successors and assigns) and the Servicer (as defined below) (the "**Bank Account Operation Agreement**") and the cash management agreement dated 19 September 2019 between, among others, the Issuer and the Cash Manager (the "**Cash Management Agreement**"), are together

with the Receivables Sale Agreement, the Receivables Servicing Agreement, the Note Purchase Agreements and the Conditions (each as defined below) referred to as the "**Transaction Documents**". References to each of the Transaction Documents are to it as from time to time modified in compliance with its terms and any deed or other document expressed to be supplemental to it, as from time to time so modified.

Statements in these terms and conditions (the "**Conditions**") are subject to the detailed terms of the Trust Deed, the Deed of Charge, the Agency Agreement and the other Transaction Documents, copies of which are available for inspection at the specified office for the time being of the Principal Paying Agent. The Holders of the Notes have the benefit of, are bound by and are deemed to have notice of all the terms in the Trust Deed, the Deed of Charge, and those applicable to them in the Agency Agreement and the other Transaction Documents.

References to "Conditions" are, unless the context otherwise reprises, to the numbered paragraphs of these Conditions. Words and expressions used in these Conditions without definitions will have the meanings given to them in Condition 18 (*Definitions*).

The issue of the Notes was authorised by a resolution of the board of directors of the Issuer passed on 4 September 2019.

1. **Form, denomination and title**

- (a) The Class A Notes are issued in registered global form in the denomination of £100,000 and integral multiples of £1,000 in excess of £100,000, up to and including £199,000.
- (b) The Class B Notes are issued in registered global form in the denomination of £100,000 and integral multiples of £1,000 in excess of £100,000, up to and including £199,000.
- (c) The Class C Notes are issued in registered definitive form in one single denomination of £86,580,667.18.

The Class A Notes and the Class B Notes which are offered and sold outside the United States to non-U.S. persons in reliance on Regulation S will be represented by beneficial interests in Global Notes. For so long as the Class C Notes are held by FCE Bank plc, the Class C Notes will be represented by beneficial interests in one single Definitive Note. The Class A Global Note is issued under the NSS.

The Issuer will cause to be kept at the specified office of the Registrar a register (the "**Register**") on which will be entered the names and addresses of the Holders of the Notes and the particulars of such Notes held by them and all transfers, advances, payments (of interest and principal), repayments, redemptions, cancellations and replacements of such Notes. In these Conditions, "**Notes**" means, for the Class A Notes and Class B Notes, a Global Note or a Definitive Note, and for the Class C Notes, a Definitive Note, and "**Noteholder**" or the "**Holder**" of a Note at any time means the person (or, in the case of a joint holding, the first named person) in whose name such Note is registered at that time in the Register and "**Class A Noteholder**", "**Class B Noteholder**" and "**Class C Noteholder**" means the Holder of a Class A Note, a Class B Note or a Class C Note.

Except as ordered by a court of competent jurisdiction or as required by law, the Issuer, the Trustee, the Registrar, the Principal Paying Agent and the other Paying Agents (notwithstanding any notice to the contrary and whether or not it is overdue and notwithstanding any notation of ownership or writing on a Note or notice of a previous loss or theft of a Note) may (i) for the purpose of making payment on or on account of any Note deem and treat the person (or, in the case of a joint holding, the first named person) in whose name any Global Note or Definitive Note is registered at that time in the Register (which will be conclusive evidence of such holding in the absence of manifest error, fraud or wilful default) as the absolute owner of such Note and all rights under such Note free from all encumbrances, and will not be required to obtain further proof of such ownership or as to the identity of the

registered holder of a Global Note or Definitive Note and (ii) for all other purposes deem and treat the person in whose name a Global Note or Definitive Note is registered at the relevant time in the Register as the absolute owner of and of all rights under such Note free from all encumbrances and will not be required to obtain further proof of such ownership or as to the identity of the registered holder of a Global Note or Definitive Note. Notwithstanding the above, so long as any of the Notes are represented by a Global Note, the terms "**Noteholders**" or "**Holders**" will include the persons then set out in the records of Euroclear and/or Clearstream, Luxembourg, as the holders of a particular principal amount of such Notes (each an "**Accountholder**") in units of £1,000 principal amount of Notes for all purposes other than regarding the payment of principal and interest on such Notes, the right to which will be vested as against the Issuer solely in the holder of each Global Note under and subject to its terms.

No transfer of a Note will be valid unless entered on the Register.

A Note is not transferable except in compliance with the restrictions described in these Conditions and in the Trust Deed and the Agency Agreement. A sale or transfer in violation of the foregoing will be of no force and effect, will be void *ab initio*, and will not operate to transfer any rights to the transferee, notwithstanding any instructions to the contrary given by the Issuer, the Trustee or any intermediary. Each transferor of a Note agrees to provide notice of the transfer restrictions set out in these Conditions and in the Trust Deed to the transferee.

No transfer of Notes will be valid unless entered on the Register and no transfer Notes will be registered for a period of two Business Days immediately before each Interest Payment Date or payment date of the relevant Notes.

Class A Notes and Class B Notes which are represented by a Global Note will be transferable only in compliance with the rules and procedure for the time being of Clearstream, Luxembourg and Euroclear.

2. **Status and Security**

(a) **Status**

The Notes are secured, limited recourse obligations of the Issuer, ranking, as between each Class, *pro rata* and *pari passu* without preference among themselves subject to as set out in these Conditions.

(b) **Security**

As security for the Secured Obligations, the Issuer has entered into the Deed of Charge as described above creating the Security as described above in favour of the Security Trustee for itself and on trust for the Secured Parties.

(c) **Application of proceeds**

The Issuer will use the net proceeds of the issue of the Notes to finance the purchase from FCE (the "**Seller**", which expression includes its permitted successors and assigns), of a portfolio of English, Scottish and Northern Irish law governed retail auto receivables (all such purchased receivables, the "**Assigned Receivables**") and all Ancillary Rights further to a sale notice (the "**Sale Notice**") delivered by the Seller under an agreement for the sale and purchase of retail auto receivables dated 19 September 2019 between the Seller, the Issuer, the Security Trustee and the Trustee (the "**Receivables Sale Agreement**"). The Seller will continue to administer and collect the Assigned Receivables as agent for the Issuer in its capacity as servicer ("**Servicer**", which expression includes its permitted successors and assigns) under a receivables servicing agreement dated 19 September 2019 between the Servicer, the Issuer, the Trustee and the Security Trustee (the "**Receivables Servicing Agreement**").

The Issuer has entered into the Interest Rate Swap Agreement with the Swap Counterparty, under which the Issuer will pay to the Swap Counterparty on each Interest Payment Date certain amounts calculated by reference to a fixed rate of interest and the Swap Counterparty will pay to the Issuer on each Interest Payment Date certain amounts calculated by reference to Compounded Daily SONIA as defined in Condition 4(c) (*SONIA determination*) on a notional amount calculated by reference to the principal amount outstanding of the Class A Notes and the Class B Notes, provided that if the amount so payable to the Issuer is less than zero because Compounded Daily SONIA is less than zero, it will be zero. If the Interest Rate Swap Agreement is terminated before the redemption of the Class A Notes and the Class B Notes in full a termination payment may be due between the parties under such Interest Rate Swap Agreement.

(d) **Interest Priority of Payments and Principal Priority of Payments**

Subject to clause 14.10 (*Liability of Cash Manager and indemnification*) of the Cash Management Agreement, on each Interest Payment Date before the service of an Enforcement Notice, the Available Interest Collections and the Net Swap Counterparty Receipts deposited in the Distribution Account (excluding Permitted Exceptions) will be applied in the following order of priority (the "**Interest Priority of Payments**"):

- (i) payment of arrears of the Issuer Expenses due and payable on a previous Interest Payment Date and remaining unpaid on such Interest Payment Date within the limit set out in item (ii) below,
- (ii) payment of the Issuer Expenses up to maximum amount of £200,000 *per annum*,
- (iii) to the Servicer, payment of arrears of Servicing Fee from the previous Interest Payment Dates and remaining unpaid on such Interest Payment Date,
- (iv) to the Servicer, payment of the Servicing Fee,
- (v) to the Swap Counterparty, net amounts due to the Swap Counterparty under the Interest Rate Swap Agreement, other than any Swap Subordinated Amounts,
- (vi) to the Class A Noteholders, payment of any Class A Interest Shortfall (to be paid to each Class A Noteholder), on a *pro rata* and *pari passu* basis;
- (vii) to the Class A Noteholders, payment of the Class A Interest Amount (to be paid to each Class A Noteholder), on a *pro rata* and *pari passu* basis,
- (viii) to the Class B Noteholders, payment of any Class B Interest Shortfall (to be paid to each Class B Noteholder), on a *pro rata* and *pari passu* basis,
- (ix) to the Class B Noteholders, payment of the Class B Interest Amount (to be paid to each Class B Noteholder), on a *pro rata* and *pari passu* basis,
- (x) to the Reserve Account, amounts necessary to maintain the Reserve Account (and any ledger of the Reserve Account) at its required Reserve Amount,
- (xi) as Available Principal Collections, payment of Reimbursed Losses and Principal Deficiencies,
- (xii) to the Swap Counterparty, amounts due to the Swap Counterparty for any Swap Subordinated Amounts,

- (xiii) payment of Issuer Expenses to the extent that such Issuer Expenses have not been paid under item (i) or item (ii) above,
- (xiv) to the Class C Noteholders, payment of any Class C Interest Shortfall (to be paid to each Class C Noteholder), on a *pro rata* and *pari passu* basis,
- (xv) to the Class C Noteholders, payment of the Class C Interest Amount (to be paid to each Class C Noteholder), on a *pro rata* and *pari passu* basis, and
- (xvi) to the Seller, all remaining Available Interest Collections and Net Swap Counterparty Receipts in the form of the Deferred Purchase Price Component,

in each case only to the extent that all payments and provisions of a higher priority due to be paid or provided for on such Interest Payment Date have been made in full.

Subject to clause 14.10 (*Liability of Cash Manager and indemnification*) of the Cash Management Agreement, on each Interest Payment Date before the service of an Enforcement Notice, the Available Principal Collections (excluding Permitted Exceptions) will be applied towards the relevant payments in the following order of priority (the "**Principal Priority of Payments**"):

- (i) to the Class A Noteholders, payment of principal on a *pro rata* and *pari passu* basis until all the Class A Notes have been redeemed in full,
- (ii) to the Class B Noteholders, payment of principal on a *pro rata* and *pari passu* basis until all the Class B Notes have been redeemed in full,
- (iii) to the Class C Noteholders, payment of principal on a *pro rata* and *pari passu* basis until all the Class C Notes have been redeemed in full, and
- (iv) to the Seller, all remaining Available Principal Collections in the form of the Deferred Purchase Price Component,

but in each case only to the extent that all payments and provisions of a higher priority to be paid or provided for on such Interest Payment Date have been made in full.

To the extent that the Issuer does not receive sufficient Available Interest Collections and/or Available Principal Collections from the Assigned Receivables and there is not a sufficient available balance standing to the credit of the Issuer's Accounts to be applied to meet payments due under the Notes after meeting prior ranking claims for certain expenses of the transaction and any net payment under the Interest Rate Swap Agreement in accordance with the Interest Priority of Payments and/or the Principal Priority of Payments, the Issuer will be unable to the same extent to make payments under the Notes. Any shortfall will be borne first by the Class C Notes, secondly by the Class B Notes and thirdly by the Class A Notes, *pro rata* and *pari passu* as between the Notes of such Class.

If and during such time period that a monthly report is not provided to the Cash Manager, the Cash Manager will determine the amounts payable under the Interest Priority of Payments and the Principal Priority of Payments to the Noteholders and the other Secured Parties in compliance with the Cash Management Agreement.

(e) **Enforcement of the Security**

After the occurrence of an Event of Default and the service of an Enforcement Notice under Condition 10 (*Events of Default*) below) the Security will become enforceable and the Trustee may at its discretion direct the Security Trustee to take action to enforce the Security, and will direct the Security Trustee to take such action to enforce the Security as directed by the Controlling Class acting by way of a Written Resolution or by way of an Extraordinary Resolution (in all cases subject to the Trustee and the Security Trustee having been indemnified and/or secured and/or prefunded to their satisfaction).

The Trustee may at its discretion and will do so if it has been directed to do so by the Controlling Class acting by way of a Written Resolution or by way of an Extraordinary Resolution, (subject to having been indemnified and/or secured and/or prefunded to its satisfaction) and without notice and in such manner as it deems appropriate:

- (i) take such proceedings and/or other steps as it may deem appropriate against or concerning the Issuer or any other person to enforce its obligations under the Transaction Documents or these Conditions and/or take other proceedings (including lodging an appeal in any proceedings) concerning the Issuer;
- (ii) exercise its rights under, or in connection with a Transaction Document; and/or
- (iii) give directions to the Security Trustee under or in connection with a Transaction Document.

To the extent that the Trustee acts in compliance with such directions of the Controlling Class, as described above, it will have no obligation to take the interests of any other party into account or to follow a direction given by any other party. Only the Trustee and the Security Trustee may enforce the rights of the Noteholders against the Issuer, whether the same arise under general law, these Conditions, any Transaction Document or otherwise. None of the Noteholders will have the right to proceed directly against the Issuer.

(f) **Application of proceeds**

Subject to clause 14.10 (*Liability of Cash Manager and indemnification*) of the Cash Management Agreement, following the service of an Enforcement Notice, the Security Trustee will give notice to all Secured Parties (of which it has notice details in the Transaction Documents) and apply amounts available for distribution to the satisfaction of the amounts and in the order of priority set out below. All Available Funds (excluding Permitted Exceptions) will be applied by the Security Trustee to the extent permitted by applicable law, on each Accelerated Payment Date in accordance with the following order of priority (the "**Accelerated Priority of Payments**"):

- (i) payment of arrears of the Issuer Expenses due and payable on a previous Payment Date and remaining unpaid on such Accelerated Payment Date,
- (ii) payment of the Issuer Expenses,
- (iii) to the Servicer, payment of arrears of Servicing Fee on the previous Payment Dates and remaining unpaid on such Accelerated Payment Date,
- (iv) to the Servicer, payment of the Servicing Fee,
- (v) to the Swap Counterparty, net amounts due to the Swap Counterparty, other than any Swap Subordinated Amounts,

- (vi) to the Class A Noteholders, payment of any Class A Interest Shortfall, on a *pro rata* and *pari passu* basis,
- (vii) to the Class A Noteholders, payment of the Class A Interest Amount, on a *pro rata* and *pari passu* basis,
- (viii) to the Class A Noteholders, repayment of the Class A Notes on a *pro rata* and *pari passu* basis until all the Class A Notes have been paid in full,
- (ix) to the Class B Noteholders, payment of any Class B Interest Shortfall, on a *pro rata* and *pari passu* basis,
- (x) to the Class B Noteholders, payment of the Class B Interest Amount, on a *pro rata* and *pari passu* basis,
- (xi) to the Class B Noteholders, repayment of the Class B Notes on a *pro rata* and *pari passu* basis until all the Class B Notes have been paid in full,
- (xii) to the Swap Counterparty, amounts due to the Swap Counterparty for any Swap Subordinated Amounts,
- (xiii) to the Class C Noteholders, payment of any Class C Interest Shortfall, on a *pro rata* and *pari passu* basis,
- (xiv) to the Class C Noteholders, payment of the Class C Interest Amount, on a *pro rata* and *pari passu* basis,
- (xv) to the Class C Noteholders, repayment of the Class C Notes on a *pro rata* and *pari passu* basis until all the Class C Notes have been paid in full, and
- (xvi) to the Seller, payment of any amount remaining as part of the Deferred Purchase Price Component,

in each case only to the extent that all payments and provisions of a higher priority due to be paid or provided for on such Accelerated Payment Date have been made in full.

If and during such time period that a monthly report is not provided to the Cash Manager, the Cash Manager will determine the amounts payable under the Accelerated Priority of Payments to the Noteholders and the other Secured Parties in compliance with the Cash Management Agreement.

(g) Shortfall after application of proceeds

If the net proceeds of the Security being enforced and liquidated under the Deed of Charge are not sufficient, after payment of all other claims ranking in priority to the Notes, to cover all payments due on the Notes, the obligations of the Issuer under the Notes will be limited to such net proceeds and such net proceeds will be applied in compliance with the Receivables Servicing Agreement, the Deed of Charge and no other assets of the Issuer will be available for any further payments on the Notes. The right to receive any further payments of any such shortfall remaining after enforcement of the Security and application of the proceeds of the Security in accordance with the Accelerated Priority of Payments will be extinguished.

(h) Relationship between the Class A Notes, the Class B Notes and the Class C Notes

- (i) The Class A Notes will rank in priority to the Class B Notes and the Class C Notes. The Class B Notes will rank in priority to the Class C Notes.

- (ii) Payments of interest on the Class A Notes will rank *pro rata* and *pari passu* between themselves and in priority to payments of interest on the Class B Notes and the Class C Notes. Payments of interest on the Class B Notes will rank *pro rata* and *pari passu* among themselves and in priority to payments of interest on the Class C Notes. If the Issuer does not have sufficient Available Interest Collections on the relevant Payment Date to meet interest payments on the Class A Notes, the Class B Notes and the Class C Notes in full, any shortfall will first be borne by the Class C Notes and, to the extent that interest due on the Class C Notes on such Interest Payment Date is less than such shortfall, it will secondly be borne by the Class B Notes and, to the extent that interest due on the Class B Notes on such Interest Payment Date is less than such shortfall, it will thirdly be borne by the Class A Notes, *pro rata* and *pari passu* between the Notes of such Class.
- (iii) No amount of principal of the Class B Notes or the Class C Notes will become due and payable until redemption and payment in full of the Class A Notes, and no amount of principal of the Class C Notes will become due and payable until redemption and payment in full of the Class A Notes and the Class B Notes.
- (iv) The Trust Deed and the Deed of Charge contain terms requiring the Trustee or the Security Trustee to take into account the interests of the Class A Noteholders, the Class B Noteholders and the Class C Noteholders equally as regards all powers, trusts, authorities, obligations and discretions of the Trustee or the Security Trustee (except where expressly provided otherwise), but requiring the Trustee or the Security Trustee, (A) to take into account only the interests of the Class A Noteholders if, in the opinion of the Trustee or the Security Trustee there is a conflict between the interests of the Class A Noteholders and the Class B Noteholders and/or the Class C Noteholders and (B) subject to item (A) above, to take into account only the interests of the Class B Noteholders if, in the opinion of the Trustee or the Security Trustee there is a conflict between the interests of the Class B Noteholders and the Class C Noteholders.
- (v) None of the Class B Noteholders or the Class C Noteholders may request or direct the Trustee or the Issuer to take action or pass an effective Extraordinary Resolution if the effect of the same would, in the sole opinion of the Trustee, be materially prejudicial to the interests of the Class A Noteholders, and neither the Trustee nor the Issuer will be responsible to the Class B Noteholders or the Class C Noteholders for disregarding such request, direction or resolution.
- (vi) In addition, if there is a conflict between the interests of (1) the Noteholders and (2) the other Secured Parties, the Security Trustee will, to the extent permitted by applicable law, take into account only the interests of the Class A Noteholders, the Class B Noteholders and the Class C Noteholders.
- (vii) None of the Class C Noteholders may request or direct the Trustee or the Issuer to take action or pass an effective Extraordinary Resolution if the effect of the same would, in the sole opinion of the Trustee, be materially prejudicial to the interests of the Class A Noteholders or the Class B Noteholders, and neither the Trustee nor the Issuer will be responsible to the Class C Noteholders for disregarding such request, direction or resolution.

(i) **Assumption of no material prejudice**

The Trustee and the Security Trustee have the right to assume, for the purposes of exercising a right, power, duty or discretion under or related to these Conditions, the Trust Deed, the Deed of Charge or the other Transaction Documents or for the purposes of paragraphs (iv), (v) or (vi) of Condition 2(h) (*Relationship between the*

Class A Notes, the Class B Notes and the Class C Notes), that to do so will not be materially prejudicial to the interests of the Noteholders or the relevant Class (i) if it has obtained the consent of the Noteholders or the relevant Class or (ii) if the Trustee is satisfied that the current ratings of the Class A Notes and the Class B Notes will not be affected or (iii) regarding a non-economic or non-financial matter, if the Trustee obtains an Opinion of Counsel to such effect.

3. **Covenants**

So long as any of the Notes remains outstanding, the Issuer will not without the consent of the Trustee, unless otherwise provided by these Conditions or the Transaction Documents:

- (a) carry on business other than performing its functions and obligations and discharging its obligations and liabilities set out in the Transaction Documents and in connection with that business will not engage in an activity or do anything except:
 - (i) finance, acquire, hold and dispose of the Assigned Receivables;
 - (ii) issue, enter into, amend, exchange, repurchase or cancel the Notes;
 - (iii) enter into, amend, consent to a variation of, or release a party from an obligation under, the Notes, the Transaction Documents and agreements relating or incidental to the issue and constitution of, and the granting of security for, the Notes;
 - (iv) own and exercise its rights regarding the Security and its interests in the Security and perform its obligations regarding the Security and the Transaction Documents;
 - (v) preserve and/or exercise and/or enforce its rights and perform and observe its obligations under the Notes, the Transaction Documents and agreements relating or incidental to the issue and constitution of, and the granting of security for, the Notes;
 - (vi) use its property or assets in the manner set out in or contemplated by the Transaction Documents; and
 - (vii) perform other acts incidental to or necessary in connection with items (i) to (vi) above;
- (b) have employees or own premises;
- (c) incur indebtedness for borrowed money or give a guarantee or indemnity for indebtedness except under the Notes or under the Transaction Documents;
- (d) create a mortgage, charge, pledge, lien or other security interest over, or use, invest, sell or otherwise dispose of, its assets other than as expressly contemplated by the Transaction Documents;
- (e) commingle its property or assets with the property or assets of another person;
- (f) have a subsidiary or subsidiary undertaking (each as defined in the Companies' Act 2006);
- (g) have an "establishment" (as that expression is used in the EU Insolvency Regulation) in a jurisdiction other than England and Wales;
- (h) pay a dividend or make a distribution to its shareholders in an accounting period which is greater than the amount left to the Issuer after UK corporation tax is charged on the Retained Amount;

- (i) issue shares in the Issuer (other than such shares as are in issue as at the Closing Date);
- (j) permit the validity or effectiveness of or the priority of the Security Interest created by the Trust Deed or the Deed of Charge to be amended, terminated, postponed or discharged, or permit a person whose obligations form part of the Security Interest to be released from such obligations;
- (k) open a further account for the purposes of depositing any monies it receives in connection with the Transaction Documents, unless such account is secured in favour of the Security Trustee for the benefit of the Secured Parties;
- (l) consolidate or merge with another person or convey or transfer its properties or assets substantially as an entirety to another person;
- (m) acquire obligations or securities of its officers or shareholders; and
- (n) amend the articles of association (or other constitutional document) of the Issuer.

In giving its consent to the foregoing, the Trustee may require the Issuer to amend the Transaction Documents and/or may impose such other conditions as it deems to be in the interests of the Noteholders under Condition 12 (*Meetings of Noteholders, amendments, waiver, substitution and exchange*) below.

4. **Interest**

(a) **Interest Rate and accrual**

Each Note bears interest on the principal amount outstanding of such Note at the beginning of the relevant Interest Period at the rate *per annum* (expressed as a percentage) equal to the Interest Rate (calculated in the manner set out in Condition 4(d) (*Calculations*)), payable in arrear on each Interest Payment Date from (and including) the Closing Date, subject to Condition 6 (*Additional interest and subordination*).

Interest due on an Interest Payment Date will accrue on the principal amount outstanding of each Note at the beginning of the relevant Interest Period (provided that the first Interest Period will be the period beginning on (and including) the Closing Date to (but excluding) 21 October 2019).

Interest will cease to accrue on each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) on the due date for redemption unless an amount due remains outstanding, in which case interest will continue to accrue on the unpaid amount of principal (as well after as before judgment) until the Relevant Date at the rate determined daily by the Calculation Agent in its sole discretion to be the rate for overnight deposits in Sterling. Such interest will be added annually to the overdue sum and will itself bear interest accordingly, at the rates for overnight deposits so determined.

(b) **Interest Rate**

The Interest Rate for each Interest Period will be for:

- (i) each Class A Note on the first day of the relevant Interest Period, Compounded Daily SONIA plus 0.54% *per annum* provided that if Compounded Daily SONIA plus the margin for the Class A Notes is less than zero, the Interest Rate will be zero (the "**Class A Interest Rate**");
- (ii) each Class B Note on the first day of the relevant Interest Period, Compounded Daily SONIA plus 1.50% *per annum* provided that if

Compounded Daily SONIA plus the margin for the Class B Notes is less than zero, the Interest Rate will be zero (the "**Class B Interest Rate**"); and

- (iii) each Class C Note on the first day of the relevant Interest Period, 5.00% *per annum* (the "**Class C Interest Rate**").

(c) **SONIA determination**

Compounded Daily SONIA will be determined by the Calculation Agent on the Interest Determination Date for each relevant Interest Period as follows:

"**Compounded Daily SONIA**" means the rate of return of a daily compound interest investment (with the daily SONIA Reference Rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent 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:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SONIA_{i-pLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

Where:

"**d**" is the number of calendar days in the relevant Interest Period;

"**do**" is the number of London Banking Days in the relevant Interest Period;

"**i**" is a series of whole numbers from one to do, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in the relevant Interest Period;

"**LBD**" means a London Banking Day;

"**ni**", 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;

"**Observation Period**" means the period from and including the date falling "p" London Banking Days prior to the first day of the relevant Interest Period (and the first Interest Period will begin on and include the Closing Date) and ending on, but excluding, the date falling "p" London Banking Days prior to the Interest Payment Date for such Interest Period (or, if applicable, the date falling "p" London Banking Days prior to any other date on which a payment of interest is to be made in respect of the Notes);

"**p**" means for any Interest Period, 5;

"**Relevant Screen**" means Reuters Screen SONIA Page or such other page as may replace Reuters Screen SONIA on that service for the purpose of displaying such information or 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 approved in writing by the Trustee) as may replace such screen;

"**SONIA_{i-pLBD}**" means in respect of any London Banking Day falling in the relevant Interest Period, the SONIA Reference Rate for the London Banking Day falling "p" London Banking Days prior to that London Banking Day "i"; and

"**SONIA Reference Rate**" means in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen or, if the Relevant 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 Calculation Agent determines that the SONIA Reference Rate is not available on the Relevant Screen or has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate will 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.

In the event that Compounded Daily SONIA cannot be determined in accordance with the foregoing provisions by the Calculation Agent, Compounded Daily SONIA will be that determined as at the last preceding Interest Determination Date.

(d) **Calculations**

- (i) The amount of interest payable on each Note for an Interest Period (the "**Interest Amount**") will be calculated by taking the aggregate of (1) the product of the relevant Interest Rate, the principal amount outstanding of such Note at the beginning of such Interest Period and the Day Count Fraction and (2) any Additional Interest and rounding the resultant figure to the nearest whole cent (half a cent being rounded upwards).
- (ii) The Class A Interest Rate, the Class B Interest Rate and Interest Amounts to be paid on the Notes for each Interest Period will be determined by the Calculation Agent. All calculations made by the Calculation Agent will (in the absence of manifest or proven error) be conclusive for all purposes and binding on the Trustee, the Noteholders and all other parties.
- (iii) If the Calculation Agent does not at any time for any reason determine the Class A Interest Rate, the Class B Interest Rate or any Interest Amount for any Note in compliance with the foregoing Conditions, the Trustee or its appointed agent will (1) determine the Class A Interest Rate and the Class B Interest Rate at such rates as, in its absolute discretion (taking into account as it will think fit to the procedure described above), it will deem fair and reasonable in all the circumstances and/or (2) calculate the Interest Amount for each Class and/or the Class C Interest Rate in the manner specified in this Condition 4(d), and such determination and/or calculation will be deemed to have been made by the Calculation Agent.

(e) **Determination and publication of the Class A Interest Rate, the Class B Interest Rate and the Interest Amounts**

The Calculation Agent will determine the Class A Interest Rate, the Class B Interest Rate and the Interest Amounts for each Note for the relevant Interest Period, obtain such quote or make such determination or calculation and cause the Class A Interest Rate, the Class B Interest Rate and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to the Trustee, the Issuer, the Paying Agents, the Registrar, the Servicer, the Cash Manager and the Noteholders (in compliance with Condition 15 (*Notices*)), as soon as possible after their determination.

The Interest Amounts, the Class A Interest Rate and the Class B Interest Rate notified in compliance with this Condition may be amended later (or appropriate alternative arrangements made by way of adjustment) without notice if the relevant Interest Period is extended or shortened.

If the Notes become due and payable under Condition 10 (*Events of Default*), the accrued interest and the Interest Rate payable on the Notes will nevertheless continue to be calculated as previously under this Condition 4 but no publication of an Interest Rate or Interest Amount so calculated need be made.

5. **Redemption**

(a) **Final redemption**

Unless previously redeemed in full and cancelled as set out in this Condition 5, each Note will be redeemed by the Issuer at its principal amount outstanding together with accrued interest on the Final Legal Maturity Date. Each Rating Agency will be informed of a redemption of the Notes under this Condition 5.

The Issuer may not redeem the Notes in whole or in part before the Final Legal Maturity Date except as set out in Condition 5(b) (*Redemption for taxation and other reasons*), Condition 5(c) (*Mandatory early redemption in part*) and Condition 5(d) (*Clean up call*) but without prejudice to Condition 10 (*Events of Default*).

(b) **Redemption for taxation and other reasons**

If, following a change of applicable law, regulation or interpretation of such law or regulation after the Closing Date, the Issuer is, on the occasion of the next payment due on the Notes, required to deduct, withhold or account for tax on a payment by it on the Notes or would suffer a tax or other similar imposition so that:

- (i) the Issuer is unable to make payment of the full amount due on the Notes or the cost to the Issuer of making payments on the Notes or of complying with its obligations under or in connection with the Notes would be materially increased;
- (ii) the operating or administrative expenses of the Issuer would be materially increased; or
- (iii) the Issuer would be obliged to make a material payment on, related to, or calculated by reference to, its income or any sum received or receivable by or on behalf of the Issuer from the Charged Property or any of it,

the Issuer will promptly so inform the Trustee and will use its best efforts (which will not require it to incur any loss, excluding immaterial, incidental expenses) to determine within 20 days of such circumstance occurring whether it would be practicable to arrange the substitution of a company incorporated in another jurisdiction approved by the Trustee as the principal debtor or to change its tax residence to another jurisdiction approved by the Trustee (provided that the Issuer will only use such best efforts to so determine if such a substitution or change could reasonably be expected to avoid such withholding or deduction or tax or other similar imposition). If the Issuer determines that such measures would be practicable, it will have a further period of 60 days to effect such substitution or change of tax residence. If, however, it determines within 20 days of such circumstance occurring that none of such measures would be practicable or if, having determined that such measures would be practicable, it is unable so to avoid such withholding or deduction or tax or imposition within such further period of 60 days, then the Issuer may, at its election, but will not be obliged to, give not more than 60 nor less than 30 days' irrevocable notice to the Trustee, the Paying Agents, the Registrar and the Noteholders, in compliance with Condition 15 (*Notices*), of its intention to redeem and on expiry of such irrevocable notice will redeem all but not some only of the Notes at their principal amounts outstanding together with accrued interest, to the date (which must be an Interest Payment Date) fixed for redemption, provided that before the publication of such irrevocable notice of redemption, the Issuer will deliver to the Trustee a certificate signed by two directors of the Issuer stating that the Issuer has the right to

effect such redemption and setting out a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred. The Trustee will have the right to accept such certificate as sufficient evidence of the satisfaction of the circumstances set out above, and such certificate will be conclusive and binding on the Noteholders.

(c) **Mandatory early redemption in part**

Each Class A Note and, provided that the Class A Notes have been redeemed in full, each Class B Note and, provided that the Class B Notes have been redeemed in full, each Class C Note will be subject to mandatory early redemption in part on each Interest Payment Date in an amount equal to the Available Principal Collections available on such Interest Payment Date for such purpose in accordance with the Principal Priority of Payments. Such early redemption in part will be on a *pro rata* and *pari passu* basis within each such Class.

(d) **Clean up call**

The Issuer may, at its option, redeem all of the Notes at their aggregate principal amount outstanding, together with any interest accrued up to but excluding the relevant Interest Payment Date, on an Interest Payment Date, if the Seller has exercised its option to purchase all of the Assigned Receivables under clause 8.1 (*Clean up call*) of the Receivables Sale Agreement, on giving an irrevocable notice no later than 30 days beforehand to the relevant Noteholders and the Trustee in compliance with Condition 15 (*Notices*).

(e) **Cancellation**

Notes redeemed in full or in part by the Issuer will promptly be cancelled in full or in part in which case they will not be resold or re-issued and the obligations of the Issuer under such Notes will be discharged.

If the Issuer redeems some of the Class A Notes and/or the Class B Notes and such Notes are represented by Global Notes, such partial redemption will be effected in compliance with the rules and procedures of Clearstream, Luxembourg and/or Euroclear (to be reflected in the records of Clearstream, Luxembourg and Euroclear, as either a pool factor or a reduction in nominal amount, at their discretion).

(f) **Note principal payments and principal amount outstanding**

On (or as soon as practicable after) each Monthly Reporting Date, the Calculation Agent, acting on behalf of the Issuer, will determine (based on information provided to the Calculation Agent by the Issuer or the Servicer through the Monthly Report) (i) the amount of any Mandatory Early Part Redemption Amount due on each Note of each Class on the Interest Payment Date next following such Monthly Reporting Date and (ii) the principal amount outstanding of each Note of each Class on the Interest Payment Date next following such Monthly Reporting Date and will cause notice of each determination of the Mandatory Early Part Redemption Amount and the principal amount outstanding of a Note of each Class to be given to the Trustee, the Paying Agents, the Registrar, the Issuer, the Noteholders (in compliance with Condition 15 (*Notices*)) and the Cash Manager immediately and by no later than 5.00 pm (London time) one Business Day before the relevant Interest Payment Date. Each determination by or on behalf of the Issuer of any Mandatory Early Part Redemption Amount and the principal amount outstanding of a Note will (in the absence of fraud, wilful default or manifest or proven error) be final and binding on all persons.

If the Calculation Agent, acting on behalf of the Issuer, does not at any time for any reason determine the Mandatory Early Part Redemption Amount or the principal amount outstanding of a Note in compliance with the prior terms of this Condition 5(f), such Mandatory Early Part Redemption Amount and/or principal amount outstanding

may be determined by the Trustee in compliance with this Condition 5(f) and each such determination will be conclusive (in the absence of wilful default or manifest or proven error) and will be deemed to have been made by the Calculation Agent. Such determination will be final and binding on the Issuer, the Calculation Agent, the Noteholders and all other relevant persons.

6. **Additional interest and subordination**

(a) **Additional interest on the Class A Notes**

If the aggregate funds (computed in compliance with the Cash Management Agreement) available to the Issuer on an Interest Payment Date for application in or towards the payment of any Interest Amount due on the Class A Notes on such Interest Payment Date under Condition 4 (*Interest*) are not sufficient to satisfy in full the aggregate amount of interest so due, the Issuer will create a provision in its accounts equal to such shortfall (the "**Class A Interest Shortfall**") and such shortfall will accrue interest in compliance with Condition 4(b)(i) (*Interest Rate*) for such time as it remains outstanding and such shortfall, together with any additional accrued interest, will be immediately due and payable.

(b) **Interest on the Class B Notes**

(i) For so long as any Class A Note remains outstanding, if the aggregate funds (computed in compliance with the Cash Management Agreement) available to the Issuer on any Interest Payment Date for application in or towards the payment of any Interest Amount which is, subject to this Condition, due on the Class B Notes on such Interest Payment Date are not sufficient to satisfy in full the aggregate amount of interest which is, subject to this Condition, due on the Class B Notes on such Interest Payment Date (the "**Class B Interest Shortfall**"), there will be payable on such Interest Payment Date by way of interest on each Class B Note (notwithstanding Condition 4 (*Interest*)) only a *pro rata* share of such aggregate funds on such Interest Payment Date.

(ii) If there is a Class B Interest Shortfall, the Issuer will create a provision in its accounts for the shortfall equal to the amount by which the aggregate amount of interest paid on the Class B Notes on any Interest Payment Date in compliance with this Condition falls short of the aggregate amount of interest payable on the Class B Notes on that date under Condition 4 (*Interest*). Such shortfall will accrue interest in compliance with Condition 4(b)(ii) (*Interest Rate*) during such Interest Period during which it remains outstanding and a *pro rata* share of such shortfall, together with a *pro rata* share of such accrued interest, will be aggregated with the amount of, and treated for the purpose of this Condition as if it were, interest due, subject to this Condition, on each Class B Note on the next succeeding Interest Payment Date. If, on the final Interest Payment Date (or on any earlier redemption of the Class B Notes in full), there remains such a provision, such amount will become payable subject to this Condition on that Interest Payment Date (or, in the case of an earlier redemption of the Class B Notes in full, on the date of such redemption).

(iii) Following redemption of the Class A Notes in full, Condition 6(a) will apply to the Class B Notes.

(c) **Interest on the Class C Notes**

(i) For so long as any Class B Note remains outstanding, if the aggregate funds (computed in compliance with the Cash Management Agreement) available to the Issuer on any Interest Payment Date for application in or towards the payment of any Interest Amount which is, subject to this Condition, due on the Class C Notes on such Interest Payment Date are not sufficient to satisfy in

full the aggregate amount of interest which is, subject to this Condition, due on the Class C Notes on such Interest Payment Date (the "**Class C Interest Shortfall**"), there will be payable on such Interest Payment Date by way of interest on each Class C Note (notwithstanding Condition 4 (*Interest*)) only a *pro rata* share of such aggregate funds on such Interest Payment Date.

- (ii) If there is a Class C Interest Shortfall, the Issuer will create a provision in its accounts for the shortfall equal to the amount by which the aggregate amount of interest paid on the Class C Notes on any Interest Payment Date in compliance with this Condition falls short of the aggregate amount of interest payable on the Class C Notes on that date under Condition 4 (*Interest*). Such shortfall will accrue interest in compliance with Condition 4(b)(iii) (*Interest Rate*) during such Interest Period during which it remains outstanding and a *pro rata* share of such shortfall, together with a *pro rata* share of such accrued interest, will be aggregated with the amount of, and treated for the purpose of this Condition as if it were, interest due, subject to this Condition, on each Class C Note on the next succeeding Interest Payment Date. If, on the final Interest Payment Date (or on any earlier redemption of the Class C Notes in full), there remains such a provision, such amount will become payable subject to this Condition on that Interest Payment Date (or, in the case of an earlier redemption of the Class C Notes in full, on the date of such redemption).
- (iii) Following redemption of the Class B Notes in full, Condition 6(a) will apply to the Class C Notes.

(d) **Principal on the Class B Notes**

- (i) The Class B Noteholders will not have a right to payment of principal on the Class B Notes while any Class A Note remains outstanding.
- (ii) If on any Interest Payment Date or any other date when a payment of principal is due on the Class B Notes falling on or after the redemption of the Class A Notes, the aggregate funds (computed in compliance with the Cash Management Agreement) available to the Issuer on such date for application in or towards the payment of principal which is, subject to this Condition, due on the Class B Notes on such date are not sufficient to pay in full all principal due (otherwise than under this Condition 6(d)) on the Class B Notes on such date, there will be payable on such date by way of principal on the Class B Notes only a *pro rata* share of such aggregate funds on such date.

(e) **Principal on the Class C Notes**

- (i) The Class C Noteholders will not have a right to payment of principal on the Class C Notes while a Class A Note or Class B Note remains outstanding. The Class B Noteholders will not have a right to payment of principal on the Class B Notes while a Class A Note remains outstanding.
- (ii) If on any Interest Payment Date or any other date when a payment of principal is due on the Class C Notes falling on or after the redemption of the Class B Notes, the aggregate funds (computed in compliance with the Cash Management Agreement) available to the Issuer on such date for application in or towards the payment of principal which is, subject to this Condition, due on the Class C Notes on such date are not sufficient to pay in full all principal due (otherwise than under this Condition 6(e)) on the Class C Notes on such date, there will be payable on such date by way of principal on the Class C Notes only a *pro rata* share of such aggregate funds on such date.

7. **Payments**

(a) **Method of payment**

Except as provided below, payments on the Notes will be made by transfer to a Sterling account maintained by the payee with a bank as specified by the payee and as notified by the Principal Paying Agent to the Paying Agents, at least two Business Days before each Interest Payment Date or, at the option of a Noteholder and related only to its Notes, by a cheque in Sterling drawn on a Sterling account and sent to the address shown as the address of the payee in the Register as of the close of business on the 15th day before the due date for the relevant payment.

(b) **Payments subject to applicable laws, etc**

All payments are subject in all cases to:

- (i) applicable fiscal or other laws, regulations and directives; and
- (ii) FATCA,

but without prejudice to Condition 8 (*Taxation*). No commission or expenses will be charged to the Noteholders for such payments.

(c) **Payments on Global Notes**

Payments of principal and interest on Class A Notes and Class B Notes represented by a Global Note will (subject as provided below) be made in the manner specified above for Definitive Notes and otherwise in the manner specified in the relevant Global Note through Clearstream, Luxembourg and/or Euroclear. A record of each payment made for a Global Note, distinguishing between a payment of principal and a payment of interest, will be entered into the records of Clearstream, Luxembourg and/or Euroclear and such record will be *prima facie* evidence that the payment in question has been made.

(d) **General terms applicable to payments**

The Holder of a Global Note will be the only person with the right to receive payments on Class A Notes and Class B Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the Holder of such Global Note for each amount so paid. Each of the persons shown in the records of Clearstream, Luxembourg or Euroclear as the beneficial Holder of a particular nominal amount of Class A Notes and Class B Notes represented by such Global Note must look solely to Clearstream, Luxembourg or Euroclear for this share of each payment so made by the Issuer, or to the order of, the Holder of such Global Note.

(e) **Appointment of Agents**

The Paying Agents, the Registrar and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed at the end of these Conditions. The Paying Agents, the Registrar and the Calculation Agent act solely as agents of the Issuer (unless an Event of Default has occurred or may with the lapse of time or the giving of notice occur, when such agents may be required to act as agents of the Trustee) and do not assume an obligation or relationship of agency or trust for or with the Noteholders. The Issuer reserves the right at any time with the prior written approval of the Trustee (such approval not to be unreasonably withheld) to vary or terminate the appointment of the Paying Agents, the Registrar or the Calculation Agent and to appoint additional or other Paying Agents, Registrars or Calculation Agents, provided that the Issuer will at all times maintain (i) a Calculation Agent, (ii) a Registrar and (iii) a Paying Agent.

Notice of such change or a change of specified office will promptly be given to the Noteholders in compliance with Condition 15 (*Notices*).

(f) **Non-business days**

If a date for payment on a Note is not a Business Day, the Holder will not have a right to payment until the next following Business Day nor to interest or other sums related to such postponed payment.

(g) **Limited recourse**

- (i) No amounts will be payable by the Issuer except in accordance with the Priority of Payments (excluding Permitted Exceptions) and any payment obligations of the Issuer under these Conditions may only be satisfied from the amounts received by it under or in connection with the Transaction Documents.
- (ii) If the Security constituted by the Deed of Charge is enforced, and after payment of all other claims (if any) ranking in priority to or *pari passu* with each of the claims of the Secured Parties under the Deed of Charge, the remaining proceeds of such enforcement are insufficient to pay in full all amounts due to each of the Secured Parties and all other claims ranking *pari passu* to the claims of each such party, then the claims of each such party against the Issuer will be limited to their respective shares of such remaining proceeds (as determined in compliance with the Deed of Charge) and, after payment to each such party of its respective share of such remaining proceeds, the obligations of the Issuer to each such party will be extinguished in full.
- (iii) The provisions of this Condition 7(g) will survive the termination of these Conditions. In the case of discrepancy between this Condition 7(g) and any other provision, the provisions of this Condition 7(g) will control.

8. **Taxation**

All payments of principal and interest on the Notes will be made without withholding or deduction for, or on account of, present or future taxes, duties, assessments or governmental charges of any nature by the Issuer or any Paying Agent unless required by law (or under FATCA), in which case the Issuer or that Paying Agent will make that payment net of such withheld or deducted amounts and will account to the relevant authorities for the amount required to be withheld or deducted. Neither the Issuer nor any Paying Agent will be obliged to make any additional payments to Noteholders for such withholding or deduction.

Notwithstanding the foregoing, if a tax referred to in Condition 5(b) (*Redemption for taxation and other reasons*) arises and, subject as set out in such Condition, as a result of such tax the Issuer either (i) does not or would not have sufficient amounts to make payments due on the Notes in full or (ii) would be required to deduct amounts from its payments on the Notes, then the amounts payable or to be paid on the Notes will be proportionately reduced by an amount equal to such insufficiency or deduction. No such reduction will be an Event of Default under Condition 10 (*Events of Default*).

9. **Prescription**

The Notes will become void unless claims for payment of principal or interest are made within 10 years of the Relevant Date for such Notes. After the date when a Note becomes void, no claim may be made regarding such Note.

10. **Events of Default**

If the following events (each an "Event of Default") occur, the Trustee at its absolute discretion may, and, if so directed by the Controlling Class acting by way of a Written Resolution or by way of an Extraordinary Resolution, will give an Enforcement Notice to the Issuer, the Security Trustee, the Account Bank, the Cash Manager and each Paying Agent declaring the Notes due and payable and each Note will accordingly become immediately due and payable, without further action or formality, at its principal amount outstanding together with accrued interest:

(a) **Non-payment**

subject to Condition 8 (*Taxation*), (i) default in the payment of any Interest Amount due on a Note of the Controlling Class when the same becomes due and payable on each Interest Payment Date and such default continues for a period of five Business Days or more or (ii) default in the payment of principal due on the Notes or any of them when the same becomes due and payable on its final maturity;

(b) **Breach of other obligations**

the Issuer fails to perform or comply with one or more of its other obligations (other than a failure to perform or comply with obligations which failure, in the opinion of the Trustee, is not materially prejudicial to the interests of the Controlling Class) under the Transaction Documents and (except where such failure is not capable of remedy when no such notice as is referred to below will be required) such failure will continue for more than 60 days (or such longer period as the Trustee may permit) next following the service by the Trustee on the Issuer of a notice requiring the same to be remedied;

(c) **Security**

the Security (or part of the Security) is terminated or otherwise becomes void or ineffective (other than where such termination of the Security or such Security becoming void or ineffective is, in the opinion of the Trustee, not materially prejudicial to the interests of the Controlling Class); or

(d) **Liquidation, dissolution, insolvency or bankruptcy**

an Insolvency Event occurs regarding the Issuer.

Following (i) the occurrence of an Event of Default (notified by the Issuer in writing to the Trustee or of which the Trustee has actual knowledge) and the expiry of the grace period for remedial action, if applicable, and (ii) an Enforcement Notice being given by the Trustee under this Condition 10, notice to that effect will be given by the Trustee to all Noteholders without undue delay in compliance with Condition 15 (*Notices*).

11. **Enforcement and non-petition**

Only the Trustee and the Security Trustee may pursue the remedies available under the Trust Deed or the Deed of Charge, as applicable, to enforce the rights of the Secured Parties. No other Secured Party has the right to proceed against the Issuer. Neither the Security Trustee, nor any Secured Party may take any action, or has any rights, against the Issuer to recover any amount still unpaid once the Security is enforced and the net proceeds of such Security distributed in compliance with Condition 2 (*Status and Security*), and any such liability

will be extinguished. None of the Trustee, the Security Trustee nor any Secured Party will have the right, until the expiry of two years and one day after the payment of all amounts outstanding under the Notes, to petition or take any other step for the winding-up of the Issuer provided that the Security Trustee may prove or lodge a claim in the liquidation of the Issuer initiated by another party and provided further that the Security Trustee, may take proceedings to obtain a declaration or similar judgment or order as to the obligations and liabilities of the Issuer.

The Trustee, and as the case may be under this Condition 11 (*Enforcement and non-petition*), the Security Trustee will, except as otherwise directed by the Controlling Class acting by way of a Written Resolution or by way of an Extraordinary Resolution at the relevant date, or in relation to the Security Trustee only in relation to amendments and waivers, except as otherwise directed by the Trustee, have absolute and uncontrolled discretion as to the exercise and non-exercise of all trusts, rights, powers, authorities or discretions conferred on them by or under the Trust Deed, the Deed of Charge or any Transaction Document to which they are a party or conferred on them by operation of law.

The provisions of this Condition 11 will survive the termination of these Conditions. In the case of discrepancy between this Condition 11 and any other provision, the provisions of this Condition 11 will control.

12. **Meetings of Noteholders, amendments, waiver, substitution and exchange**

(a) **Meetings of Noteholders**

- (i) The Trust Deed contains terms for convening separate meetings of each of the Class A Noteholders, the Class B Noteholders and the Class C Noteholders to consider matters affecting their interests, including the sanctioning by a resolution passed at a meeting convened and held in compliance with the Trust Deed by at least 66 $\frac{2}{3}$ % of votes cast (an "**Extraordinary Resolution**") of a modification of the Trust Deed, the Deed of Charge or these Conditions.
- (ii) The quorum for meetings of holders of the Class A Notes, the Class B Notes and the Class C Notes for passing an Extraordinary Resolution will be one or more persons holding or representing 66 $\frac{2}{3}$ % of the principal amount of the relevant Class for the time being outstanding or, at an adjourned meeting, one or more persons holding or representing Noteholders of the relevant Class, whatever the principal amount of the Notes of the relevant Class so held or represented, except that, among others, the details of the Security, certain terms concerning the amount, currency and postponement of the due dates for payment of the Notes, modifying the Events of Default or Priority of Payments, the terms concerning the quorum required at a meeting of the relevant Class of Noteholders and the terms concerning the majority required to pass an Extraordinary Resolution may be modified only by resolutions passed at a meeting the quorum at which will be one or more persons holding or representing at least 75%, or at an adjourned meeting at least one-third, in principal amount of the relevant Class for the time being outstanding.
- (iii) An Extraordinary Resolution passed at a meeting of Class A Noteholders, Class B Noteholders or Class C Noteholders will be binding on, respectively, all Class A Noteholders, Class B Noteholders or Class C Noteholders whether or not they were present at such meeting. An Extraordinary Resolution which in the sole opinion of the Trustee affects two or more Classes of Noteholders and gives or may give rise to a conflict of interest between the Holders of such Classes of Notes will be deemed to have been passed only if it will be passed by at least 66 $\frac{2}{3}$ % of the Holders of a meeting of the most senior Class outstanding so affected notwithstanding a resolution of the Holders of another

Class so affected, provided that no resolution of Holders of the most senior Class outstanding which would have the effect of changing a due date for payment of principal and/or interest on such senior Notes, increasing the amount required to redeem each such senior Note, or the amount of interest payable on such senior Notes or changing the method of calculation therefore, releasing or substituting the Security or part of the Security or altering this proviso will be effective unless sanctioned by an Extraordinary Resolution of Holders of all Classes of junior Notes.

(b) **Amendments and waiver**

(i) Subject to those matters requiring a Special Quorum Resolution, the Trustee may without consulting or obtaining the consent of the Noteholders at any time and from time to time concur with the Issuer and direct the Security Trustee to concur with the Issuer in making an amendment or supplement to the Trust Deed, the Deed of Charge or the other Transaction Documents to which it is a party or regarding which it holds security if the Trustee determines that, subject to the detailed terms of the Trust Deed, (i) such amendment or supplement will not be materially prejudicial to the interests of the Noteholders (subject to Condition 2(h)(iv) (*Relationship between the Class A Notes, the Class B Notes and the Class C Notes*)) or (ii) such amendment or supplement is of a formal, minor or technical nature or is made to correct a manifest error or to comply with law. The Issuer will give notice to the Noteholders of such amendment or supplement in compliance with Condition 15 (*Notices*) as soon as practicable after such amendment or supplement and will be binding on the Noteholders.

(ii) An amendment or supplement which the Trustee is not able to consent to under Condition 12(b)(i) above will require the consent of the Noteholders, affected by such amendments or supplements in compliance with these Conditions. All amendments or supplements will be notified by the Issuer to the Noteholders in compliance with Condition 15 (*Notices*) as soon as practicable after such amendment or supplement.

Notwithstanding anything else stated in this Condition 12(b), no such amendment or supplement may increase or reduce the amount of, or accelerate or delay the timing of, or change the allocation or priority of, collections or distributions that are required to be made for the benefit of the Secured Parties other than the Noteholders without the consent of all of the affected Secured Parties.

(iii) Subject to Condition 2(h) (*Relationship between the Class A Notes, the Class B Notes and the Class C Notes*), the Trustee may, without prejudice to its rights regarding a future breach or event, from time to time and at any time, but only if and in so far as in its opinion the interests of the Noteholders will not be materially prejudiced, waive or authorise a breach or proposed breach, or direct the Security Trustee to waive or authorise a breach or proposed breach, by the Issuer of the terms of the Trust Deed, the Deed of Charge or the other Transaction Documents or determine that an event will not be treated as an Event of Default for the purposes of the Trust Deed, provided that the Trustee will not exercise a power conferred on it by these Conditions in contravention of a direction by the Controlling Class acting by way of a Written Resolution or by way of an Extraordinary Resolution at the relevant date in compliance with these Conditions but no such direction will affect an authorisation, waiver or determination previously given or made. Such waiver, authorisation or determination may be given or made on such terms and subject to such conditions (if any) as the Trustee may determine, will be binding on the Noteholders and, unless otherwise agreed by the Trustee, the Issuer will then give notice to the Noteholders of such waiver, authorisation or

determination in compliance with Condition 15 (*Notices*) as soon as practicable.

(iv) The Trustee will not by an act, delay, indulgence, omission or otherwise be deemed to have waived a right or remedy under these Conditions. A waiver by the Trustee of a right or remedy under these Conditions on one occasion will not bar a right or remedy which the Trustee would otherwise have on a future occasion. The rights and remedies of the Trustee under these Conditions are cumulative and will not exclude further rights or remedies which it would otherwise have.

(v)

(1) Notwithstanding items (b)(i) to (iv) above but subject to those matters requiring a special quorum as described in Condition 12(a)(ii) above, the Servicer may, at any time, require (x) the Issuer and the Trustee to agree and (y) the Trustee to direct the Security Trustee to agree amendments to or waivers of any Transaction Documents and/or Conditions (the "**Transaction Amendments**"), including Transaction Amendments which are or may be materially prejudicial to the interests of the Noteholders of a Class or other parties to the Transaction Documents and the Issuer, the Trustee and the Security Trustee (on receipt of a direction from the Trustee) will, subject to items (2) and (3) below, enter into the Transaction Amendments (and, in the case of the Trustee, direct the Security Trustee to enter into the Transaction Amendments) on behalf of and without the consent of the Noteholders provided that the Amendment Conditions are satisfied (and the Transaction Amendments that do not satisfy the Amendment Conditions may not be effected under this Condition 12(b)(v)). "**Amendment Conditions**" means receipt of certification in writing from the Servicer signed by two of its duly appointed attorneys certifying to the Issuer, the Trustee and the Security Trustee that:

(A) the Transaction Amendments are either:

(aa) necessary to address new credit rating criteria of one or more Rating Agencies and have been discussed with the relevant Rating Agency or Rating Agencies as being necessary, to maintain the credit ratings then assigned to the Class A Notes; or

(bb) necessary in order for the Issuer and the Notes to continue to comply with mandatory provisions of applicable law or regulation, as well as the Securitisation Regulation and the requirements for simple, transparent and standardised securitisations set out in the Securitisation Regulation and in any regulatory technical standards authorised under the Securitisation Regulation or official guidance in relation thereto; and

(cc) (x) in the case of (A)(aa) above, the Transaction Amendments address the new credit rating criteria only to the extent required to maintain the credit ratings then assigned to the Class A Notes and (y) reflect the discussions with the relevant Rating Agency or Rating Agencies to the extent required to maintain the credit ratings then assigned to the Class A Notes or (z) in the case of (A)(bb) above, the Transaction Amendments ensure the Issuer and the

Notes continue to comply with mandatory provisions of applicable law or regulation; and

- (B) the Rating Agencies have been notified of such proposed Transaction Amendments and, based on such notification, the Servicer is not aware that the then current ratings of the Class A Notes would be adversely affected by such proposed Transaction Amendments.
- (2) Where certification in writing has been given under item (1)(A)(aa) above, the Issuer must provide at least 30 days' notice to the Noteholders of the proposed Transaction Amendment in compliance with Condition 15 (*Notices*). If Noteholders representing at least 10% of the principal amount of the Controlling Class give notice to the Trustee in writing (or in any other manner as the Registrar and Clearstream, Luxembourg and/or Euroclear approve for this purpose) within such notice period that they object to the Transaction Amendment, then the Transaction Amendment will require the consent of the Controlling Class acting by way of Written Resolution or by way of an Extraordinary Resolution.
 - (3) The Seller will pay all fees, costs and expenses (including legal fees) incurred by the Issuer and the Trustee and any other party to the Transaction Documents in connection with a Transaction Amendment.
 - (4) The Issuer will give notice to the Noteholders of a Transaction Amendment in compliance with Condition 15 (*Notices*) as soon as practicable after such Transaction Amendment.
- (vi)
- (1)
 - (a) The Servicer may, at any time, request (x) the Issuer and the Trustee to agree and (y) the Trustee to direct the Security Trustee to agree, without the consent of the Noteholders, to:
 - (1) amend the SONIA Reference Rate (any such amended rate, an "**Alternative Benchmark Rate**");
 - (2) adjust the pricing to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one transaction party to another as a result of the application of the Alternative Benchmark Rate, such adjustment to be determined (i) if any adjustment or method for calculating any adjustment has been formally designated, nominated or recommended by the Bank of England or the European Central Bank, any regulator in the UK or the EU 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), on the basis of that designation, nomination or recommendation or (ii) in the absence of any such designation, nomination or recommendation, by the Servicer acting in its reasonable discretion, such adjustment (which may be a positive or negative value or zero) being the "**Adjustment Spread**"; and

- (3) make such other related or consequential amendments as are necessary or advisable in the reasonable judgment of the Servicer in order to facilitate the changes described in sub-paragraphs (1) and (2) above, in particular to Condition 4 (Interest Rate),

(such amendments together being a "**Notes Benchmark Rate Modification**"); and

- (b) as a consequence of a Notes Benchmark Rate Modification, for the purpose of aligning the benchmark rate and spread that applies to the Transaction (as such term is defined in the Interest Rate Swap Agreement) under the Interest Rate Swap Agreement (the "**Swap Transaction**") to the Alternative Benchmark Rate and the Adjustment Spread that will apply to the Class A Notes and the Class B Notes, the Issuer will request the Swap Counterparty to consent (such consent not to be unreasonably withheld) to amend the benchmark rate and spread that applies to the Swap Transaction to such Alternative Benchmark Rate and Adjustment Spread (a "**Swap Benchmark Rate Modification**" and, together with a Notes Benchmark Rate Modification, a "**Benchmark Rate Modification**"),

provided, in the case of (a) and (b) above, that the following conditions are satisfied:

- (i) the Servicer, on behalf of the Issuer, has provided the Trustee, the Noteholders and the Swap Counterparty with at least 30 calendar days' prior written notice of any such proposed Benchmark Rate Modification in compliance with Condition 15 (*Notices*) and has certified to the Trustee, the Noteholders and the Swap Counterparty in such notice (such notice being a "**Benchmark Rate Modification Certificate**") that:
 - (A) such Benchmark Rate Modification is being undertaken due to any one or more of the following:
 - (1) (a) SONIA is not published by the administrator of SONIA for five consecutive Business Days and such failure is not the result of a temporary moratorium, embargo or disruption declared by the administrator of SONIA or by the regulatory supervisor for the administrator of SONIA or (b) SONIA ceasing to exist or be published;
 - (2) the insolvency or cessation of business of the SONIA administrator, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide SONIA;

- (3) a public statement or publication of information by or on behalf of the SONIA administrator announcing that it has or will cease to provide SONIA permanently or indefinitely provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide SONIA;
- (4) a public statement or publication of information by the regulatory supervisor for the administrator of SONIA, the central bank for the currency of such SONIA, an insolvency official with jurisdiction over the administrator for SONIA, a resolution authority with jurisdiction over the administrator for SONIA or a court or an entity with similar insolvency or resolution authority over the administrator for SONIA, which states that the administrator of SONIA has ceased or will cease to provide SONIA permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide SONIA; or
- (5) a public statement or publication of information by the regulatory supervisor for the administrator of SONIA announcing that SONIA is no longer representative or may no longer be used, or that its use is subject to restrictions or adverse consequences; and

(B) such Alternative Benchmark Rate is:

- (1) a benchmark rate that has been selected or recommended by the Bank of England (or any relevant committee or other body established, sponsored or approved by the foregoing) as the replacement for SONIA for the applicable corresponding tenor; or
- (2) (if the rate described in sub-paragraph (1) is not available) the Broad Treasuries Repo Financing Rate (or any rate which is derived from, based upon or otherwise similar to the foregoing); or
- (3) (if the rate described in sub-paragraph (2) is not available) such other benchmark rate as the Servicer reasonably determines;

- (ii) the Rating Agencies have had at least 10 Business Days' written notice of such proposed Benchmark Rate Modification and, based on such notification, the Servicer is not aware that the then current ratings of the Class A Notes and the Class B Notes would be adversely affected by such Benchmark Rate Modification; and
 - (iii) the Seller pays all fees, costs and expenses (including legal fees) incurred by the Issuer and the Trustee and any other party to the Transaction Documents in connection with such Benchmark Rate Modification.
- (2) Notwithstanding Condition 12(b)(vi)(1) above, no Benchmark Rate Modification will become effective if (A) the Swap Counterparty does not consent to the Swap Benchmark Rate Modification or (B) within 30 days of the delivery of the Benchmark Rate Modification Certificate, Noteholders representing at least 25 per cent. of the Controlling Class have notified the Trustee in writing (or otherwise in accordance with the then current practice of any applicable Clearing System through which the Notes are held) that they do not consent to the Benchmark Rate Modification (a "**Noteholder Benchmark Rate Consent Event**"). Objections made in writing other than through the applicable Clearing System must be accompanied by evidence to the Trustee's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes of the Controlling Class.
- (3) If a Noteholder Benchmark Rate Consent Event occurs, the Benchmark Rate Modification will not become effective unless an Extraordinary Resolution of the Noteholders of the Controlling Class is passed in favour of the Benchmark Rate Modification in compliance with Condition 12 (*Meetings of Noteholders, modifications, waiver, substitution and exchange*).
- (4) The Servicer on behalf of the Issuer will notify the Trustee, the Noteholders and the Swap Counterparty on the date when the Benchmark Rate Modification takes effect in compliance with Condition 15 (*Notices*).

(c) **Substitution and exchange**

- (i) Subject to the more detailed terms of the Trust Deed and subject to such amendment of the Trust Deed, the Deed of Charge and the other Transaction Documents and such other conditions as the Trustee may require, including as to satisfaction that the interests of the Noteholders will not be materially prejudiced by the substitution or exchange and as to the transfer of the Security, with the consent of the Controlling Class and the Swap Counterparty but without the consent of any of the other Secured Parties, the Trustee may agree to (i) the substitution of any other company or other entity in place of the Issuer as principal debtor under the Trust Deed and the Notes and replacement for it under the Deed of Charge and the other Transaction Documents, provided that the Rating Agencies confirm that such substitution will not adversely affect the then current rating of each Class, or (ii) the exchange of the Notes, in whole but not in part only, for other securities or instruments having substantially the same rights and benefits as the Notes, provided that the then current rating of each Class by the Rating Agencies is assigned to such new securities or instruments. Such substitution or exchange will be subject to the relevant terms of the Trust Deed and the other Transaction Documents and to such amendments of the Trust Deed and the other Transaction Documents as the Trustee may deem appropriate. Under

the Trust Deed, the Issuer is required to use its best efforts to cause the substitution as principal debtor under the Trust Deed and the Notes and replacement for it under the Deed of Charge and other Transaction Documents by a company or other entity incorporated in some other jurisdiction (approved by the Trustee) if the Issuer becomes subject to a form of tax on its income or payments on the Notes. Such substitution will be binding on the Noteholders.

- (ii) The Trustee may, with the consent of the Controlling Class and the Swap Counterparty but without the consent of any of the other Secured Parties, agree to a change in the place of residence of the Issuer for taxation purposes provided (i) the Issuer does all such things as the Trustee may require in order that such change is fully effective and complies with such other requirements in the interests of the Noteholders as it may request and (ii) the Issuer provides the Trustee with an Opinion of Counsel satisfactory to the Trustee to the effect that the change of residency of the Issuer will not cause withholding or deduction to be made on payments on the Notes.

(d) **Entitlement of the Trustee**

In connection with the exercise by it of any of its trusts, rights, powers, authorities or discretions (including an amendment, waiver, authorisation, determination or substitution), the Trustee will take into account the interests of the Noteholders as a Class and will not take into account the consequences of such exercise for individual Noteholders resulting from them being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of any particular territory or any political subdivision of such territory and the Trustee will not have the right to require, nor will any Noteholder have a right to claim, from the Issuer, the Trustee or any other person any indemnification or payment related to any tax or other consequence of any such exercise on individual Noteholders.

(e) **No obligation to agree**

The Issuer, the Trustee and the Security Trustee will not be obliged to agree to a Transaction Amendment or a Benchmark Rate Modification which satisfies the relevant conditions specified above which, in the opinion of the Trustee and/or the Security Trustee, would have the effect of (x) exposing the Issuer, the Trustee and/or the Security Trustee to any liability against them which has not been indemnified and/or secured and/or prefunded to its satisfaction or (y) increasing the obligations or duties, or decreasing the protections of the Issuer, the Trustee and/or the Security Trustee in the Transaction Documents and/or these Conditions. Notwithstanding anything to the contrary in the other Transaction Documents, none of the Issuer, the Trustee or the Security Trustee will consider the interests of any other person in entering into Transaction Amendments which satisfy the Amendment Conditions or agreeing to a Benchmark Rate Modification which satisfies the conditions specified in Condition 12(b)(vi) and the Issuer, the Trustee and Security Trustee, will each rely without further investigation on any certification provided to it in connection with such Transaction Amendments or Benchmark Rate Modification, as applicable, and will not be required to monitor or investigate whether the Servicer is acting in a commercially reasonable manner or be responsible for any liability that may be occasioned to any person by acting in compliance with these terms based on written certifications it receives from the Servicer.

13. **Indemnification of the Trustee**

The Trust Deed, the Deed of Charge and certain other of the Transaction Documents contain terms for the indemnification of the Trustee and the Security Trustee and for their relief from responsibility including for the exercise of rights under the Trust Deed and the other Transaction Documents (including, but without limitation, those related to the Security), for the sufficiency and enforceability of the Trust Deed and the other Transaction Documents (which

the Trustee has not investigated) and the validity, sufficiency and enforceability of the Deed of Charge and for taking proceedings to enforce payment unless, indemnified and/or secured and/or prefunded to its satisfaction. The Trustee and the Security Trustee and their affiliates have the right to enter into business transactions with the Issuer, a subsidiary or other affiliate of the Issuer or any other party to the Transaction Documents or an obligor in connection with the Security or their subsidiary, holding or associated companies and to act as Trustee or Security Trustee for the holders of securities issued by them without, accounting to the Noteholders for profit resulting therefrom.

The Trustee and the Security Trustee are exempted from liability related to loss or theft or reduction in value of the Security and from an obligation to insure or to cause the insuring of the Security.

The Trust Deed and the Deed of Charge provide that the Trustee or the Security Trustee will be obliged to take action on behalf of the Noteholders and the Secured Parties in certain circumstances, provided always that the Trustee and/or the Security Trustee is indemnified and/or secured and/or prefunded to its satisfaction. Further, the Trustee will not be obliged to act on behalf of the Noteholders or other Secured Parties where it would not have the power to do so by virtue of applicable law or where such action would be illegal in an applicable jurisdiction.

14. ***Replacement of Notes***

If a Note is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws and regulations, at the specified office of the Registrar on payment by the claimant of the taxes, fees and costs properly incurred in connection with such replacement and on such terms as to evidence, security and indemnity as the Issuer, the Trustee, the Registrar or the Principal Paying Agent may require and otherwise as the Issuer may require. Mutilated or defaced Notes must be surrendered before replacements will be issued.

15. ***Notices***

Subject to the subparagraphs below providing for other means of notices, and only if these other means are not practicable, notices to Noteholders will be valid if published in a daily newspaper of general circulation in Dublin (which is expected to be the Irish Times). Such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of first publication, in all required newspapers. If publication as provided above is not practicable, notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee will approve.

Until such time as Definitive Notes are issued, there may, so long as Global Notes representing the Class A Notes and the Class B Notes are held in their entirety on behalf of Clearstream, Luxembourg and/or Euroclear, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Clearstream, Luxembourg and/or Euroclear, for communication by them to the Holders of the Class A Notes and the Class B Notes and, in addition, for so long as the Class A Notes and Class B Notes are listed on a stock exchange or are admitted to listing by any other relevant authority and the rules of that stock exchange or other relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by that stock exchange or other relevant authority. Such notice will be deemed to have been given to the Holders of the Class A Notes and the Class B Notes on the seventh day after the day on which such notice was given to Clearstream, Luxembourg and/or Euroclear.

Notice to the Noteholders will be validly given if transmitted individually to the address set out in the Register for such Noteholder. While the Class A Notes and the Class B Notes are represented by a Global Note, such notice may be given by a Holder of a Class A Note and Class B Note to the Registrar through Clearstream, Luxembourg and/or Euroclear in such manner as the Registrar and Clearstream, Luxembourg and/or Euroclear may approve for this purpose.

For so long as the Class A Notes and the Class B Notes are listed on Euronext Dublin's official list, copies of all notices given under these Conditions will be sent to Euronext Dublin.

16. **Governing law and jurisdiction**

- (a) The Notes and all non-contractual obligations arising out of or in connection with the Notes are governed by, and will be construed in accordance with, English law.
- (b) The courts of England will have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Notes (including a dispute relating to the existence, validity or termination of the Notes or any non-contractual obligation arising out of or in connection with the Notes) and any legal action or proceedings arising out of or in connection with such disputes may be brought in such courts. The Issuer irrevocably submits to the exclusive jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that they have been brought in an inconvenient forum. This submission is for the benefit of the Security Trustee and will not limit the right of the Security Trustee to take legal action or proceedings in any other court of competent jurisdiction nor will the taking of such proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdiction (whether concurrently or not).

17. **Rights of third parties**

No person will have any right to enforce any term or condition of this Note by virtue of the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

18. **Definitions**

"**Accelerated Payment Date**" means, regarding a principal and/or interest payment on the Notes, each Interest Payment Date after the service of an Enforcement Notice.

"**Accelerated Priority of Payments**" has the meaning given to it in Condition 2(f) (*Application of proceeds*).

"**Account Amount**" has the meaning given to it in clause 1.2 (*Additional definitions*) of the Bank Account Operation Agreement.

"**Account Bank**" means Elavon Financial Services DAC, U.K. Branch.

"**Accountholder**" has the meaning given to it in the definition of Noteholders.

"**Accounts**" means the Distribution Account, the Reserve Account, the Counterparty Downgrade Collateral Account and/or any further account created under the Transaction Documents.

"**Additional Interest**" means any additional interest payable under Condition 6 (*Additional interest and subordination*).

"**Additional Principal Payment**" means (a) regarding a Collection Period and a Receivable (other than a TCM Contract), (i) Total Collections, plus (ii) the Closing Receivables Balance, less (iii) the Interest Collections, less (iv) the Opening Receivables Balance, subject to a minimum of zero and (b) regarding a Collection Period and a TCM Contract under which the relevant Customer has not exercised the option to pay the Optional Final Payment and has not redelivered the Related Vehicle to the Seller (i) Total Collections, plus (ii) the TCM Contract Vehicle Sale Expected Proceeds of such Vehicle, less (iii) the Opening Receivables Balance, less (iv) Interest Collections, subject to a minimum of zero.

"**Adjustment Spread**" has the meaning given to it in Condition 12 (*Meetings of Noteholders, modifications, waiver, substitution and exchange*).

"Agency Agreement" means the agreement dated on or about the Closing Date between, among others, the Issuer and the Agents.

"Agents" means the Paying Agents, the Calculation Agent and the Registrar and **"Agent"** means any one of these.

"Alternative Benchmark Rate" has the meaning given to it in Condition 12 (*Meetings of Noteholders, modifications, waiver, substitution and exchange*).

"Amendment Conditions" has the meaning given to it in Condition 12(b)(v) (*Amendments and waiver*).

"Ancillary Rights" means the ancillary rights associated with each Assigned Receivable (excluding the Excluded Rights), other than ownership and rights associated with ownership of the Vehicle to which such Assigned Receivable relates and must include (but is not limited to) the following (without prejudice to the foregoing):

- (a) in addition to all sums and amounts paid or to be paid, the right to demand, sue for, recover, receive and give receipts for all amounts due (whether or not from Customers) related to such Assigned Receivable under or relating to the relevant Assigned Receivable Agreement;
- (b) the benefit of all covenants and undertakings from Customers and from guarantors related to such Assigned Receivable under or relating to or in connection with the relevant Assigned Receivable Agreement;
- (c) the benefit of all causes and rights of action against Customers and guarantors related to such Assigned Receivable under or relating to or in connection with the relevant Assigned Receivable Agreement;
- (d) all rights, title, interest and benefit, present and future, of the Seller in a Payment Protection Policy and GAP Policy relating to such Assigned Receivable (including, without limitation, such right as the Seller has to receive and retain all amounts payable thereunder, other than premiums and commissions received from Customers) insofar as such relate to such Assigned Receivable;
- (e) all rights, title, interest, powers and benefit, present and future, of the Seller in a motor vehicle insurance policy relating to the Vehicle to which such Assigned Receivable relates and proceeds relating to the same;
- (f) all rights, title, interest and benefit, present and future, of the Seller to any Vehicle Proceeds or under any Vehicle Sale Contract relating to the Vehicle relating to such Assigned Receivable (including, the rights related to repossessed Vehicles as described in clause 2.6 (*Vehicle Proceeds*) of the Receivables Sale Agreement and all causes or rights of action against any other party to the agreement and otherwise arising from the same);
- (g) the benefit of any other rights, title, interests, powers or benefits of FCE in relation to such Assigned Receivable; and
- (h) the purchase price paid or to be paid, the right to demand, sue for, recover, receive and give receipts for all such amounts due related to such Assigned Receivable from a Collection Agent on such Assigned Receivables becoming a Written-Off Receivable, being repurchased by FCE, and being sold to a Collection Agent according to FCE's Bank Working Procedures.

"Assigned Receivables" has the meaning given to it in clause 2.1 (*Sale, assignment and transfer of the Receivables and Ancillary Rights*) of the Receivables Sale Agreement.

"Assigned Receivable Agreement" means a Receivable Agreement from which an Assigned Receivable is derived.

"Auditors" means PricewaterhouseCoopers, the auditors for the time being of the Issuer.

"Available Funds" means Available Interest Collections, Net Swap Counterparty Receipts and Available Principal Collections.

"Available Interest Collections" means, regarding each Collection Period, an amount equal to the sum of:

- (a) the aggregate Interest Collections for Assigned Receivables during such Collection Period;
- (b) the aggregate Recoveries for all Assigned Receivables during such Collection Period;
- (c) the Positive Adjustments received by the Servicer during such Collection Period for all Redelivered Vehicles;
- (d) the aggregate Repurchased Interest for all Assigned Receivables that became Repurchased Receivables during such Collection Period;
- (e) the aggregate Additional Principal Payments relating to all Assigned Receivables during such Collection Period;
- (f) Vehicle Surrender Fees for all Redelivery TCM Contracts for that Collection Period;
- (g) Distribution Account Interest Earned;
- (h) Reserve Account Interest Earned which is not required to maintain the Reserve Amount under clause 4 (*Operation of the Reserve Account*) of the Cash Management Agreement and all other amounts standing to the credit of the Reserve Account in excess of the Reserve Amount;
- (i) any Reserve Amount allocated to Available Interest Collections under clause 4.2 (*Deposits and withdrawals from the Reserve Account*) of the Cash Management Agreement; and
- (j) any other amounts received by the Issuer relating to the Receivables.

"Available Principal Collections" means, regarding each Collection Period, an amount equal to the sum of:

- (a) the aggregate Principal Collections for all Assigned Receivables during such Collection Period;
- (b) regarding a Redelivered Vehicle, any sale proceeds received by the Servicer during such Collection Period for all Redelivered Vehicles up to an amount equal to the TCM Contract Vehicle Sale Expected Proceeds of all such Redelivered Vehicles (less the Incentive Fee if a liquidator or administrator has been appointed for the Seller);
- (c) the Liquidation Proceeds in the relevant Collection Period (less the Incentive Fee if a liquidator or administrator has been appointed for the Seller);
- (d) Reimbursed Losses and Principal Deficiencies;
- (e) Repurchased Principal for all Assigned Receivables that become Repurchased Receivables; and

- (f) any Reserve Amount allocated to Available Principal Collections under clause 4.2 (*Deposits and withdrawals from the Reserve Account*) of the Cash Management Agreement.

"Bank Account Operation Agreement" means the bank account operation agreement dated on or about the Closing Date between the Issuer, the Servicer, the Security Trustee, the Account Bank and the Cash Manager.

"Bank Rate" has the meaning given to it in Condition 4 (*Interest*) of the Notes.

"Bank Working Procedures" means the origination and servicing policies, procedures and risk management controls of FCE relating to automotive retail loan receivables comparable to the Assigned Receivables, as they may be amended from time to time, which set out, *inter alia*, definitions, remedies and actions relating to delinquency and default of customers, debt restructuring, debt forgiveness, forbearance, payment holidays, losses, charge offs, recoveries and other asset performance remedies.

"Benchmark Rate Modification" has the meaning given to it in Condition 12 (*Meetings of Noteholders, modifications, waiver, substitution and exchange*).

"Benchmark Rate Modification Certificate" has the meaning given to it in Condition 12 (*Meetings of Noteholders, modifications, waiver, substitution and exchange*).

"Bribery Act" means the UK Bribery Act 2010.

"Business Day" means a TARGET Settlement Day and a day (other than Saturday, Sunday or public holidays) on which the banks are open in London and Dublin for the settlement of interbank operations and the setting of market indices.

"Calculation Agent" means Elavon Financial Services DAC, U.K. Branch.

"Cash Management Agreement" means the agreement dated on or about the Closing Date between, among others, the Issuer and the Cash Manager.

"Cash Management Fee" means the fee (which will be inclusive of VAT, if applicable) charged by the Cash Manager for the performance of its obligations as Cash Manager under the relevant Transaction Documents.

"Cash Manager" means U.S. Bank Global Corporate Trust Limited.

"Cash Manager Termination Event" means the events specified in clause 17.1 (*Cash Manager Termination Events*) of the Cash Management Agreement.

"CCA" means the Consumer Credit Act 1974, as amended by the Consumer Credit Act 2006 and associated secondary legislation.

"CFTC Representation Requirements" means any reporting and/or representation requirements relating to the counterparty classification of the Issuer in compliance with the relevant guidance provided by the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations published by the U.S. Commodity Futures Trading Commission on 26 July 2013, as may be supplemented or amended from time to time.

"Charged Property" means the assets and agreements from time to time charged in the manner set out in the Deed of Charge to secure the Secured Obligations.

"Class" means each class of Notes.

"Class A Global Note" means the Global Note in relation to the Class A Notes.

"Class A Interest Amount" means the Interest Amount payable on each Class A Note for an Interest Period calculated under Condition 4(d) (*Calculations*).

"Class A Interest Rate" has the meaning given to it in Condition 4(b) (*Interest Rate*).

"Class A Interest Shortfall" means arrears of interest (together with interest on such arrears) owed by the Issuer to the Class A Noteholders under Condition 6(a) (*Additional interest on the Class A Notes*) of the Notes.

"Class A Noteholder" means the Holder of a Class A Note.

"Class A Note Principal Amount" means £350,000,000.00, being the initial principal amount of the Class A Notes.

"Class A Notes" means the £350,000,000.00 Class A Asset Backed Floating Rate Notes due September 2026 issued by the Issuer, substantially in the form set out in Part A of Schedule 1 (*Form of the Class A Notes*) of the Trust Deed.

"Class B Global Note" means the Global Note in relation to the Class B Notes.

"Class B Interest Amount" means the Interest Amount payable on each Class B Note for an Interest Period calculated under Condition 4(d) (*Calculations*).

"Class B Interest Rate" has the meaning given to it in Condition 4(b) (*Interest Rate*).

"Class B Interest Shortfall" means arrears of interest (together with interest on such arrears) owed by the Issuer to the Class B Noteholders under Condition 6(b) (*Interest on the Class B Notes*) of the Notes.

"Class B Noteholder" means the Holder of a Class B Note.

"Class B Note Principal Amount" means £36,400,000.00, being the initial principal amount of the Class B Notes.

"Class B Notes" means the £36,400,000.00 Class B Asset Backed Floating Rate Notes due September 2026 issued by the Issuer, substantially in the form set out in Part B of Schedule 1 (*Form of the Class B Notes*) of the Trust Deed.

"Class C Interest Amount" means the Interest Amount payable on each Class C Note for an Interest Period calculated under Condition 4(d) (*Calculations*).

"Class C Interest Rate" has the meaning given to it in Condition 4(b) (*Interest Rate*).

"Class C Interest Shortfall" means arrears of interest (together with interest on such arrears) owed by the Issuer to the Class C Noteholders under Condition 6(c) (*Interest on the Class C Notes*) of the Notes.

"Class C Noteholder" means the Holder of the Class C Notes.

"Class C Note Principal Amount" means £86,580,667.18, being the initial principal amount of the Class C Notes.

"Class C Notes" means the £86,580,667.18 Class C Asset Backed Fixed Rate Notes due September 2026 issued by the Issuer, substantially in the form set out in Part C of Schedule 1 (*Form of the Class C Notes*) of the Trust Deed.

"Clearing System" means any clearing agency, settlement system or depository (including any entity that acts as a system for the central handling of cash in the country where it is incorporated or organised or that acts as a trans-national system for the central handling of cash) used in connection with transactions relating to cash, including Euroclear and Clearstream, Luxembourg, and any nominee or successor in title of the foregoing.

"Clearstream, Luxembourg" means Clearstream Banking S.A. which is an ICSD.

"Closing Date" means 19 September 2019.

"Closing Receivables Balance" means, regarding an Assigned Receivable (other than a Written-Off Receivable or an Assigned Receivable where all scheduled payments have been paid in full), subject to a minimum of zero, the Net Present Value of the Assigned Receivable as at the close of business London time on the Cut-Off Date less the sum of:

- (a) Principal Collections during the relevant Collection Period;
- (b) regarding a Repurchased Receivable that became a Repurchased Receivable during the relevant Collection Period, the Repurchased Principal;
- (c) regarding an Assigned Receivable which becomes a Written-Off Receivable during the relevant Collection Period, the Losses and, if any, the Liquidation Proceeds for such Written-Off Receivables; and
- (d) regarding a Redelivered Vehicle, any sale proceeds received by the Servicer during the relevant Collection Period for such Redelivered Vehicle up to an amount equal to the TCM Contract Vehicle Sale Expected Proceeds of such Redelivered Vehicle,

received from the close of business on the Cut-Off Date to and including the last day of that Collection Period.

"Collateral Losses" means regarding an Assigned Receivable which becomes a Written-Off Receivable during a Collection Period, the Opening Receivables Balance of such Assigned Receivable less the Liquidation Proceeds (if any) related to such Assigned Receivable.

"Collection Accounts" means the bank account or accounts in the name of the Seller into which amounts due from the Customers under their Receivable Agreements are paid.

"Collection Accounts Beneficiaries" means, together, each beneficiary to the declaration of trust made by FCE on 18 December 2002, as supplemented from time to time, and each being a **"Collection Accounts Beneficiary"**.

"Collection Accounts Trust" means the supplemental declaration of trust to be dated on or about the Closing Date made by FCE in favour of the Issuer supplementing the declaration of trust made by FCE on 18 December 2002, as supplemented from time to time, over the aggregate amount standing to the credit of the Collection Accounts.

"Collection Accounts Trust Property" means the property held in trust under the Collection Accounts Trust.

"Collection Agent" means an entity appointed by the Servicer to, among other things, purchase the Written-Off Receivables.

"Collection Period" means, for an Interest Payment Date, the period from the first Business Day of the prior calendar month (inclusive) to the last Business Day of the same calendar month (inclusive), provided that the first Collection Period is the period which will begin on and include the Closing Date and will end on the last Business Day of the same calendar month (inclusive).

"Common Depository" means regarding the Class B Notes, Elavon Financial Services DAC.

"Common Safekeeper" means regarding the Class A Notes, Euroclear for Euroclear and Clearstream, Luxembourg.

"Compounded Daily SONIA" has the meaning given to it in Condition 4 (*Interest*) of the Notes.

"Conditions" means the terms and conditions of the Notes and **"Condition"** means any one of them.

"Confidential Information" means information about the business or financial matters of FCE Bank plc, the Seller and Servicer and of any third party, as well as any other information which is confidential due to its nature.

"Contractual Documents" means the documents and contractual agreements between the Seller and a Customer, including the relevant Receivable Agreement and any other terms and conditions.

"Controlling Class" means the holders of Class A Notes as long as any Class A Notes are outstanding. After the Class A Notes are paid in full, the most senior Class outstanding will be the controlling class.

"COR" means the long-term critical obligations rating assigned 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. If the COR assigned by DBRS to the relevant entity is public, it will be indicated on the website of DBRS (www.dbrs.com), or if the COR assigned by DBRS to the relevant entity is private, such relevant entity will give notice to each relevant party as soon as reasonably practicable upon the occurrence of any change relevant for the purpose of the applicability of the COR in the Transaction Documents.

"Counterparty Downgrade Collateral Account" has the meaning given to it in the Interest Rate Swap Agreement.

"Customer" means a debtor under a Receivable Agreement, being either (i) an individual consumer or (ii) a commercial customer, including sole traders, partnerships and limited companies.

"Customer Notification Event" has the meaning given to it in clause 4 (*Notification of Assignment of Assigned Receivables*) of the Receivables Sale Agreement.

"Cut-Off Date" means 31 August 2019.

"Data Agent" means U.S. Bank Global Corporate Trust Limited or any replacement data agent.

"Data Custody Agreement" means the data custody agreement dated on or about the Closing Date between the Seller, the Issuer, the Security Trustee and the Data Agent.

"Data Protection Provisions" means all applicable legislation on the protection of data subjects in the United Kingdom including:

- (a) the GDPR; and
- (b) all related national laws, regulations, rules and secondary legislation including the Data Protection Act 2018.

"Day Count Fraction" means, regarding the calculation of an amount of interest on (a) the Class A Notes and the Class B Notes for any period of time, the actual number of days in such period divided by 365 and (b) the Class C Notes, except in respect of the first Interest Period, for any period of time 30 divided by 360 and, in respect of the first Interest Period, the actual number of days in such period divided by 360.

"DBRS" means DBRS Ratings Limited and any successor to the relevant rating activity who is registered under the Credit Rating Agencies Regulation 1060/2009 of the European Parliament and of the Council of 16 September 2009, and included in the list of registered

credit rating agencies published on the website of the European Securities and Markets Authority.

"DBRS Equivalent Chart" means:

DBRS	Moody's	S&P	Fitch
AAA	Aaa	AAA	AAA
AA (high)	Aa1	AA+	AA+
AA	Aa2	AA	AA
AA (low)	Aa3	AA-	AA-
A (high)	A1	A+	A+
A	A2	A	A
A (low)	A3	A-	A-
BBB (high)	Baa1	BBB+	BBB+
BBB	Baa2	BBB	BBB
BBB (low)	Baa3	BBB-	BBB
BB (high)	Ba1	BB+	BB+
BB	Ba2	BB	BB
BB (low)	Ba3	BB-	BB-
B (high)	B1	B+	B+
B	B2	B	B
B (low)	B3	B-	B-
CCC (high)	Caa1	CCC+	CCC
CCC	Caa2	CCC	
CCC (low)	Caa3	CCC-	
CC	Ca	CC C	
D	C	D	D

"DBRS Equivalent Rating" means, in respect of a long-term, unsecured, unsubordinated, unguaranteed debt rating (i) if a Fitch public rating, a Moody's public rating and an S&P public rating are all available, (a) the remaining rating (upon conversion on the basis of the DBRS Equivalent Chart) once the highest and the lowest rating have been excluded or (b) in the case of two or more same ratings, any of such ratings (upon conversion on the basis of the DBRS Equivalent Chart); (ii) if the DBRS Equivalent Rating cannot be determined under paragraph (i) above, but public ratings by any two of Fitch, Moody's and

S&P are available, the lower rating available (upon conversion on the basis of the DBRS Equivalent Chart); and (iii) if the DBRS Equivalent Rating cannot be determined under paragraph (i) or paragraph (ii) above, and therefore only a public rating by one of Fitch, Moody's and S&P is available, such rating will be the DBRS Equivalent Rating (upon conversion on the basis of the DBRS Equivalent Chart).

"**Deed of Charge**" means the deed of charge dated on or about the Closing Date between, among others, the Issuer and the Security Trustee.

"**Deferred Purchase Price Component**" has the meaning given to it in clause 2.2(c) (*Deferred Purchase Price Component*) of the Receivables Sale Agreement.

"**Definitions Schedule**" means the definitions schedule set out in Schedule 1 (*Definitions Schedule*) of the Receivables Sale Agreement.

"**Definitive Notes**" means the definitive registered note representing a holding of Notes and which will represent the Class C Notes on issue substantially in the form set out in Schedule 1 (*Forms of the Notes*) of the Trust Deed.

"**Delinquent Receivable**" means, regarding a Collection Period, an Assigned Receivable for which a payment has not been made under the terms of the relevant Receivable Agreement regarding the Assigned Receivable on the applicable due date, and that is outstanding at the end of such Collection Period, and has been recorded as such in the Servicer's receivables system.

"**Discount Rate**" means, regarding an Assigned Receivable, the greater of (a) the interest rate on such Assigned Receivable and (b) 3.9%.

"**Distribution Account**" means the account maintained at the Account Bank (or any successor of such account bank) in the name of the Issuer with IBAN code GB69DEUT40508117703603, SWIFT USBKGB22 and account number 736536-01 or any other bank account specified as such in compliance with the Bank Account Operation Agreement.

"**Distribution Account Interest Earned**" means, on each Payment Date, the interest credited to the Distribution Account during the relevant Collection Period.

"**Downgrade Event**" has the meaning given to it in clause 12.2 (*Replacement of Account Bank*) of the Bank Account Operation Agreement.

"**Eligibility Criteria**" means the criteria listed in Schedule 3 (*Eligibility Criteria*) of the Receivables Sale Agreement.

"**Eligible Swap Counterparty**" means a person to whom the Swap Counterparty's rights and obligations could be transferred under the Interest Rate Swap Agreement.

"**EMIR**" means the European Market Infrastructure Regulation (EU) No 648/2012 of 4 July 2012.

"**Enforcement Notice**" means, after the occurrence of an Event of Default, the notice served by the Trustee on the Issuer, the Account Bank, the Cash Manager, the Security Trustee and the Paying Agents declaring the Notes due and payable, after which the Security will become enforceable.

"**English**" means, in relation to a Receivable, a Receivable governed by English law;

"**EU Blocking Regulation**" means Council Regulation (EC) No 2271/96.

"**EU Insolvency Regulation**" means Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast).

"**Euroclear**" means Euroclear Bank S.A./ N.V. as operator of the Euroclear system which is an ICSD.

"**Euronext Dublin**" means The Irish Stock Exchange plc trading as Euronext Dublin.

"**Event of Default**" has the meaning given to it in Condition 10 (*Events of Default*) of the Notes.

"**Event of Default Interest Rate**" means, the Interest Rate for each Interest Period after the occurrence of an Event of Default as set out in the Conditions.

"**Excess Mileage Fee**" means, regarding a Collection Period and a Redelivery TCM Contract, any fee paid by the relevant Customer regarding such Redelivery TCM Contract during such Collection Period on account of the number of miles on the odometer of the applicable Vehicle at the time of its redelivery exceeding the maximum distance specified in the relevant Receivable Agreement.

"**Excess Swap Collateral**" means any Return Amount (as such term is defined in the Credit Support Annex) which the Swap Counterparty has the right to have returned to it under the Interest Rate Swap Agreement.

"**Exchange Act**" means the U.S. Securities Exchange Act of 1934.

"**Excluded Rights**" means that portion of the amount outstanding under an Assigned Receivable Agreement which relates to:

- (a) default interest and fees for, and expenses, charges and costs, if any, payable as a consequence of, late payment, administrative fees or charges or any fee payable on purchase or return of a Vehicle (but, for the avoidance of doubt, not the Vehicle Proceeds or the Vehicle Surrender Fee) and any interest accruing on such amounts;
- (b) any Periodic Payments to the extent that such relate to the Assigned Receivable Agreement or to the payment of premiums to insurers or commission to the Seller regarding Payment Protection Policies and GAP Policies; or
- (c) any amount paid by a Customer and applied on or before the Cut-Off Date.

"**Extraordinary Resolution**" has the meaning given to it in Condition 12 (*Meetings of Noteholders, modifications, waiver, substitution and exchange*).

"**FATCA**" means:

- (a) sections 1471 to 1474 of the U.S. Internal Revenue Code and the Treasury regulations and official guidance issued thereunder, each as amended from time to time ("**U.S. FATCA**");
- (b) any inter-governmental agreement between the United States and any other jurisdiction entered into in connection with U.S. FATCA (an "**IGA**");
- (c) any treaty, law, regulation or official guidance enacted, issued or amended in any jurisdiction which facilitates the implementation of U.S. FATCA or an IGA ("**Implementing Law**"); and
- (d) any agreement entered into with the U.S. Internal Revenue Service, the U.S. government or any governmental or tax authority in any other jurisdiction in connection with U.S. FATCA, an IGA or any Implementing Law.

"**FATCA Costs**" means any costs or expenses related to compliance with, or implementation of, FATCA, and any costs or expenses as a result of indemnification for FATCA Deductions.

"FATCA Deduction" means a deduction or withholding from a payment under a Transaction Document required by FATCA.

"FATCA Exempt Party" means a party that has the right to receive payments free from a FATCA Deduction.

"FCE" means FCE Bank plc, a company incorporated in England and Wales under number 772784, having its registered office at Arterial Road, Laindon, Essex SS15 6EE, England.

"FCPA" means the U.S. Foreign Corrupt Practices Act 1977.

"Final Legal Maturity Date" means 20 September 2026 or, if such day is not a Business Day, the next following Business Day.

"Financial Collateral Arrangement Regulations" means the Financial Collateral Arrangements (No.2) Regulations no. 2003/3226 of 10 December 2003.

"Fitch" means Fitch Ratings Ltd.

"Ford" means Ford Motor Company, a company incorporated in the State of Delaware, USA, whose principal executive office is located at One American Road, Dearborn, Michigan 48126, USA.

"GAP Policy" means an optional insurance policy in case of total loss of a Vehicle for insurance purposes and the amount recovered under the Customer's motor vehicle insurance policy being insufficient to meet the amount payable under the relevant Receivable Agreement or, at the Customer's option, the greater of the amount payable under the relevant Receivable Agreement and the original purchase price for the Vehicle, taken out by a Customer.

"GDPR" means (Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016).

"Global Note" means the global note, in fully registered form, without interest coupons attached, which will represent the Class A Notes and the Class B Notes on issue substantially in the form set out in Schedule 1 (*Forms of the Notes*) of the Trust Deed.

"Governmental Authority" means any country or nation, any political subdivision, state or municipality of such country or nation, and any entity exercising executive legislative, judicial, regulatory or administrative functions of or relating to the government of any country or nation or political subdivision.

"ICSD" means an International Central Securities Depository.

"ICSD Agreement" means the agreement dated on or about the Closing Date between the Issuer and Euroclear and Clearstream, Luxembourg.

"Incentive Fee" means, regarding a Vehicle, an incentive fee payable by the Issuer to a Receiver, a liquidator, provisional liquidator, administrator, trustee or other similar or analogous official in a relevant jurisdiction in relation to FCE under clause 2.6(c) (*Incentive Fee*) of the Receivables Sale Agreement equal to 1% of the Vehicle Proceeds for such Vehicle (which may be set-off from the Vehicle Proceeds).

"Independent Director" means a duly appointed member of the board of directors of the Issuer who should not have been, at the time of such appointment, or at any time in the prior five years, (i) a direct or indirect legal or beneficial owner in the Seller or its affiliates (excluding de minimus ownership interests), (ii) a creditor, supplier, employee, officer, director, family member, manager, or contractor of the Seller or its affiliates, or (iii) a person who controls (whether directly, indirectly, or otherwise) the Seller or its affiliates or a creditor, supplier, employee, officer, director, manager, or contractor of the Seller or its affiliates;

"Insolvency Event" means, for a person, (a) the making of a general assignment for the benefit of creditors, (b) the filing of a voluntary petition in bankruptcy, (c) being adjudged bankrupt or insolvent, or having had an order entered against such person for relief in any bankruptcy or insolvency proceeding, (d) the filing by such person of a petition or answer seeking reorganisation, liquidation, dissolution or similar relief under any applicable statute, law or regulation, (e) seeking, consenting to or acquiescing in the appointment of a trustee, liquidator, receiver administrator or similar official of such person or of all or any substantial part of such person's assets, (f) the failure to obtain dismissal or a stay within 60 days of the start of or the filing by such person of an answer or other pleading admitting or failing to contest the material allegations of a petition filed against such person in any proceeding against such person seeking (i) reorganisation, liquidation, dissolution or similar relief under any applicable statute, law or regulation or (ii) the appointment of a trustee, liquidator, receiver or similar official of such person or of all or any substantial part of such person's assets, or (g) the failure by such person generally to pay its debts as such debts become due.

"Interest Amount" means the amount of interest payable on each Note for an Interest Period calculated under Condition 4(d) (*Calculations*).

"Interest Collections" means, regarding an Assigned Receivable and a Collection Period, the lesser of:

- (a) Total Collections; and
- (b) the sum of:
 - (i) the Opening Receivables Balance multiplied by the Discount Rate divided by 12; and
 - (ii) Overdue Interest.

"Interest Collections Shortfall" means on an Interest Payment Date, an amount equal to the excess, if any, of the amount required to make payments under items (i) to (ix) of the Interest Priority of Payments on such Interest Payment Date over the Available Interest Collections and the Net Swap Counterparty Receipts for such Interest Payment Date.

"Interest Determination Date" means, for an Interest Period, the fifth London Banking Day before the next following Interest Payment Date.

"Interest Payment Date" means, for an Interest Period, the 20th day of each month or, if such day is not a Business Day, the next following Business Day and, for the first such interest payment date, 21 October 2019.

"Interest Period" means the period beginning from (and including) an Interest Payment Date to (but excluding) the next following Interest Payment Date; provided that the first Interest Period will be the period beginning from (and including) the Closing Date to (but excluding) 21 October 2019.

"Interest Priority of Payments" has the meaning given to it in Condition 2(d) (*Interest Priority of Payments and Principal Priority of Payments*).

"Interest Rate" means the rate of interest payable from time to time by the Issuer on each Class A Note or each Class B Note or each Class C Note as set out in Condition 4(b) (*Interest Rate*).

"Interest Rate Swap Agreement" means the interest rate swap agreement between the Issuer and the Swap Counterparty, documented by a 1992 ISDA Master Agreement, the schedule thereto and the credit support annex thereunder (the **"Credit Support Annex"**) each dated as of 10 September 2019 and the interest rate swap agreement confirmation dated 12 September 2019.

"IRS Agreement" means an agreement made by a person (or an affiliate of that person) with the U.S. Internal Revenue Service under section 1471 of FATCA.

"Issuer" means Globaldrive Auto Receivables UK 2019-A plc.

"Issuer Corporate Services Agreement" means the agreement dated on or about the Closing Date between, among others, the Issuer and the Issuer Corporate Services Provider.

"Issuer Corporate Services Provider" means Wilmington Trust SP Services (London) Limited.

"Issuer Expenses" means liabilities, expenses and indemnities related to the payments to:

- (a) the Issuer for the Retained Amount from which the Issuer will discharge its liability to corporation tax, the Issuer Corporate Services Provider under the Issuer Corporate Services Agreement and the Tax Creditors for Taxes (to the extent not paid out of the Retained Amount) and any arrears remaining unpaid for any such liabilities or expenses, *pari passu* and *pro rata* amongst themselves, then to;
- (b) the Trustee under the Trust Deed, the Security Trustee and the Receiver under the Deed of Charge, or any other insolvency official (including for any Incentive Fee not otherwise paid) under the Receivables Sale Agreement and any arrears remaining unpaid for any such liabilities or expenses, *pari passu* and *pro rata* amongst themselves, then to;
- (c) the Cash Manager for the Cash Management Fee under the Cash Management Agreement, and any arrears remaining unpaid for any such fee, then to;
- (d) the Agents under the Agency Agreement, the Issuer's Auditors, the Data Agent under the Data Custody Agreement and the Account Bank under the Bank Account Operation Agreement, and any arrears remaining unpaid for any such liabilities or expenses, *pari passu* and *pro rata* amongst themselves, then to;
- (e) the Joint Lead Managers under the Senior Note Purchase Agreement, payment of any indemnification amounts due and payable by the Issuer under clause 12.1 (*Indemnification by the Issuer*) of that agreement and any arrears remaining unpaid for any such indemnification amounts, *pari passu* and *pro rata* amongst themselves, and then to;
- (f) any third parties for any amounts that the Issuer is liable to pay except those otherwise specifically referred to in the applicable Priority of Payments,

with the addition of VAT, if applicable.

"Joint Lead Managers" means Banco Santander, S.A., BNP Paribas, Lloyds Bank Corporate Markets plc and NatWest Markets Plc, as joint lead managers for the Class A Notes and the Class B Notes and each a "Joint Lead Manager".

"Junior Note Purchase Agreement" means the note purchase agreement dated on or about the Signing Date between the Issuer and FCE as purchaser of the Class C Notes.

"Key" has the meaning given to it in clause 3 (*Deposit of the Key*) of the Data Custody Agreement.

"Liquidation Proceeds" means, regarding a Collection Period, for each Assigned Receivable that becomes a Written-Off Receivable during such Collection Period the aggregate of the collections received in relation to that Assigned Receivable during such Collection Period.

"List of Receivables" means the list dated on or about the Closing Date containing, for each Receivable, the information set out in Schedule 2 (*Information to be given regarding Receivables to be assigned and Vehicles to be transferred*) to the Receivables Sale Agreement as of the Cut-Off Date in a password protected file sent by email unequivocally marked or identified as relating to the Sale Notice and received by the Issuer on or before the Closing Date (or other media as agreed from time-to-time between the Seller and the Issuer including in encrypted electronic form, CD or other electronic portable storage device).

"London Banking Day" means a day (other than Saturday, Sunday or public holidays) on which the banks are open in London for the settlement of interbank operations and the setting of market indices.

"Losses" means, on each Interest Payment Date, (i) regarding an Assigned Receivable which became a Written-Off Receivable during that Collection Period, the Opening Receivables Balance for such Collection Period less the Liquidation Proceeds (if any), (ii) regarding a Receivable which is a Redelivery TCM Contract, the Negative Adjustment (if any) and (iii) Principal Deficiencies.

"Majority of Noteholders" means any Class A Noteholder holding more than 66⅔% of the principal amount outstanding of the Class A Notes held, or, only if no Class A Notes are outstanding, any Class B Noteholder holding more than 66⅔% of the principal amount outstanding of the Class B Notes held, or, only if no Class A Notes and no Class B Notes are outstanding, any Class C Noteholder holding more than 66⅔% of the principal amount outstanding of the Class C Notes held.

"Mandate" has the meaning given to it in clause 1.2 (*Additional definitions*) of the Bank Account Operation Agreement.

"Mandatory Early Part Redemption Amount" means, for a Note and an Interest Payment Date, the principal amount redeemable for a Note of that Class on that Interest Payment Date under Condition 5(c) (*Mandatory early redemption in part*).

"MiFID II" means Directive 2014/65/EU, as amended.

"Modified Agreement Contracts" means contracts which are used for refinancing the balloon payment for customers who choose to retain their vehicle at the end of their TCM contract and which extend the existing TCM Contract.

"Monthly Report" has the meaning given to it in clause 6 (*Monthly Reports and calculations*) of the Receivables Servicing Agreement.

"Monthly Reporting Date" means the second Business Day before the relevant Payment Date.

"Moody's" means Moody's Investors Service Limited.

"Negative Adjustment" means, regarding an Assigned Receivable that is a Redelivery TCM Contract, an amount equal to the amount by which the TCM Contract Vehicle Sale Actual Proceeds for such Redelivery TCM Contract received by the Servicer fall short of the TCM Contract Vehicle Sale Expected Proceeds for such Redelivery TCM Contract during the relevant Collection Period.

"Net Present Value" means, as at the Cut-Off Date:

$$\sum_{t=1}^n \text{Cash flows}_t \left(1 + \frac{i}{12}\right)^{-t}$$

where Cash flows = the aggregate remaining scheduled instalments due from the Customer and the Optional Final Payment under the Receivable Agreement less collections in relation to

Excluded Rights, n = the remaining number of Collection Periods scheduled for that Receivable Agreement and i = the Discount Rate at the Cut-Off Date.

"Net Swap Counterparty Receipts" means, for an Interest Payment Date, amounts actually received from the Swap Counterparty under the Interest Rate Swap Agreement on that Interest Payment Date (other than collateral provided by the Swap Counterparty under the Interest Rate Swap Agreement before the date of termination of the transactions under the Interest Rate Swap Agreement). If a payment is due by the Swap Counterparty to the Issuer, the Issuer will have the right to use the collateral provided by the Swap Counterparty to the extent such amount is due.

"New Vehicle" means a Vehicle identified as a new vehicle under FCE's Bank Working Procedures.

"Northern Irish" means in relation to a Receivable, a Receivable governed by or otherwise subject to the laws of Northern Ireland (including, without limitation, those arising under Receivable Agreements for which the address for invoicing of the relevant Customer is situated in Northern Ireland).

"Note Purchase Agreements" means the Senior Note Purchase Agreement and the Junior Note Purchase Agreement.

"Noteholder" or **"Holder"** means the person in whose name such Note is registered at that time in the Register or, in the case of a joint holding, the first named person; provided that, so long as any of the Notes are represented by a Global Note, the term **"Noteholder"** or **"Holder"** will include the persons for the time being set out in the records of Euroclear and/or Clearstream, Luxembourg, as the holders of a particular principal amount of such Notes (each an **"Accountholder"**) in units of £1,000 principal amount of Notes for all purposes other than regarding the payment of principal and interest on such Notes, the right to which will be vested as against the Issuer solely in the Holder of each Global Note under and subject to its terms.

"Noteholder Benchmark Rate Consent Event" has the meaning given to it in Condition 12 (*Meetings of Noteholders, modifications, waiver, substitution and exchange*).

"Notes" means the Class A Notes, the Class B Notes and the Class C Notes and will, when the circumstances so require, include the Global Notes.

"Notes Benchmark Rate Modification" has the meaning given to it in Condition 12 (*Meetings of Noteholders, modifications, waiver, substitution and exchange*).

"NSS" means the new safekeeping structure applicable to debt securities in global registered form recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations since 1 October 2010.

"Observation Period" has the meaning given to it in Condition 4 (*Interest*) of the Notes.

"Opening Receivables Balance" means, regarding an Assigned Receivable:

- (a) regarding the first Collection Period after the Closing Date, the Net Present Value as at the Cut-Off Date for that Assigned Receivable; and
- (b) regarding all following Collection Periods, the Closing Receivables Balance for the prior Collection Period.

"Opinion of Counsel" means an opinion of counsel, which counsel will be reasonably acceptable to the Trustee, the Security Trustee, the Issuer and the Rating Agencies and be of international standing recognised in the field of securitisation, and which opinion will be addressed to the Issuer, the Trustee and each Secured Party.

"Optional Final Payment" means, regarding a TCM Contract, the residual value ascribed by FCE to the Vehicle regarding such TCM Contract described as the "Optional Final Payment" in such TCM Contract.

"outstanding" means, for any Class, all the Notes of that Class issued other than:

- (a) those which have been redeemed in compliance with their Conditions;
- (b) those regarding which the due date for redemption has occurred in compliance with their Conditions and the redemption moneys and interest accrued on such moneys to the due date of such redemption and any interest payable after such date have been paid to the Trustee or to the Principal Paying Agent in the manner set out in the Agency Agreement and remain available for payment against presentation and surrender of the relevant Notes;
- (c) those regarding which claims have become void under their Conditions;
- (d) those mutilated or defaced Notes which have been surrendered and cancelled and regarding which replacements have been issued under their Conditions;
- (e) (for the purpose only of ascertaining the amount of a Class that is outstanding and without prejudice to their status for any other purpose) those Notes which are alleged to have been lost, stolen or destroyed and regarding which replacements have been issued under their Conditions; and
- (f) any Global Note to the extent that it has been exchanged for the related Definitive Notes under their respective terms;

provided that for each of the following purposes, namely:

- (i) the determination of how many of which Notes of a Class are for the time being outstanding for the purposes of their Conditions and the Trust Deed requiring calculation of the proportion of Noteholders of such Class requesting or directing the Trustee to enforce the security for such Class, or the provisions for meetings of the Noteholders of such Class set out in the Trust Deed;
- (ii) any discretion, power or authority which the Trustee is required or permitted, expressly or impliedly, to exercise in or by reference to the interests of the Noteholders of such Class or any of them; and
- (iii) the determination by the Trustee whether, in its opinion, any event, circumstance, matter or thing is or would be materially prejudicial to the interests of the Noteholders or any of them,

(1) those Notes of the relevant Class, if any, which are beneficially held by or for the account of the Issuer will be deemed not to remain outstanding and (2) if FCE, or its affiliates, holds only some (but not all) of the Notes of the relevant Class, such Notes will be deemed not to remain outstanding.

"Overdue Interest" means, regarding a Receivable, for each previous Collection Period in which:

- (a) the Opening Receivables Balance multiplied by the Discount Rate divided by 12 exceeded
- (b) Total Collections,

the aggregate of such excess

less

for each previous Collection Period in which:

- (a) Interest Collections exceeded
- (b) the Opening Receivables Balance multiplied by the Discount Rate divided by 12,

the aggregate of such excess.

"Paying Agent" means any paying agent appointed under the Agency Agreement, including the Principal Paying Agent.

"Payment Date" means an Interest Payment Date or an Accelerated Payment Date.

"Payment Protection Policy" means a payment protection policy taken out by a Customer to cover the risk of non-payment by the Customer in the case of death or inability to work due to illness, injury or disability.

"Perfection Power of Attorney" means the power of attorney provided by the Seller in the form of Part B of Schedule 6 (*Seller's Powers of Attorney*) of the Receivables Sale Agreement.

"Periodic Payment" means regarding a Receivable, each of the scheduled periodic instalment payments payable by the relevant Customer(s) under the related Receivable Agreement.

"Permitted Exceptions" means the following payments to be paid outside of the Priority of Payments by the Issuer:

- (a) any payment or delivery to be made by the Issuer under the Credit Support Annex including any Excess Swap Collateral which will be due and payable only to the extent of the amount in the Counterparty Downgrade Collateral Account;
- (b) any upfront payment to any replacement Swap Counterparty under the Interest Rate Swap Agreement (which will be paid directly to such replacement Swap Counterparty);
- (c) any payment of Tax to the Tax Creditors or other payments to a Governmental Authority on a date not being an Interest Payment Date;
- (d) any Swap Tax Credits which will be returned directly to the Swap Counterparty under the terms of the Cash Management Agreement; and
- (e) any Replacement Swap Premium (only to the extent it is applied to pay a Swap Termination Payment due and payable by the Issuer to the outgoing Swap Counterparty).

"Personal Data" means any information relating to an identified or identifiable natural person who can be identified, directly or indirectly, as defined in Article 4(1) of the European data protection regulation (Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016).

"Positive Adjustment" means, regarding a Redelivery TCM Contract that is an Assigned Receivable, the amount (if any) by which the TCM Contract Vehicle Sale Actual Proceeds for such Redelivery TCM Contract received by the Servicer exceeds the TCM Contract Vehicle Sale Expected Proceeds for such Redelivery TCM Contract.

"Potential Event of Default" means an event or circumstance that will with the giving of notice, lapse of time, issue of a certificate and/or fulfilment of any other requirement become an Event of Default.

"Potential Servicer Termination Event" means an event or circumstance that will with the giving of notice, lapse of time, issue of a certificate and/or fulfilment of any other requirement become a Servicer Termination Event.

"Principal Collections" means, regarding an Assigned Receivable (other than a Written-Off Receivable or a Repurchased Receivable), Total Collections less Interest Collections, subject to a maximum of the Opening Receivables Balance, during the relevant Collection Period.

"Principal Deficiency" means:

- (a) regarding an Assigned Receivable which is not a TCM Contract (where all scheduled payments have been paid in full), subject to a minimum of zero:
 - (i) the Opening Receivables Balance for the relevant Collection Period less;
 - (ii) Principal Collections for such Collection Period less;
 - (iii) the Closing Receivables Balance for such Collection Period; and
- (b) regarding a TCM Contract regarding which the relevant Customer has not exercised the option to pay the Optional Final Payment and has redelivered the Related Vehicle to the Seller, subject to a minimum of zero:
 - (i) the Opening Receivables Balance for the relevant Collection Period less;
 - (ii) Principal Collections for such Collection Period less;
 - (iii) the TCM Contract Vehicle Sale Expected Proceeds of the Related Vehicle.

"Principal Paying Agent" means Elavon Financial Services DAC, U.K. Branch.

"Principal Priority of Payments" has the meaning given to it in Condition 2(d) (*Interest Priority of Payments and Principal Priority of Payments*).

"Principal Purchase Price Component" has the meaning given to it in clause 2.2(b) (*Payment of Purchase Price*) of the Receivables Sale Agreement.

"Principles of Construction" means the principles of interpretation and construction set out in clause 2 (*Principles of Construction*) of the Definitions Schedule.

"Priority of Payments" means the Interest Priority of Payments, and/or the Principal Priority of Payments and/or the Accelerated Priority of Payments.

"Proceedings Power of Attorney" means the power of attorney provided by the Seller in the form of Part A of Schedule 6 (*Seller's Powers of Attorney*) of the Receivables Sale Agreement.

"Prospectus" means this prospectus dated on or about the Closing Date describing the Notes and the Transaction Documents.

"Purchase Price" means the price to be paid by the Issuer as consideration for the acquisition of the Assigned Receivables, calculated in compliance with clause 2.2 (*Payment of Purchase Price*) of the Receivables Sale Agreement.

"Prospectus Regulation" means Regulation (EU) 2017/1129.

"Qualified Institution" means a bank (a) that may make all payments of interest under the Bank Account Operation Agreement without withholding or deduction for or on account of tax, (b) (i) who has a short-term deposit rating of at least "P-1" (or its equivalent) from Moody's or a long-term deposit rating of at least "A2" (or its equivalent) from Moody's or, if the bank does not have such rating, it must be guaranteed by an institution having such rating and (ii) whose COR is at least "A (high)", or if such bank does not have a COR, whose unsecured, unsubordinated and unguaranteed long-term debt obligations are rated at least "A" by DBRS or, if such bank has no rating from DBRS, a DBRS Equivalent Rating of at least "A" and (c) that is or will (before a FATCA Deduction may be required) become a FATCA Exempt Party.

"Rating Agencies" means DBRS and Moody's.

"RCF Agreement" means the multicurrency revolving credit facility agreement dated 25 April 2013 and made between FCE and certain other parties thereto (as the same may be extended, amended, supplemented and/or replaced with any substantially similar facility from time to time).

"Receivables" means all claims, present and future, absolute or contingent, due now or in the future arising out of a Receivable Agreement for the repayment of a Receivable and will, unless the context requires otherwise, include Ancillary Rights, but excludes the Excluded Rights, and "Receivable" will mean each individual claim.

"Receivable Agreement" means an agreement between FCE and a Customer for the conditional sale of a Vehicle under which FCE advances a sum of money which the Customer repays by making Periodic Payments and under which the title to the Vehicle remains with FCE until the final Periodic Payment has been made by the Customer or an agreement between FCE and a Customer for the hire purchase of a Vehicle under which the Customer makes Periodic Payments to FCE regarding its use of the Vehicle and under which title to the Vehicle remains with FCE until the final Periodic Payment has been made by the Customer.

"Receivables Sale Agreement" means the agreement for the sale and purchase of retail auto receivables dated 19 September 2019 between the Seller, the Issuer, the Security Trustee and the Trustee.

"Receivables Servicing Agreement" means the receivables servicing agreement dated 19 September 2019 between the Servicer, the Issuer, the Trustee and the Security Trustee.

"Receiver" means an administrative receiver or similar officer falling within the definition of "administrative receiver" under section 29(2) of the UK Insolvency Act 1986 or under Article 5(1) of the Insolvency (Northern Ireland) Order 1989 (as amended) (as appropriate).

"Recoveries" means, during the relevant Collection Period, (i) regarding a Written-Off Receivable sold to a Collection Agent under FCE's Bank Working Procedures, all sums received by the Servicer for that Written-Off Receivable before the sale to the Collection Agent plus the purchase price paid by the Collection Agent and received by the Issuer or the Servicer on its behalf in relation to that Written-Off Receivable, or (ii) regarding a Written-Off Receivable not sold to a Collection Agent, all sums received by the Servicer in relation to that Written-Off Receivable and (iii) the consideration and any other amounts that the Issuer or the Servicer on its behalf has the right to receive under clause 8.4 (*Written-Off Receivables*) of the Receivables Sale Agreement in relation to that Written-Off Receivable net of associated costs, charges, fees and expenses, as applied or as otherwise permitted under FCE's Bank Working Procedures.

"Redelivered Vehicle" means, if a TCM Contract is a Redelivery TCM Contract, the relevant Vehicle returned by a dealer (or by a third party on a dealer's behalf) to the Servicer.

"Redelivery TCM Contract" means a TCM Contract under which the Customer has not exercised its option to pay the Optional Final Payment and has redelivered to the Servicer the Vehicle financed by such TCM Contract.

"Register" means the register kept at the specified office of the Registrar on which will be entered the names and addresses of the Holders of the Notes and the particulars of such Notes held by them and all transfers and redemptions of such Notes.

"Registrar" means Elavon Financial Services DAC, U.K. Branch.

"Regulation AB" means subpart 229.1100 – Asset-Backed Securities (Regulation AB), 17 C.F.R. §§229.1100-229.1123, as clarified and interpreted by the Securities and Exchange Commission or its staff.

"Regulation S" means Regulation S under the Securities Act.

"Reimbursed Losses and Principal Deficiencies" means, regarding a Collection Period, the amounts of Available Interest Collections and the Net Swap Counterparty Receipts which are treated as Available Principal Collections to reimburse Losses and Unreimbursed Losses and Principal Deficiencies.

"Related Vehicle" means the Vehicle related to an Assigned Receivable.

"Relevant Date" means, regarding a Note, the date when payment on such Note first becomes due or, if any amount of the money payable is improperly withheld or refused, the date when payment in full of the amount outstanding is made or (if earlier) the date seven days after the date when notice is given to the Noteholders in compliance with Condition 15 (*Notices*) that, on further presentation of the Note being made in compliance with these Conditions, such payment will be made, provided that payment is in fact made on such presentation.

"Relevant Screen" has the meaning given to it in Condition 4 (*Interest*) of the Notes.

"Repurchased Interest" means, as at an Interest Payment Date, the sum of (a) regarding a Repurchased Receivable, the Overdue Interest related to such Repurchased Receivable as at the end of the prior Collection Period and (b) an amount equal to the product of the Discount Rate of such Repurchased Receivable and the Opening Receivables Balance of such Repurchased Receivable divided by 12.

"Repurchased Principal" means, regarding a Repurchased Receivable, the Opening Receivables Balance.

"Repurchased Receivables" means, regarding a Collection Period, Assigned Receivables being repurchased by the Seller under the Receivables Sale Agreement on the Interest Payment Date next following that Collection Period.

"Replacement Swap Premium" means an amount received by the Issuer from a replacement Swap Counterparty after entry by the Issuer into an agreement with such replacement Swap Counterparty to replace the outgoing Swap Counterparty, which will be applied by the Issuer under the Cash Management Agreement and the Deed of Charge.

"Reserve Account" means the account maintained at the Account Bank (or any successor of such account bank) in the name of the Issuer with IBAN code GB69DEUT40508117703603 and account number 736536-02 or any other bank account specified as such under the Bank Account Operation Agreement.

"Reserve Account Interest Earned" means, on each Payment Date, any interest deposited in the Reserve Account during the relevant Collection Period.

"Reserve Account Draw Amount" means the amount withdrawn by the Issuer from the Reserve Account and deposited in the Distribution Account, used to fund Available Interest Collections under clause 4.2(b) (*Deposits and withdrawals from the Reserve Account*) of the Cash Management Agreement.

"Reserve Amount" means £2,898,000.00 funded by the Issuer from the proceeds of the Class C Notes and transferred to the Reserve Account by the Issuer on the Closing Date.

"Residual Value" means, in respect of a Vehicle under a TCM Contract, the future market value of that Vehicle at the end of the contract term.

"Responsible Person" means:

- (a) for the Servicer, an officer of the Servicer or other person who is authorised to act for the Servicer;
- (b) for the Seller, an officer of the Seller or other person who is authorised to act for the Seller,

the positions or job titles of such officers and other persons being named in an officer's certificate delivered from time to time by the Servicer or the Seller to the Security Trustee and the Trustee, provided that each Responsible Person will be the person who holds a position or job title referred to in the most recent officer's certificate received by the Security Trustee and the Trustee.

"Retained Amount" means £16,700 *per annum*.

"Returned Vehicle Fee" means, the fee that a dealer pays to the Servicer to return to the Servicer a Vehicle related to a TCM Contract.

"Risk Retention U.S. Persons" means "U.S. persons" as defined in the U.S. Risk Retention Rules.

"S&P" means S&P Global Ratings.

"Sale Notice" means the notice of sale of Receivables substantially in the form of Appendix 1 delivered by the Seller under clause 2.1 (*Sale and transfer of the Receivables and Ancillary Rights*) of the Receivables Sale Agreement and attaching the List of Receivables.

"Sanctions" means sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury, Her Majesty's Treasury, the United Nations Security Council or the European Union.

"Scottish" means in relation to a Receivable, a Receivable governed by or otherwise subject to Scots law (including, without limitation, those arising under Receivable Agreements for which the address for invoicing of the relevant Customer is situated in Scotland).

"Scottish Completion Trust" means the trust over Scottish Assigned Receivables arising or under the Scottish Trust Declaration to be entered into among FCE and the Issuer.

"Scottish Completion Trust Property" means all the right, title, benefit and interest that the Issuer has under the relevant Scottish Completion Trust.

"Scottish Deed of Charge" means the Scots law deed of charge entered into by the Issuer under clause 3.7 of the Deed of Charge and in the form set out in Schedule 3 (*Form of Scottish Deed of Charge*) to the Deed of Charge.

"Scottish Trust Declaration" means the declaration of trust between the Issuer and FCE entered into pursuant to clause 2.3(d) (*Scottish Trust Declaration*) of the Receivables Sale Agreement and substantially in the form set out in Schedule 8 (*Scottish Trust Declaration*) of the Receivables Sale Agreement.

"Secured Obligations" means the aggregate of all moneys and other obligations whatsoever, present and future whether actual or contingent, which from time to time become due or owing by the Issuer to the Secured Parties.

"Secured Parties" means the Trustee, the Security Trustee, a Receiver, the Noteholders, the Swap Counterparty, the Issuer Corporate Services Provider, the Cash Manager, FCE (in its capacities as the Seller and the Servicer), the Data Agent, the Paying Agents, the Registrar and the Calculation Agent and each other person identified as a secured party by the Deed of Charge for the period of such designation.

"Securities Act" means the U.S. Securities Act of 1933.

"Securitisation Regulation" means Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down common rules on securitisation and creating a European framework for simple, transparent and standardised securitisation and amending Directives 2009/65/EC, 2009/38/EC, 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012.

"Securitisation Regulation Disclosure Requirements" means the applicable disclosure requirements set out in Article 7(1) of the Securitisation Regulation and the related regulatory technical standards adopted by the EU Commission, as well as under any associated ESMA guidelines in relation thereto.

"Security" means the security constituted by the Deed of Charge, and any further security thereunder.

"Security Interests" means the security and other rights and interests created or granted by the Issuer under and under the Trust Deed and the Deed of Charge, including those which arise by operation of law and Security Interest will mean any one of them.

"Security Trustee" means U.S. Bank Trustees Limited or any successor security trustee and/or additional security trustee appointed under the Deed of Charge.

"Seller" means FCE Bank plc.

"Seller Credit Quality Event" means (i) the delivery by the Facility Agent (as defined in the RCF Agreement) of a notice of acceleration to FCE (as the borrower) following the occurrence of an Event of Default (as defined in the RCF Agreement and not remedied in accordance with the provisions thereof) or (ii) the termination of the RCF Agreement without FCE entering into a replacement thereof.

"Seller's Powers of Attorney" means the Proceedings Power of Attorney and the Perfection Power of Attorney.

"Senior Note Purchase Agreement" means the note purchase agreement for the Class A Notes and the Class B Notes offered and sold outside the United States in reliance on Regulation S dated on or about the Signing Date between the Issuer, the Joint Lead Managers and the Seller.

"Servicer" means FCE Bank plc.

"Servicer Termination Event" means the events specified in clause 12.1 (*Termination and appointment of replacement Servicer*) of the Receivables Servicing Agreement.

"Servicing Fee" means for each Collection Period, the fee payable to the Servicer for services rendered for such Collection Period in an amount equal to the product of:

$A \times B \times C$

where:

"A" = 0.02 per cent. or as may be otherwise agreed between the Servicer, the Issuer and the Security Trustee;

"B" = 1/12; and

"C" = the Opening Receivables Balance as at the beginning of the Collection Period ending immediately before the relevant Payment Date, except for the first Collection Period, where C is the Closing Receivables Balance on the Cut-Off Date,

inclusive of VAT if applicable;

provided that, in the event FCE Bank plc's appointment as Servicer is terminated in compliance with the Receivables Servicing Agreement, the Servicing Fee will be such fee as may be negotiated with any replacement servicer, as contemplated in the Receivables Servicing Agreement.

"Signing Date" means 16 September 2019.

"SONIA" means the Sterling Overnight Index Average.

"SONIA Reference Rate" has the meaning given to it in Condition 4 (*Interest*) of the Notes.

"Special Quorum Resolution" has the meaning given to it in paragraph 2.8 of Schedule 3 (*Provisions for meetings of Noteholders*) of the Trust Deed.

"Stabilising Manager" means NatWest Markets Plc.

"Standard Contract" means a Receivable Agreement which is a level payment hire purchase contract or a balloon payment hire purchase contract other than a TCM Contract.

"Standard Form Contract" means standard form contract used by the Seller on or before the Closing Date as the basis of Receivable Agreements.

"Sterling" or **"£"** means the lawful currency of the United Kingdom.

"Supplemental Collection Accounts Trust Property" means, regarding the Collection Accounts Trust, the interest of the Issuer under the Collection Account Trust.

"Swap Benchmark Rate Modification" has the meaning given to it in Condition 12 (*Meetings of Noteholders, modifications, waiver, substitution and exchange*).

"Swap Counterparty" means Lloyds Bank Corporate Markets plc.

"Swap Subordinated Amounts" means any amounts due from the Issuer to the Swap Counterparty after termination of the Interest Rate Swap Agreement:

- (a) where the Swap Counterparty is the Defaulting Party (as defined in the Interest Rate Swap Agreement); or
- (b) due to the occurrence of an Additional Termination Event (as defined in the Interest Rate Swap Agreement) where the Swap Counterparty is the sole Affected Party (as defined in the Interest Rate Swap Agreement).

"Swap Tax Credits" means any credit, allowance, set-off or repayment, which is received by the Issuer regarding tax from the tax authorities of any jurisdiction relating to a deduction or withholding giving rise to an increased payment by the Swap Counterparty to the Issuer, the amounts of which will be applied by the Issuer under the Cash Management Agreement.

"Swap Termination Payment" means any payment due to the Swap Counterparty on the early Termination of a swap transaction under the Interest Rate Swap Agreement to which such Swap Counterparty is a party.

"SWIFT" means Society for Worldwide Interbank Financial Telecommunication.

"TARGET2" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

"TARGET Settlement Day" means a day on which TARGET2 is open for the settlement of payments in Sterling.

"Tax Creditors" means HM Revenue & Customs and any other competent tax authority to which the Issuer owes Taxes.

"Taxes" means, regarding a Collection Period, the amounts due to the Tax Creditors for tax (including tax exemption fees) from the Issuer and in the case of the Issuer, in the same proportion to the total amount owing as the principal amount outstanding of the Notes bears to the principal amount outstanding of all notes issued by the Issuer, as determined by the Issuer Corporate Services Provider.

"Tax Information Arrangement" means any governmental or inter-governmental arrangement, or other arrangement between competent authorities, for the cross-border exchange of tax information applicable in any jurisdiction (or any treaty, law, regulation, or official guidance enacted, issued or amended in any jurisdiction which facilitates the implementation of such arrangement) including (without limitation) FATCA, any arrangement analogous to FATCA, the OECD global standard for automatic and multilateral exchange of financial information between tax authorities (also known as the "Common Reporting Standard") and any bilateral or multilateral tax information agreement between the United Kingdom and any other jurisdiction(s).

"TCM Contract" means a Receivable Agreement under which the relevant Customer has the option to pay the Optional Final Payment and take title to the Related Vehicle or, if not, to redeliver the Related Vehicle to the dealer from whom such Vehicle was purchased or such other dealer specified by the Servicer.

"TCM Contract Vehicle Sale Actual Proceeds" means, regarding a Collection Period and a Redelivery TCM Contract that is an Assigned Receivable, the proceeds realised by the Servicer from the sale of the relevant Vehicle during such Collection Period net of the Returned Vehicle Fee and any costs incurred by the Servicer in connection with such sale.

"TCM Contract Vehicle Sale Expected Proceeds" means, regarding a Redelivery TCM Contract that is an Assigned Receivable, the amount of the final Instalment of such Redelivery TCM Contract that would have been payable by the relevant Customer(s) had such TCM Contract not become a Redelivery TCM Contract.

"Total Collections" means, regarding an Assigned Receivable, all sums received and applied by the Servicer during the relevant Collection Period less (i) collections in relation to Excluded Rights and (ii) all payments revoked (including payments not honoured by the Customer's paying bank) regarding that Assigned Receivable in that Collection Period.

"Traded-in Vehicle Contract" means a TCM Contract under which the Customer has not exercised its option to pay the Optional Final Payment, has requested financing for a new Vehicle which is not available, and regarding which the Customer has been allowed to retain their current Vehicle until a new Vehicle becomes available.

"Transaction Amendments" has the meaning given to it in Condition 12(b)(v) (*Amendments and waiver*).

"Transaction Documents" means:

- (a) the Conditions;
- (b) the Notes;

- (c) the Receivables Sale Agreement;
 - (d) the Receivables Servicing Agreement;
 - (e) the Bank Account Operation Agreement;
 - (f) the Trust Deed;
 - (g) the Deed of Charge;
 - (h) the Cash Management Agreement;
 - (i) the Note Purchase Agreements;
 - (j) the Agency Agreement;
 - (k) the Collection Accounts Trust;
 - (l) the Interest Rate Swap Agreement;
 - (m) the Data Custody Agreement;
 - (n) each Vehicle Declaration of Trust;
 - (o) each Scottish Completion Trust;
 - (p) each Scottish Deed of Charge; and
 - (q) the Issuer Corporate Services Agreement,
- and all other documents specified by the parties.

"Trust Deed" means the trust deed dated on or about the Closing Date between the Issuer and the Trustee.

"Trustee" means U.S. Bank Trustees Limited or a successor trustee and/or additional trustee appointed under the Trust Deed.

"UK" means the United Kingdom of Great Britain and Northern Ireland.

"United States" has the meaning ascribed to it in Regulation S.

"Unreimbursed Losses and Principal Deficiencies" means, regarding a Collection Period, the amount by which Losses for all Assigned Receivable Agreements and Principal Deficiencies for all Assigned Receivable Agreements for all previous Collection Periods exceed Reimbursed Losses and Principal Deficiencies for all previous Collection Periods.

"U.S. Internal Revenue Code" means the U.S. Internal Revenue Code of 1986.

"U.S. Person" has the meaning ascribed to it in Regulation S or the U.S. Risk Retention Rules, as applicable.

"U.S. Risk Retention Rules" means Regulation RR (17 C.F.R Part 246) implementing the risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended, adopted under the requirements of Section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

"Used Contract" means a Receivable Agreement under which the Related Vehicle is a Used Vehicle.

"Used Vehicle" means a Vehicle identified as a used vehicle under FCE's Bank Working Procedures.

"Vehicle" means a New Vehicle or Used Vehicle which is the object of financing by the Seller under the Assigned Receivable Agreements and listed by its vehicle identification number in a List of Receivables.

"Vehicle Declaration of Trust" means the trust declared by the Seller dated on or about the Closing Date substantially in the form set out in Schedule 4 (*Form of Vehicle Declaration of Trust*) of the Receivables Sale Agreement.

"Vehicle Declaration of Trust Property" means all the right, title, benefit and interest that the Issuer has under the relevant Vehicle Declaration of Trust.

"Vehicle Proceeds" means the proceeds of sale of Vehicles that are the subject of Assigned Receivable Agreements including sales of relevant Vehicles arising under TCM Contracts or arising due to the return or repossession of Vehicles following a default under an Assigned Receivable Agreement or exercise by Customers of voluntary termination right.

"Vehicle Sale Contract" means a contract made by FCE with a third party for sale of a Vehicle after the return or repossession of such Vehicle from the Customer.

"Vehicle Surrender Fee" means, regarding a Collection Period and a Redelivery TCM Contract, the sum of (a) the Excess Mileage Fee and (b) the Wear and Tear Fee.

"Wear and Tear Fee" means, regarding a Collection Period and a Redelivery TCM Contract, the fee paid by the relevant Customer regarding such Redelivery TCM Contract during such Collection Period on account of the applicable Vehicle not being found to be in good condition at the time of its redelivery by such Customer.

"Written-Off Receivable" means a Receivable which is written-off under FCE's Bank Working Procedures.

"Written Resolution" has the meaning given to it in Schedule 3 (*Provisions for meetings of Noteholders*) of the Trust Deed.

PRIOR SECURITISED POOLS

Footnotes:

- (1) Weighted averages are weighted by the principal balance of each receivable on the cut-off date.
- (2) The weighted average life of the receivables is calculated by (a) multiplying the scheduled principal payments by the number of months from the cut-off date, (b) adding the results, (c) dividing the sum by 12 and (d) dividing the result by the initial aggregate outstanding receivables balance, and based on the assumption that payments are due on the first day of the month, all receivables pay as scheduled, starting one month from the cut-off date, with no delays, defaults or prepayments.
- (3) The LTV for a receivable for purposes of this table is the original amount financed divided by the wholesale value of the vehicle.
- (4) End of month pool balance is the aggregate net present value of the receivables as at the cut-off date less principal collections from the cut-off date to the last day of that month.
- (5) Cumulative net losses are the aggregate net present value at the beginning of the month of all receivable agreements that are written-off that month less net vehicle sale proceeds and other customer recoveries in that month. Net losses include all external costs associated with repossession and disposition of the vehicle and continued collection efforts after write-off.
- (6) Prepayments are the aggregate principal balance of all receivable agreements prepaid in full during the month.
- (7) The period of delinquency is the number of days that more than £1.00 of a scheduled payment is past due. The sterling amounts represent the aggregate outstanding receivables balance of the delinquent accounts as of the end of the month.

Globaldrive Auto Receivables UK 2016-A

Original Pool Characteristics

Closing Date	27 October 2016	Scheduled Weighted Average Life (2)	1.9 years
Cut-Off Date	30 September 2016	Weighted Average Months After Origination (Seasoning)(1)	6 months
Number of Receivables	49,348	Weighted Average LTV at Origination(1)(3)	83.51%
Initial Aggregate Net Present Value	£542,029,146.73	Financed Vehicle - Commercial Use:	
Net Present Value		Aggregate net present value	£30,566,022.52
Average net present value	£10,983.81	Percentage of initial aggregate net present value	5.64%
Maximum net present value	£40,322.05	Financed Vehicle - New:	
Minimum Net Present Value	£75.79	Aggregate net present Value	£458,505,234.19
Original Amount Financed:		Percentage of initial aggregate net present value	84.59%
Average	£12,316.50	Financed Vehicle - Used:	
Highest	£42,000.00	Aggregate net present value	£83,523,912.54
Lowest	£1,500.00	Percentage of initial aggregate net present value	15.41%
Standard Balloon Values:		Receivable agreement Type - Standard (balloon and non-balloon):	
Average	£6,489.40	Aggregate net present value	£106,116,199.03
Highest	£15,950.00	Percentage of initial aggregate net present value	19.58%
Lowest	£2,179.00	Receivable agreement Type - TCM	
TCM Balloon Values		Aggregate net present value	£435,912,947.70
Average	£6,773.71	Percentage of initial aggregate net present value	80.42%
Highest	£23,877.00	Percentage of Initial Aggregate Net Present Value of 20 Largest Customers.	0.18%
Lowest	£1,265.90	Percentage of Initial Aggregate Net Present Value of Largest Customer	0.02%
Original Interest Rate		Percentage of Top 6 Makes/Models:	
Weighted Average (1)	4.17%	Ford Fiesta	41.10%
Highest	15.84%	Ford Focus	20.66%
Lowest	0.00%	Ford Kuga	14.64%
Original Term:		Ford EcoSport	6.02%
Weighted Average (1)	36.4 months	Ford Transit	3.93%
Longest	60 months	Ford Ranger	2.32%
Shortest	24 months	Percentage of Receivables in Top 4 Regions:	
Remaining Term		East (England)	14.26%
Weighted Average (1)	31.5 months	North West (England)	13.57%
Longest	59 months	West Midlands (England)	12.98%
Shortest	4 months	South East (England)	12.97%

(1)(2)(3) See page B-1 for footnotes.

Additional Pool (Combined) Characteristics

Closing Date	31 October 2016	Weighted Average Months After Origination (Seasoning)(1).....	4.1 months
	30 November 2016	Weighted Average LTV at Origination(1)(3).....	87.66%
	31 December 2016	Financed Vehicle – Private Use:	
	31 January 2017	Aggregate net present value	£226,744,639.18
	28 February 2017	Percentage of initial aggregate net present value.....	94.11%
	31 March 2017	Financed Vehicle - Commercial Use:	
	30 April 2017	Aggregate net present value	£14,179,264.12
	31 May 2017	Percentage of initial aggregate net present value.....	5.89%
	30 June 2017	Financed Vehicle - New:	
	31 July 2017	Aggregate net present value	£203,700,126.40
	31 August 2017	Percentage of initial aggregate net present value.....	84.55%
	30 September 2017	Financed Vehicle - Used:	
		Aggregate net present value	£37,223,776.90
		Percentage of initial aggregate net present value.....	15.45%
Number of Receivables	20,999	Receivable agreement Type - Standard (balloon and non-balloon):	
Initial Aggregate Net Present Value	£240,923,903.30	Aggregate net present value.....	£47,216,579.340
Net Present Value		Percentage of initial aggregate net present value.....	19.60%
Average net present value	£11,473.11	Receivable agreement Type - TCM	
Maximum net present value	£36,908.55	Aggregate net present value.....	£193,707,323.960
Minimum Net Present Value.....	£32.41	Percentage of initial aggregate net present value.....	80.40%
Original Amount Financed:		Percentage of Initial Aggregate Net Present Value of 20 Largest Customers.....	0.30%
Average	£12,967.44	Percentage of Initial Aggregate Net Present Value of Largest Customer	0.02%
Highest.....	£41,217.00	Percentage of Top 6 Makes/Models:	
Lowest.....	£1,500.00	Ford Fiesta.....	36.59%
Standard Balloon Values:		Ford Focus.....	20.56%
Average	£6,824.39	Ford Kuga.....	15.30%
Highest.....	£13,935.00	Ford EcoSport.....	6.17%
Lowest.....	£1,813.00	Ford Transit.....	3.64%
TCM Balloon Values		Ford Edge.....	3.38%
Average	£6,860.13	Percentage of Receivables in Top 4 Regions:	
Highest.....	£23,704.00	East (England)	15.30%
Lowest.....	£1,546.98	North West (England)	13.54%
Original Interest Rate		West Midlands (England)	13.00%
Weighted Average (1).....	2.95%	South East (England)	12.93%
Highest.....	15.76%		
Lowest.....	0.00%		
Original Term:			
Weighted Average (1)	36.6 months		
Longest.....	60 months		
Shortest	24 months		
Remaining Term			
Weighted Average (1).....	32.7 months		
Longest	59 months		
Shortest	5 months		

(1)(3)See page B-1 for footnotes.

Original and additional Pool Performance

Month	Date	End-of-Month Pool Balance ⁽⁴⁾	Cumulative Net Losses ⁽⁵⁾	Prepayments ⁽⁶⁾	Delinquencies ⁽⁷⁾			
					31-60 Days	61-90 Days	91-120 Days	120+ Days
1.	Oct-16	542,029,688	8,828	8,543,930	454,457	11,648	8,074	
2.	Nov-16	542,029,443	16,338	5,928,386	175,669	43,681	11,648	8,074
3.	Dec-16	542,029,208	40,612	4,617,044	784,033	138,425	71,586	19,723
4.	Jan-17	542,029,391	46,194	5,928,863	1,105,652	190,418	114,691	50,088
5.	Feb-17	542,029,527	109,309	7,184,134	650,666	221,745	54,292	53,123
6.	Mar-17	542,030,090	182,863	18,042,828	1,355,367	275,988	112,706	35,212
7.	Apr-17	542,029,506	260,141	13,665,194	665,266	523,174	158,879	92,405
8.	May-17	542,029,497	359,421	11,409,148	1,403,936	440,269	258,336	49,820
9.	Jun-17	542,029,210	409,765	9,927,172	871,697	464,639	89,078	172,479
10.	Jul-17	542,029,182	478,424	9,323,567	1,294,936	562,813	176,247	94,101
11.	Aug-17	542,029,422	547,935	9,520,439	1,242,247	518,872	271,165	162,100
12.	Sep-17	542,029,645	685,573	12,157,191	767,123	572,837	259,446	178,347
13.	Oct-17	515,449,444	773,205	15,022,435	1,549,846	562,582	220,452	236,572
14.	Nov-17	493,127,234	954,100	10,853,995	708,843	447,770	226,901	242,483
15.	Dec-17	473,706,237	1,136,594	8,207,770	1,671,595	554,026	242,487	213,476
16.	Jan-18	451,567,727	1,289,762	11,045,881	1,656,488	557,036	248,887	200,047
17.	Feb-18	427,936,686	1,443,616	12,539,509	1,091,385	295,439	199,558	169,702
18.	Mar-18	395,255,520	1,591,744	22,023,803	1,758,928	364,835	45,331	176,504
19.	Apr-18	363,749,601	1,752,707	21,670,744	865,924	616,365	182,909	147,348
20.	May-18	337,702,841	1,834,564	16,564,443	1,764,756	492,184	249,021	170,035
21.	Jun-18	314,765,083	1,977,275	13,927,072	913,246	599,568	208,919	209,936

22.	Jul-18	293,217,320	2,232,754	12,818,501	1,428,627	504,333	204,979	214,570
23.	Aug-18	271,963,528	2,282,087	12,939,446	1,448,463	444,590	198,890	190,131
24.	Sep-18	248,589,544	2,382,722	15,639,798	743,027	424,091	159,751	219,581
25.	Oct-18	223,937,984	2,581,139	17,172,000	1,130,916	414,859	142,490	156,811
26.	Nov-18	205,455,581	2,654,122	11,586,592	634,679	287,176	158,135	103,067
27.	Dec-18	188,405,138	2,853,337	10,463,586	1,057,376	360,647	109,619	88,069
28.	Jan-19	169,779,749	2,973,830	12,617,804	945,627	381,482	86,299	105,573
29.	Feb-19	151,433,596	2,968,668	12,607,332	657,932	251,204	61,499	90,506
30.	Mar-19	127,681,961	3,096,703	18,805,597	952,262	246,128	68,222	78,546
31.	Apr-19	107,055,103	3,165,316	16,291,014	388,347	372,235	98,047	32,610

See page B-1 for footnotes.

Globaldrive Auto Receivables UK 2017-A

Original Pool Characteristics

Closing Date	20 July 2017	Scheduled Weighted Average Life (2).....	1.9 years
Cut-Off Date	30 June 2017	Weighted Average Months After Origination (Seasoning)(1)	4.9 months
Number of Receivables	40,665	Weighted Average LTV at Origination(1)(3).....	83.40%
Initial Aggregate Net Present Value	£472,973,781.07	Financed Vehicle – Private Use:	
Net Present Value		Aggregate net present value.....	£445,218,839.46
Average net present value	£11,630.98	Percentage of initial aggregate net present value	94.13%
Maximum net present value	£42,310.71	Financed Vehicle – Commercial Use	
Minimum Net Present Value.....	£111.28	Aggregate net present Value.....	£27,754,941.61
Original Amount Financed:		Percentage of initial aggregate net present value	5.87%
Average	£13,183.41	Financed Vehicle - New:	
Highest.....	£42,904.00	Aggregate net present value.....	£403,097,641.13
Lowest	£1,500.00	Percentage of initial aggregate net present value.....	85.23%
Standard Balloon Values:		Financed Vehicle - Used:	
Average	£6,883.84	Aggregate net present value	£69,876,139.94
Highest	£14,762.00	Percentage of initial aggregate net present value	14.77%
Lowest	£1,711.00	Receivable agreement Type - Standard (balloon and non-balloon):	
TCM Balloon Values		Aggregate net present value.....	£90,271,652.85
Average	£6,945.45	Percentage of initial aggregate net present value	19.09%
Highest.....	£24,324.00	Receivable agreement Type - TCM	
Lowest	£1,377.00	Aggregate net present value.....	£382,702,128.220
Original Interest Rate		Percentage of initial aggregate net present value	80.91%
Weighted Average (1)	2.74%	Percentage of Initial Aggregate Net Present Value of 20 Largest Customers.....	0.19%
Highest.....	15.63%	Percentage of Initial Aggregate Net Present Value of Largest Customer.....	0.01%
Lowest	0.00%	Percentage of Top 6 Makes/Models:	
Original Term:		Ford Fiesta	34.97%
Weighted Average (1)	36.6 months	Ford Focus	21.15%
Longest.....	60 months	Ford Kuga.....	16.03%
Shortest	24 months	Ford EcoSport	6.36%
Remaining Term		Ford Edge.....	3.50%
Weighted Average (1)	32.5 months	Ford Transit	3.50%
Longest.....	59 months	Percentage of Receivables in Top 4 Regions:	
Shortest	6 months	East (England)	15.54%
		North West (England)	13.61%
		West Midlands (England)	12.95%
		South East (England)	12.89%

(1)(2)(3)See page B-1 for footnotes.

Additional Pool (Combined) Characteristics

Closing Date	31 July 2017		
	31 August 2017		
	30 September 2017		
	31 October 2017		
	30 November 2017		
	31 December 2017		
	31 January 2018		
	28 February 2018		
	31 March 2018		
	30 April 2018		
	31 May 2018		
	30 June 2018		
Number of Receivables	16,044	Weighted Average Months After Origination (Seasoning)(1).....	3.6 months
Initial Aggregate Net Present Value	£ 206,960,386.74	Weighted Average LTV at Origination(1)(3)	88.11%
Net Present Value		Financed Vehicle – Private Use:	
Average net present value	£ 12,899.55	Aggregate net present value	£ 193,043,594.32
Maximum net present value	£ 37,607.83	Percentage of initial aggregate net present value.....	93.28%
Minimum Net Present Value.....	£ 573.89	Financed Vehicle - Commercial Use:	
Original Amount Financed:		Aggregate net present value	£ 13,916,792.42
Average	£ 14,652.18	Percentage of initial aggregate net present value	6.72%
Highest.....	£ 41,857.00	Financed Vehicle - New:	
Lowest.....	£ 1,500.00	Aggregate net present value	£ 181,687,666.20
Standard Balloon Values:		Percentage of initial aggregate net present value	87.79%
Average	£ 7,284.16	Financed Vehicle - Used:	
Highest.....	£ 15,950.00	Aggregate net present value	£ 25,272,720.54
Lowest.....	£ 1,500.00	Percentage of initial aggregate net present value.....	12.21%
TCM Balloon Values		Receivable agreement Type - Standard (balloon and non-balloon):	
Average	£ 7,360.52	Aggregate net present value	£ 35,621,897.25
Highest.....	£ 25,075.00	Percentage of initial aggregate net present value	17.21%
Lowest.....	£ 1,624.79	Receivable agreement Type - TCM	
Original Interest Rate		Aggregate net present value	£171,338,489.490
Weighted Average (1).....	2.20%	Percentage of initial aggregate net present value	82.79%
Highest.....	15.26%	Percentage of Initial Aggregate Net Present Value of 20 Largest Customers	0.40%
Lowest.....	0.00%	Percentage of Initial Aggregate Net Present Value of Largest Customer	0.04%
Original Term:		Percentage of Top 6 Makes/Models:	
Weighted Average (1)	38.2 months	Ford Fiesta.....	34.60%
Longest.....	60 months	Ford Focus.....	21.09%
Shortest.....	24 months	Ford Kuga.....	16.05%
Remaining Term		Ford EcoSport.....	5.39%
Weighted Average (1).....	34.8 months	Ford Transit.....	3.80%
Longest.....	59 months	Ford Ranger.....	3.62%
Shortest.....	6 months	Percentage of Receivables in Top 4 Regions:	
		East (England)	15.70%
		North West (England)	13.73%
		South East (England)	13.15%
		West Midlands (England)	12.60%

(1)(3)See page B-1 for footnotes.

Original and additional Pool Performance

Month	Date	End-of-Month Pool Balance ⁽⁴⁾	Cumulative Net Losses ⁽⁵⁾	Prepayments ⁽⁶⁾	Delinquencies ⁽⁷⁾			
					31-60 Days	61-90 Days	91-120 Days	120+ Days
1	Jul-17	472,974,043	2,157	4,376,883	344,621	9,264	-	-
2	Aug-17	472,973,965	3,736	3,943,163	433,817	74,217	-	-
3	Sep-17	472,974,123	26,940	5,984,527	152,588	170,828	14,730	-
4	Oct-17	472,974,372	32,778	7,802,591	682,896	226,178	65,442	2,443
5	Nov-17	472,974,393	50,943	6,450,508	199,986	211,079	129,768	-
6	Dec-17	472,974,447	150,954	6,385,288	1,091,769	148,419	87,354	44,904
7	Jan-18	472,974,072	246,356	8,519,433	1,061,792	258,548	55,617	18,258
8	Feb-18	472,974,522	223,280	8,415,340	563,004	252,836	41,991	25,123
9	Mar-18	472,974,513	224,839	14,882,251	1,421,521	171,927	103,166	87,212
10.	Apr-18	472,973,991	289,055	14,435,925	503,637	349,285	74,930	110,571
11.	May-18	472,974,584	356,678	9,803,951	1,262,127	240,573	138,023	67,743
12.	Jun-18	472,974,070	418,157	8,391,984	646,490	473,203	99,973	95,488
13.	Jul-18	453,877,366	508,936	9,205,002	1,290,753	315,494	175,652	78,385
14.	Aug-18	435,514,115	550,280	8,515,330	1,186,858	475,319	113,778	103,357
15.	Sep-18	412,429,779	616,333	13,531,407	608,238	377,827	154,432	133,318
16.	Oct-18	388,370,640	679,977	14,823,329	1,184,579	313,488	144,054	90,760
17.	Nov-18	369,260,580	726,054	10,286,617	583,192	389,953	158,660	101,025
18.	Dec-18	351,961,908	829,401	8,653,074	1,249,947	274,299	145,862	126,017
19.	Jan-19	332,562,240	890,735	11,040,796	1,197,526	377,272	175,855	150,266
20.	Feb-19	312,854,935	985,885	11,522,013	631,547	384,747	71,581	100,047
21.	Mar-19	284,939,608	1,096,337	20,114,540	1,169,355	215,607	143,853	102,635

22.	Apr-19	259,711,791	1,155,677	18,343,250	515,543	377,889	72,328	79,184
23.	May-19	241,432,012	1,204,183	11,762,995	982,700	304,097	126,931	68,750
24.	Jun-19	225,520,092	1,351,786	9,561,859	544,022	313,516	107,176	77,873
25.	Jul-19	209,359,631	1,396,455	10,119,171	660,648	206,834	140,253	100,532

See page B-1 for footnotes.

**Globaldrive Auto Receivables UK 2018-A
Original Pool Characteristics**

Closing Date	29 May 2018	Scheduled Weighted Average Life (2).....	2.1 years
Cut-Off Date	30 April 2018	Weighted Average Months After Origination (Seasoning)(1)	3.8 months
Number of Receivables	30,682	Weighted Average LTV at Origination(1)(3)	88.69%
Initial Aggregate Net Present Value	£ 405,409,083.26	Financed Vehicle - Private Use:	
Net Present Value		Aggregate net present value	£ 373,959,270.040
Average net present value	£ 13,213.25	Percentage of initial aggregate net present value	92.2%
Maximum net present value	£ 40,807.30	Financed Vehicle – Commercial Use:	
Minimum Net Present Value.....	£ 321.30	Aggregate net present Value.....	£ 31,449,813.220
Original Amount Financed:		Percentage of initial aggregate net present value	7.8%
Average	£ 15,063.71	Financed Vehicle - New:	
Highest.....	£ 44,985.16	Aggregate net present value	£ 368,411,171.480
Lowest	£ 1,500.00	Percentage of initial aggregate net present value.....	90.9%
Standard Balloon Values:		Financed Vehicle – Used:	
Average	£ 7,353.89	Aggregate net present value	£ 36,997,911.780
Highest.....	£ 15,592.00	Percentage of initial aggregate net present value	9.1%
Lowest	£ 1,000.00	Receivable agreement Type – Standard (balloon and non-balloon)	
TCM Balloon Values		Aggregate net present value	£ 68,717,775.390
Average	£ 7,473.89	Percentage of initial aggregate net present value	17.0%
Highest.....	£ 25,408.00	Receivable agreement Type - TCM	
Lowest	£ 1,500.00	Aggregate net present value	£ 336,691,307.870
Original Interest Rate		Percentage of initial aggregate net present value	83.0%
Weighted Average (1)	1.97%	Percentage of Initial Aggregate Net Present Value of 20 Largest Customers.	0.25%
Highest.....	15.15%	Percentage of Initial Aggregate Net Present Value of Largest Customer.....	0.02%
Lowest	0.00%	Percentage of Top 6 Makes/Models:	
Original Term:		Ford Fiesta.....	36.92%
Weighted Average (1)	38.3 months	Ford Focus.....	18.91%
Longest	60 months	Ford Kuga.....	14.46%
Shortest	24 months	Ford EcoSport.....	5.16%
Remaining Term		Ford Transit.....	4.24%
Weighted Average (1)	34.8 months	Ford Ranger.....	4.53%
Longest	59 months	Percentage of Receivables in Top 4 Regions:	
Shortest	6 months	East (England)	15.19%
		North West (England).....	13.59%
		West Midlands (England).....	12.51%
		South East (England)	13.50%

(1)(2)(3)See page B-1 for footnotes.

Additional Pool (Combined) Characteristics

Closing Date	31 May 2018		
	30 June 2018		
	31 July 2018		
	31 August 2018		
	30 September 2018		
	31 October 2018		
	30 November 2018		
	31 December 2018		
	31 January 2019		
	28 February 2019		
	31 March 2019		
	30 April 2019		
Number of Receivables	10,552	Weighted Average Months After Origination (Seasoning)(1)	3.8 months
Initial Aggregate Net Present Value	£ 150,130,096.22	Weighted Average LTV at Origination(1)(3)	88.89%
Net Present Value		Financed Vehicle – Private Use:	
Average net present value	£ 14,227.64	Aggregate net present value	£ 139,072,944.87
Maximum net present value	£ 41,623.08	Percentage of initial aggregate net present value	92.63%
Minimum Net Present Value	£ 726.57	Financed Vehicle - Commercial Use:	
Original Amount Financed:		Aggregate net present value	£ 11,057,151.35
Average	£ 16,323.75	Percentage of initial aggregate net present value	7.37%
Highest	£ 44,577.86	Financed Vehicle - New:	
Lowest	£ 1,790.00	Aggregate net present value	£ 143,988,130.92
Standard Balloon Values:		Percentage of initial aggregate net present value	95.91%
Average	£ 7,494.00	Financed Vehicle - Used:	
Highest	£ 15,575.00	Aggregate net present value	£ 6,141,965.30
Lowest	£ 2,703.00	Percentage of initial aggregate net present value	4.09%
TCM Balloon Values		Receivable agreement Type - Standard (balloon and non-balloon):	
Average	£ 7,886.38	Aggregate net present value	£ 21,837,337.97
Highest	£ 25,764.00	Percentage of initial aggregate net present value	14.55%
Lowest	£ 2,270.95	Receivable agreement Type - TCM	
Original Interest Rate		Aggregate net present value	£ 128,292,758.250
Weighted Average (1)	1.18%	Percentage of initial aggregate net present value	85.45%
Highest	14.65%	Percentage of Initial Aggregate Net Present Value of 20 Largest Customers	0.49%
Lowest	0.00%	Percentage of Initial Aggregate Net Present Value of Largest Customer	0.03%
Original Term:		Percentage of Top 6 Makes/Models:	
Weighted Average (1)	38.3 months	Ford Fiesta	36.63%
Longest	60 months	Ford Focus	18.25%
Shortest	24 months	Ford Kuga	14.99%
Remaining Term		Ford EcoSport	9.48%
Weighted Average (1)	34.7 months	Ford Transit	4.29%
Longest	59 months	Ford Ranger	3.98%
Shortest	7 months	Percentage of Receivables in Top 4 Regions:	
		East (England)	15.30%
		North West (England)	13.43%
		West Midlands (England)	12.89%
		South East (England)	13.12%
		South East (England)	13.12%

(1)(3)See page B-1 for footnotes.

Original and additional Pool Performance

Month	Date	End-of-Month Pool Balance ⁽⁴⁾	Cumulative Net Losses ⁽⁵⁾	Prepayments ⁽⁶⁾	Delinquencies ⁽⁷⁾			
					31-60 Days	61-90 Days	91-120 Days	120+ Days
1.	May-18	405,409,719	2,303	2,553,094	232,934	-	-	-
2.	Jun-18	405,409,490	29,965	2,912,217	131,466	28,456	-	-
3.	Jul-18	405,409,704	93,167	3,084,891	508,906	77,493	28,456	-
4.	Aug-18	405,409,516	74,122	3,073,955	511,751	233,592	11,064	21,618
5.	Sep-18	405,409,603	115,884	4,941,885	242,735	152,961	64,871	21,158
6.	Oct-18	405,409,593	99,401	6,282,707	480,988	187,920	39,315	73,240
7.	Nov-18	405,409,809	170,416	5,088,804	239,150	222,555	81,068	47,977
8.	Dec-18	405,409,216	157,902	4,956,800	608,209	194,741	51,892	117,759
9.	Jan-19	405,409,392	237,710	6,212,807	749,888	141,125	120,429	113,833
10.	Feb-19	405,409,409	262,043	6,230,788	466,433	116,052	107,079	91,146
11.	Mar-19	405,409,282	301,755	10,839,126	757,307	123,931	74,733	113,545
12.	Apr-19	405,409,166	418,011	9,272,227	394,029	286,942	75,190	89,144
13.	May-19	390,698,476	445,704	6,828,585	702,693	255,479	168,253	64,975
14.	Jun-19	376,356,472	484,546	6,861,219	344,827	208,174	170,488	132,790
15.	Jul-19	360,829,608	570,934	7,046,970	615,952	203,227	161,273	149,127

See page B-1 for footnotes.

VINTAGE ORIGINATIONS INFORMATION

Footnotes:

- (1) Weighted averages are weighted by the original principal balance of the receivables originated in the period.
- (2) Percentage of aggregate original principal balance of the receivables originated in the period.
- (3) Months since origination. For example, in the case of receivables originated in the first quarter of the year, the cumulative loss figure three months after origination will relate to the second quarter of the year. Data is presented for 60 months even though some receivables may still be outstanding. It is not expected that losses or prepayments will materially change after 60 months.
- (4) Losses consist of the outstanding receivables balance at time of write-off which is outstanding principal, late interest accrued and unpaid and fees charged to the customer as stated after collection activities and vehicle sales proceeds. Cumulative net losses for receivables originated in a particular quarter, expressed in percentage terms, are calculated by dividing the cumulative losses incurred through the end of a quarter after the quarter of origination by the original principal balance of all receivables in the quarter of their origination. Losses on a receivable reported in the monthly report for this securitisation transaction generally will be equal to the net present value of the receivables at the beginning of the month it is written-off less net vehicle sale proceeds from the sale of the financed vehicle and will not include accrued interest or fees charged to the customer. Losses as calculated in the securitisation transaction may therefore be lower than vintage portfolio losses for the same receivables.

2014 Originations*

Original Receivable Characteristics

Number of Receivables	173,282	Percentage New (vs. Used) Vehicles ⁽²⁾	84.65%
Aggregate Original Principal Balance.....	1,725,711,631	Percentage TCM (vs. Standard) Loan Agreements ⁽²⁾	80.28%
Average Original Principal Balance.....	9,959		
Weighted average ⁽¹⁾ Customer Rate (APR).....	6.02%		
Weighted average ⁽¹⁾ Original Term.....	33.20		

* These characteristics are for all receivables originated in the period based on data available as of 30 June 2019

(1)(2) See page C-1 for footnotes

Months after origination ⁽³⁾	Cumulative Net Losses by Quarter of Origination ⁽⁴⁾											
	Total Loans				Standard Loans				TCM Loans			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
3	0.01	0.00	0.01	0.01	0.01	0.01	0.00	0.00	0.01	0.00	0.01	0.01
6	0.03	0.02	0.03	0.03	0.03	0.02	0.01	0.03	0.03	0.01	0.03	0.03
9	0.04	0.04	0.05	0.05	0.07	0.03	0.02	0.05	0.04	0.04	0.05	0.06
12	0.07	0.05	0.08	0.08	0.10	0.06	0.06	0.08	0.06	0.05	0.08	0.08
15	0.10	0.09	0.11	0.12	0.13	0.08	0.08	0.14	0.09	0.09	0.12	0.11
18	0.13	0.12	0.15	0.16	0.15	0.13	0.14	0.19	0.13	0.12	0.16	0.15
21	0.16	0.18	0.18	0.21	0.18	0.19	0.18	0.20	0.15	0.17	0.18	0.21
24	0.20	0.21	0.23	0.29	0.21	0.22	0.21	0.24	0.20	0.20	0.23	0.30
27	0.24	0.26	0.29	0.36	0.24	0.25	0.26	0.29	0.25	0.27	0.29	0.37
30	0.31	0.33	0.35	0.43	0.28	0.31	0.30	0.34	0.32	0.34	0.36	0.46
33	0.37	0.37	0.41	0.48	0.31	0.34	0.35	0.40	0.38	0.38	0.42	0.51
36	0.41	0.41	0.44	0.51	0.35	0.35	0.38	0.41	0.42	0.42	0.45	0.54
39	0.43	0.43	0.46	0.53	0.36	0.35	0.39	0.44	0.44	0.44	0.47	0.55
42	0.44	0.44	0.47	0.54	0.37	0.36	0.41	0.45	0.46	0.46	0.48	0.57
45	0.45	0.45	0.47	0.55	0.39	0.38	0.41	0.49	0.46	0.47	0.49	0.57
48	0.45	0.45	0.47	0.55	0.40	0.39	0.42	0.50	0.46	0.47	0.49	0.57
51	0.45	0.45	0.47	0.56	0.40	0.39	0.42	0.52	0.46	0.47	0.49	0.57
54	0.45	0.45	0.47	0.56	0.42	0.39	0.42	0.53	0.46	0.47	0.49	0.57
57	0.45	0.45	0.47	-	0.42	0.39	0.42	-	0.46	0.47	0.49	-
60	0.45	0.45	-	-	0.42	0.39	-	-	0.46	0.47	-	-

(3)(4) See page C-1 for footnotes

2015 Originations*

Original Receivable Characteristics

Number of Receivables	180,027	Percentage New (vs. Used) Vehicles ⁽²⁾	84.82%
Aggregate Original Principal Balance.....	1,922,456,976	Percentage TCM (vs. Standard) Loan Agreements ⁽²⁾	81.17%
Average Original Principal Balance.....	10,679		
Weighted average ⁽¹⁾ Customer Rate (APR).....	5.42%		
Weighted average ⁽¹⁾ Original Term.....	35.53		

* These characteristics are for all receivables originated in the period based on data available as of 30 June 2019

(1)(2) See page C-1 for footnotes

Months after origination ⁽³⁾	Cumulative Net Losses by Quarter of Origination ⁽⁴⁾											
	Total Loans				Standard Loans				TCM Loans			
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>
3	0.00	0.01	0.01	0.01	-	0.01	-	0.01	0.00	0.00	0.01	0.01
6	0.01	0.02	0.03	0.03	0.00	0.04	0.01	0.03	0.02	0.02	0.03	0.02
9	0.03	0.05	0.06	0.05	0.03	0.07	0.03	0.06	0.03	0.05	0.06	0.05
12	0.05	0.08	0.09	0.09	0.03	0.08	0.05	0.09	0.06	0.08	0.10	0.09
15	0.08	0.11	0.13	0.13	0.05	0.10	0.10	0.13	0.08	0.12	0.14	0.13
18	0.10	0.14	0.17	0.18	0.07	0.13	0.14	0.19	0.11	0.15	0.17	0.18
21	0.14	0.19	0.21	0.22	0.10	0.17	0.18	0.23	0.14	0.20	0.22	0.22
24	0.17	0.26	0.25	0.27	0.12	0.19	0.22	0.26	0.18	0.27	0.26	0.28
27	0.23	0.32	0.32	0.34	0.17	0.22	0.24	0.30	0.24	0.35	0.34	0.35
30	0.28	0.39	0.38	0.39	0.18	0.26	0.27	0.35	0.30	0.42	0.41	0.40
33	0.32	0.42	0.42	0.45	0.22	0.29	0.31	0.44	0.35	0.46	0.45	0.45
36	0.35	0.46	0.46	0.49	0.22	0.31	0.35	0.46	0.38	0.49	0.48	0.49
39	0.37	0.48	0.50	0.52	0.24	0.33	0.36	0.48	0.40	0.51	0.53	0.53
42	0.38	0.50	0.52	0.55	0.24	0.34	0.38	0.49	0.41	0.54	0.55	0.56
45	0.39	0.50	0.52	-	0.25	0.34	0.38	-	0.42	0.55	0.55	-
48	0.39	0.51	-	-	0.26	0.35	-	-	0.42	0.55	-	-
51	0.39	-	-	-	0.26	-	-	-	0.42	-	-	-
54	-	-	-	-	-	-	-	-	-	-	-	-
57	-	-	-	-	-	-	-	-	-	-	-	-
60	-	-	-	-	-	-	-	-	-	-	-	-

(3)(4) See page C-1 for footnotes

2016 Originations*

Original Receivable Characteristics

Number of Receivables	177,523	Percentage New (vs. Used) Vehicles ⁽²⁾	85.92%
Aggregate Original Principal Balance.....	2,124,045,783	Percentage TCM (vs. Standard) Loan Agreements ⁽²⁾	79.57%
Average Original Principal Balance.....	11,965		
Weighted average ⁽¹⁾ Customer Rate (APR).....	3.25%		
Weighted average ⁽¹⁾ Original Term.....	36.70		

* These characteristics are for all receivables originated in the period based on data available as of 30 June 2019

(1)(2) See page C-1 for footnotes

Months after origination ⁽³⁾	Cumulative Net Losses by Quarter of Origination ⁽⁴⁾											
	Total Loans				Standard Loans				TCM Loans			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
3	0.00	0.00	0.00	0.01	0.01	0.00	0.01	0.02	0.00	0.00	0.00	0.01
6	0.02	0.03	0.02	0.03	0.01	0.02	0.00	0.05	0.02	0.03	0.02	0.03
9	0.04	0.05	0.05	0.05	0.02	0.03	0.02	0.07	0.04	0.05	0.06	0.05
12	0.06	0.07	0.07	0.09	0.04	0.04	0.07	0.12	0.07	0.08	0.07	0.08
15	0.10	0.10	0.11	0.11	0.06	0.06	0.11	0.15	0.10	0.11	0.11	0.10
18	0.14	0.14	0.14	0.14	0.09	0.10	0.13	0.19	0.15	0.15	0.14	0.13
21	0.19	0.18	0.18	0.17	0.15	0.13	0.17	0.20	0.19	0.19	0.19	0.17
24	0.24	0.22	0.22	0.22	0.17	0.19	0.21	0.26	0.25	0.23	0.22	0.20
27	0.28	0.27	0.26	0.24	0.22	0.23	0.25	0.29	0.29	0.28	0.27	0.23
30	0.33	0.31	0.29	0.28	0.28	0.26	0.28	0.36	0.34	0.33	0.29	0.26
33	0.37	0.34	0.32	-	0.32	0.28	0.30	-	0.38	0.36	0.32	-
36	0.39	0.36	-	-	0.34	0.31	-	-	0.40	0.38	-	-
39	0.41	-	-	-	0.35	-	-	-	0.42	-	-	-
42	-	-	-	-	-	-	-	-	-	-	-	-
45	-	-	-	-	-	-	-	-	-	-	-	-
48	-	-	-	-	-	-	-	-	-	-	-	-
51	-	-	-	-	-	-	-	-	-	-	-	-
54	-	-	-	-	-	-	-	-	-	-	-	-
57	-	-	-	-	-	-	-	-	-	-	-	-
60	-	-	-	-	-	-	-	-	-	-	-	-

(3)(4) See page C-1 for footnotes

2017 Originations*

Original Receivable Characteristics

Number of Receivables	155,036	Percentage New (vs. Used) Vehicles ⁽²⁾	86.11%
Aggregate Original Principal Balance.....	2,136,056,334	Percentage TCM (vs. Standard) Loan Agreements ⁽²⁾	81.30%
Average Original Principal Balance.....	13,778		
Weighted average ⁽¹⁾ Customer Rate (APR).....	2.29%		
Weighted average ⁽¹⁾ Original Term.....	38.64		

* These characteristics are for all receivables originated in the period based on data available as of 30 June 2019
 (1)(2) See page C-1 for footnotes

Months after origination ⁽³⁾	Cumulative Net Losses by Quarter of Origination ⁽⁴⁾											
	Total Loans				Standard Loans				TCM Loans			
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>
3	0.01	0.01	0.00	0.00	0.00	0.01	0.00	-	0.01	0.00	0.00	0.00
6	0.03	0.02	0.01	0.01	0.05	0.04	-0.00	0.01	0.02	0.02	0.02	0.01
9	0.05	0.05	0.05	0.03	0.08	0.05	0.06	0.05	0.04	0.05	0.04	0.03
12	0.08	0.09	0.08	0.06	0.10	0.11	0.10	0.10	0.07	0.08	0.07	0.05
15	0.10	0.12	0.11	0.08	0.12	0.14	0.16	0.12	0.09	0.12	0.10	0.08
18	0.13	0.17	0.13	0.12	0.14	0.21	0.20	0.20	0.13	0.16	0.12	0.11
21	0.15	0.21	0.18	-	0.15	0.24	0.23	-	0.15	0.20	0.16	-
24	0.17	0.24	-	-	0.17	0.33	-	-	0.18	0.23	-	-
27	0.21	-	-	-	0.20	-	-	-	0.21	-	-	-
30	-	-	-	-	-	-	-	-	-	-	-	-
33	-	-	-	-	-	-	-	-	-	-	-	-
36	-	-	-	-	-	-	-	-	-	-	-	-
39	-	-	-	-	-	-	-	-	-	-	-	-
42	-	-	-	-	-	-	-	-	-	-	-	-
45	-	-	-	-	-	-	-	-	-	-	-	-
48	-	-	-	-	-	-	-	-	-	-	-	-
51	-	-	-	-	-	-	-	-	-	-	-	-
54	-	-	-	-	-	-	-	-	-	-	-	-
57	-	-	-	-	-	-	-	-	-	-	-	-
60	-	-	-	-	-	-	-	-	-	-	-	-

(3)(4) See page C-1 for footnotes

2018 Originations*

Original Receivable Characteristics

Number of Receivables	133,614	Percentage New (vs. Used) Vehicles ⁽²⁾	95.34%
Aggregate Original Principal Balance.....	2,124,624,406	Percentage TCM (vs. Standard) Loan Agreements ⁽²⁾	85.95%
Average Original Principal Balance.....	15,901		
Weighted average ⁽¹⁾ Customer Rate (APR).....	1.21%		
Weighted average ⁽¹⁾ Original Term.....	39.02		

* These characteristics are for all receivables originated in the period based on data available as of 30 June 2019

(1)(2) See page C-1 for footnotes

Months after origination ⁽³⁾	Cumulative Net Losses by Quarter of Origination ⁽⁴⁾											
	Total Loans				Standard Loans				TCM Loans			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
3	0.00	0.01	0.01	0.01	0.00	0.03	-0.00	-	0.00	0.00	0.01	0.01
6	0.02	0.02	0.03	0.04	0.03	0.05	0.06	0.03	0.02	0.01	0.03	0.05
9	0.03	0.04	0.06	-	0.05	0.05	0.07	-	0.03	0.04	0.06	-
12	0.05	0.06	-	-	0.07	0.06	-	-	0.05	0.06	-	-
15	0.08	-	-	-	0.10	-	-	-	0.08	-	-	-
18	-	-	-	-	-	-	-	-	-	-	-	-
21	-	-	-	-	-	-	-	-	-	-	-	-
24	-	-	-	-	-	-	-	-	-	-	-	-
27	-	-	-	-	-	-	-	-	-	-	-	-
30	-	-	-	-	-	-	-	-	-	-	-	-
33	-	-	-	-	-	-	-	-	-	-	-	-
36	-	-	-	-	-	-	-	-	-	-	-	-
39	-	-	-	-	-	-	-	-	-	-	-	-
42	-	-	-	-	-	-	-	-	-	-	-	-
45	-	-	-	-	-	-	-	-	-	-	-	-
48	-	-	-	-	-	-	-	-	-	-	-	-
51	-	-	-	-	-	-	-	-	-	-	-	-
54	-	-	-	-	-	-	-	-	-	-	-	-
57	-	-	-	-	-	-	-	-	-	-	-	-
60	-	-	-	-	-	-	-	-	-	-	-	-

(3)(4) See page C-1 for footnotes

2019 Originations*

Original Receivable Characteristics

Number of Receivables	65,534	Percentage New (vs. Used) Vehicles ⁽²⁾	98.93%
Aggregate Original Principal Balance.....	1,110,787,153	Percentage TCM (vs. Standard) Loan Agreements ⁽²⁾	87.62%
Average Original Principal Balance.....	16,950		
Weighted average ⁽¹⁾ Customer Rate (APR).....	0.59%		
Weighted average ⁽¹⁾ Original Term.....	40.63		

* These characteristics are for all receivables originated in the period based on data available as of 30 June 2019
 (1)(2) See page C-1 for footnotes

Months after origination ⁽³⁾	Cumulative Net Losses by Quarter of Origination ⁽⁴⁾											
	Total Loans				Standard Loans				TCM Loans			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
3	0.01	-	-	-	0.02	-	-	-	0.01	-	-	-
6	-	-	-	-	-	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-	-	-	-	-
12	-	-	-	-	-	-	-	-	-	-	-	-
15	-	-	-	-	-	-	-	-	-	-	-	-
18	-	-	-	-	-	-	-	-	-	-	-	-
21	-	-	-	-	-	-	-	-	-	-	-	-
24	-	-	-	-	-	-	-	-	-	-	-	-
27	-	-	-	-	-	-	-	-	-	-	-	-
30	-	-	-	-	-	-	-	-	-	-	-	-
33	-	-	-	-	-	-	-	-	-	-	-	-
36	-	-	-	-	-	-	-	-	-	-	-	-
39	-	-	-	-	-	-	-	-	-	-	-	-
42	-	-	-	-	-	-	-	-	-	-	-	-
45	-	-	-	-	-	-	-	-	-	-	-	-
48	-	-	-	-	-	-	-	-	-	-	-	-
51	-	-	-	-	-	-	-	-	-	-	-	-
54	-	-	-	-	-	-	-	-	-	-	-	-
57	-	-	-	-	-	-	-	-	-	-	-	-
60	-	-	-	-	-	-	-	-	-	-	-	-

(3)(4) See page C-1 for footnotes

FORM OF MONTHLY REPORT

Globaldrive Auto Receivables UK 2019-A plc
UK Retail Receivables
Monthly Investor Report

Collection Period:	From: dd-mm-yyyy To: dd-mm-yyyy
Interest Accrual Period:	From: dd-mm-yyyy To: dd-mm-yyyy
Transaction Month:	0
Payment Date:	dd-mm-yyyy

Additional information about the structure, cashflows, defined terms and parties for this transaction can be found in the prospectus, available on the Irish Stock Exchange website (<http://www.ise.ie>) under the ISIN numbers ■ and ■ and at <https://www.ford.com/finance/investor-center/asset-backed-securitization>

1. ORIGINAL DEAL PARAMETERS

Opening Receivables Balance at Cut-Off Date	[●]
Total Number of Receivables Agreements at Cut-Off Date	[●]
Weighted Average Remaining Term of Receivables Agreements at Cut-Off Date	[●] months

Information on Notes	Class A Notes	Class B Notes	Class C Notes*
ISIN	[●]	[●]	N/A
Final Legal Maturity Date	20 September 2026	20 September 2026	20 September 2026
Original Principal Amount	[●]	[●]	[●]
Interest Rate	SONIA + [●]	SONIA + [●]	[●] p.a.
Day Count Convention	Actual/365	Actual/365	30/360
% of Initial Closing Receivables Balance	[●]	[●]	[●]

Information on Ratings

Original Rating Moody's	[●]	[●]	NR
Current Rating Moody's	[●]	[●]	
Original Rating DBRS	[●]	[●]	NR
Current Rating DBRS	[●]	[●]	

* Retained by FCE Bank plc

2. ASSIGNED RECEIVABLES SUMMARY

Opening Receivables Balance	£ 0,00
Less: Principal Collections	£ 0,00
Less: Repurchased Principal	£ 0,00
Less: Losses (including Liquidation Proceeds and Negative Adjustments)	£ 0,00
Less: Principal Deficiencies	£ 0,00
Less: Vehicle Proceeds (excluding Positive Adjustments)	£ 0,00
Closing Receivables Balance	£ 0,00

3. ISSUER BALANCE SHEET

Assets	Beginning of Period	End of Period
Closing Receivables Balance	£ 0,00	£ 0,00
Unreimbursed Losses and Principal Deficiencies	£ 0,00	£ 0,00
Reserve Amount	£ 0,00	£ 0,00
Total Assets	£ 0,00	£ 0,00

Liabilities	Beginning of Period	End of Period
Class A Notes	£ 0,00	£ 0,00
Class B Notes	£ 0,00	£ 0,00
Class C Notes	£ 0,00	£ 0,00
Reserve Amount	£ 0,00	£ 0,00
Total Liabilities	£ 0,00	£ 0,00

Note: Beginning of Period means beginning of Interest Period. End of Period means end of Interest Period.

All Class A and Class B Notes have been publically placed outside of FCE's group and all Class C Notes retained by FCE.

Globaldrive Auto Receivables UK 2019-A plc
UK Retail Receivables
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Collection Period:
Interest Period:
Transaction Month:
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From: dd-mm-yyyy To: dd-mm-yyyy
From: dd-mm-yyyy To: dd-mm-yyyy
0
dd-mm-yyyy

4. AVAILABLE INTEREST COLLECTIONS

Interest Collections	£ 0,00
Recoveries	£ 0,00
Positive Adjustments for Redelivery TCM Contracts	£ 0,00
Consideration for repurchase of Written-Off Receivables	£ 0,00
Repurchased Interest	£ 0,00
Additional Principal Payments	£ 0,00
Vehicle Surrender Fees for Redelivery TCM Contracts	£ 0,00
Distribution Account Interest Earned	£ 0,00
Reserve Account Interest Earned	£ 0,00
Reserve Amount allocated to Available Interest Collections	£ 0,00
Net Swap Receipt from Swap Counterparty	£ 0,00
Available Interest Collections	£ 0,00

5. INTEREST DISTRIBUTIONS

	<u>Payment</u>	<u>Remaining Amount</u>
Available Interest Collections		£ 0,00
Issuer Expenses within the maximum amount per annum	£ 0,00	£ 0,00
Servicing Fee payable to the Servicer	£ 0,00	£ 0,00
Net Swap Payment payable to Swap Counterparty	£ 0,00	£ 0,00
Class A Interest Amount and Class A Interest Shortfall	£ 0,00	£ 0,00
Class B Interest Amount and Class B Interest Shortfall	£ 0,00	£ 0,00
Reimbursement of Reserve Account to the required level	£ 0,00	£ 0,00
Reimbursement of Reimbursed Losses and Principal Deficiencies	£ 0,00	£ 0,00
Payments for any Swap Subordinated Amounts	£ 0,00	£ 0,00
Issuer Expenses exceeding the maximum amount per annum	£ 0,00	£ 0,00
Class C Interest Amount and Class C Interest Shortfall	£ 0,00	£ 0,00
Deferred Purchase Price Component payable to the Seller	£ 0,00	£ 0,00
Total Interest Distributions	£ 0,00	

6. AVAILABLE PRINCIPAL COLLECTIONS

Principal Collections	£ 0,00
Vehicle Proceeds excluding Positive Adjustments	£ 0,00
Liquidation Proceeds	£ 0,00
Reimbursed Losses and Principal Deficiencies	£ 0,00
Repurchased Principal	£ 0,00
Reserve Amount allocated to Available Principal Collections	£ 0,00
Available Principal Collections	£ 0,00

Globaldrive Auto Receivables UK 2019-A plc
UK Retail Receivables
Monthly Investor Report

Collection Period:
Interest Period:
Transaction Month:
Payment Date:

From: dd-mm-yyyy To: dd-mm-yyyy
From: dd-mm-yyyy To: dd-mm-yyyy
0
dd-mm-yyyy

7. PRINCIPAL DISTRIBUTIONS

	<u>Payment</u>	<u>Remaining Amount</u>
Available Principal Collections		£ 0,00
Repayment of Class A Notes	£ 0,00	£ 0,00
Repayment of Class B Notes	£ 0,00	£ 0,00
Repayment of Class C Notes	£ 0,00	£ 0,00
Deferred Purchase Price Component payable to the Seller	£ 0,00	£ 0,00
Total Principal Distributions	£ 0,00	

8. TCM REDELIVERY CONTRACTS SUMMARY

Redelivery TCM Contracts included within Opening Receivables Balance	£ 0,00
Current month Redelivery TCM Contracts	£ 0,00
Less: Vehicle Proceeds excluding Positive Adjustments	£ 0,00
Less: Negative Adjustments for Redelivery TCM Contracts	£ 0,00
Less: Repurchased Redelivery TCM Contracts	£ 0,00
Redelivery TCM Contracts included within Closing Receivables Balance	£ 0,00

9. NOTEHOLDERS PAYMENT

	Principal Payments		Interest Payments		Total Payment	
	Actual	Per £1,000 of Original Balance	Actual	Per £1,000 of Original Balance	Actual	Per £1,000 of Original Balance
	Class A Notes	£ 0,00	£ 0,00	£ 0,00	£ 0,00	£ 0,00
Class B Notes	£ 0,00	£ 0,00	£ 0,00	£ 0,00	£ 0,00	£ 0,00
Class C Notes	£ 0,00	£ 0,00	£ 0,00	£ 0,00	£ 0,00	£ 0,00
Total	£ 0,00	£ 0,00	£ 0,00	£ 0,00	£ 0,00	£ 0,00

10. NOTE BALANCE

	Beginning of Period		End of Period	
	Balance	Note Factor	Balance	Note Factor
	Class A Notes	£ 0,00	0,000000	£ 0,00
Class B Notes	£ 0,00	0,000000	£ 0,00	0,000000
Class C Notes	£ 0,00	0,000000	£ 0,00	0,000000
Total	£ 0,00	0,000000	£ 0,00	0,000000

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Interest Period:
Transaction Month:
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From: dd-mm-yyyy To: dd-mm-yyyy
0
dd-mm-yyyy

11. POOL SPLIT BY PRODUCT TYPE AND VEHICLE TYPE

Vehicle Type	Agreement Type	Beginning of Period		End of Period		% of Receivables Balance
		No. of Receivable Agreements	Total Receivables Balance	No. of Receivable Agreements	Total Receivables Balance	
New	Standard	-	£ 0,00	-	£ 0,00	0,00%
	Balloon	-	£ 0,00	-	£ 0,00	0,00%
	TCM	-	£ 0,00	-	£ 0,00	0,00%
	Total	-	£ 0,00	-	£ 0,00	0,00%
Used	Standard	-	£ 0,00	-	£ 0,00	0,00%
	Balloon	-	£ 0,00	-	£ 0,00	0,00%
	TCM	-	£ 0,00	-	£ 0,00	0,00%
	Total	-	£ 0,00	-	£ 0,00	0,00%
Total	Standard	-	£ 0,00	-	£ 0,00	0,00%
	Balloon	-	£ 0,00	-	£ 0,00	0,00%
	TCM	-	£ 0,00	-	£ 0,00	0,00%
	Total	-	£ 0,00	-	£ 0,00	0,00%

12. ASSET PERFORMANCE

12.i DELINQUENCY DATA

	Number of Delinquent Agreements	% Outstanding Receivable Agreements	EOP Balance of Delinquent Agreements	% Aggregate Outstanding Receivable Agreements
31-60 Days	-	0,00%	£ 0,00	0,00%
61-90 Days	-	0,00%	£ 0,00	0,00%
91-120 Days	-	0,00%	£ 0,00	0,00%
120+ Days	-	0,00%	£ 0,00	0,00%
Total	-	0,00%	£ 0,00	0,00%

12.ii TOTAL LOSSES AND PRINCIPAL DEFICIENCIES

Beginning of Period Unreimbursed Losses and Principal Deficiencies	£ 0,00
Losses and Principal Deficiencies	£ 0,00
Less: Reimbursement from Income Priority of Payments	£ 0,00
End of Period Unreimbursed Losses and Principal Deficiencies	£ 0,00

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Interest Period:
Transaction Month:
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From: dd-mm-yyyy To: dd-mm-yyyy
0
dd-mm-yyyy

12.iii NET LOSSES SPLIT BY EOP POOL STRUCTURE

Vehicle Type	Agreement Type	Current Collection Period				Cumulative Net Loss from last Collection Period	Total Cumulative Net Loss
		Losses	Recoveries	Net Losses	Loss Ratio*		
New	Standard	£ 0,00	£ 0,00	£ 0,00	0,00%	£ 0,00	£ 0,00
	Balloon	£ 0,00	£ 0,00	£ 0,00	0,00%	£ 0,00	£ 0,00
	TCM	£ 0,00	£ 0,00	£ 0,00	0,00%	£ 0,00	£ 0,00
	Total	£ 0,00	£ 0,00	£ 0,00	0,00%	£ 0,00	£ 0,00
Used	Standard	£ 0,00	£ 0,00	£ 0,00	0,00%	£ 0,00	£ 0,00
	Balloon	£ 0,00	£ 0,00	£ 0,00	0,00%	£ 0,00	£ 0,00
	TCM	£ 0,00	£ 0,00	£ 0,00	0,00%	£ 0,00	£ 0,00
	Total	£ 0,00	£ 0,00	£ 0,00	0,01%	£ 0,00	£ 0,00
Total	Standard	£ 0,00	£ 0,00	£ 0,00	0,00%	£ 0,00	£ 0,00
	Balloon	£ 0,00	£ 0,00	£ 0,00	0,00%	£ 0,00	£ 0,00
	TCM	£ 0,00	£ 0,00	£ 0,00	0,00%	£ 0,00	£ 0,00
	Total	£ 0,00	£ 0,00	£ 0,00	0,00%	£ 0,00	£ 0,00

*Loss Ratio - annualised Net Losses from Current Collection Period as percentage of Beginning of Period Opening Receivable Balance

12.iv PREPAYMENT DATA

Total Balance of Prepayments in full for current Collection Period £ 0,00
Prepayments in full as % of Closing Receivables Balance plus Prepayments in current Collection Period 0,00%

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0
dd-mm-yyyy

13. RECONCILIATION OF RESERVE ACCOUNT

Beginning of Period Reserve Amount	£ 0,00
Less: Reserve Amount Draw Amount allocated to Interest Collections	£ 0,00
Plus: Reserve Account Reimbursement from Interest Collections	£ 0,00
End of Period Reserve Amount	£ 0,00

Note: Required Reserve Amount £ 0,00

14. RETAINED INTEREST

FCE Bank plc retains a material net economic interest of not less than 5% of the nominal amount of the securitised exposures in this securitisation transaction in compliance with Article 6(3)(d) of the Securitisation Regulation by retaining the Class C Notes.

Original Principal Balance	£ 0,00
Percentage of Opening Receivables Balance at Cut-Off Date	0,00%
End of Period Principal Balance	£ 0,00
Percentage of Closing Receivables Balance	0,00%

15. COUNTERPARTY RATINGS TRIGGERS

Swap Counterparty	Moody's	DBRS
	Long-term	Long-term
Present rating	[•]	[•]
First minimum rating w/o collateral*	[•]	[•]
Second minimum rating**	[•]	[•]

*If the Swap Counterparty is downgraded below the first minimum rating, it shall provide Eligible Credit Support.

**If the Swap Counterparty is downgraded below second minimum rating, it shall at its own cost either (A) obtain a guarantee from a guarantor having the applicable required ratings, or (B) transfer the swap agreement to an eligible swap counterparty having the applicable required ratings from Moody's and DBRS

(For more detail on the Swap Agreement please refer to the Prospectus)

Account Bank	Moody's		DBRS	
	Short-term	Long-term	Short-term	Long-term
Present rating	[•]	[•]	[•]	[•]
Minimum rating*	[•]	[•]	[•]	[•]

*If the account bank does not have such rating, and is not guaranteed by an institution having such rating, then the Issuer, FCE and the Trustee will, in the case of a downgrade by Moody's and/or by DBRS, transfer the relevant accounts to another bank or banks that are eligible institutions.

(For more detail on the Issuer Bank Accounts please refer to the Prospectus)

Globaldrive Auto Receivables UK 2019-A plc
UK Retail Receivables
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Collection Period:
Interest Period:
Transaction Month:
Payment Date:

From: dd-mm-yyyy To: dd-mm-yyyy
From: dd-mm-yyyy To: dd-mm-yyyy
0
dd-mm-yyyy

16. PARTIES OVERVIEW

Issuer

Globaldrive Auto Receivables UK 2019-A plc
Third Floor
1 King's Arms Yard
London, EC2R 7AF, UK
Telephone: +44 (0) 20 7397 3600
email: TTeam@WilmingtonTrust.com

Seller/Service

FCE Bank plc
Arterial Road
Laindon
Essex, SS15 6EE, UK
email: secrtl@ford.com

Joint Lead Managers

Banco Santander
2 Triton Square, Regent's Place
London NW1 3AN
Phone: +44 (0) 33 114 80140
email: chris.carnell@santandercib.co.uk

BNP Paribas, London Branch
10 Harewood Avenue
London, NW16AA, UK
Phone: +44 (0) 20 7595 3104 / 0459 / 5751
Fax: +44 (0) 20 7595 5079
email: dl.sec_mp_mgt@ukbnpparibas.com

Lloyds Bank Corporate Markets
25 Gresham Street
London EC2V 7HN, UK,
Phone/fax: +44 (0) 20 7158 2134
email: Vasiliki.Chalmouki@lloydsbanking.com

NatWest Markets Plc
250 Bishopsgate
London, EC2M 4AA, UK
Phone/fax: +44 (0) 20 7085 6852
email: klaus.fister@natwestmarkets.com

Account Bank
Cash Manager / Data Agent
Principal Paying Agent
Calculation Agent/Registrar

Elavon Financial Services DAC, UK Branch
5th Floor
125 Old Broad Street
London EC2N 1AR, UK
email: dublin.mbs@usbank.com
email: mbs.erg.london@usbank.com

Trustee/Security Trustee

U.S. Bank Trustees Limited
5th Floor
125 Old Broad Street
London EC2N 1AR, UK
email: dublin.mbs@usbank.com
email: mbs.erg.london@usbank.com

Swap Counterparty

Lloyds Bank Corporate Markets
10 Gresham Street
London EC2V 7HN, UK,
Phone/fax: +44 (0) 20 7158 2134
email: Jack.edwards2@lloydsbanking.com
email: Daniel.Hanmer@lloydsbanking.com

Issuer Corporate Services Provider

Wilmington Trust SP Services (London) Limited
Third Floor
1 King's Arms Yard
London, EC2R 7AF, UK
Telephone: +44 (0) 20 7397 3600
email: TTeam@WilmingtonTrust.com

REGISTERED OFFICE OF THE ISSUER

Globaldrive Auto Receivables UK 2019-A plc
c/o Wilmington Trust SP Services (London) Limited
Third Floor
1 King's Arms Yard
London EC2R 7AF
United Kingdom

SELLER AND SERVICER

FCE Bank plc
Arterial Road
Laindon
Essex SS15 6EE
United Kingdom

TRUSTEE AND SECURITY TRUSTEE

U.S. Bank Trustees Limited
125 Old Broad Street
London EC2N 1AR
United Kingdom

**ACCOUNT BANK, PRINCIPAL PAYING AGENT,
CALCULATION AGENT AND REGISTRAR**

Elavon Financial Services DAC, U.K. Branch
125 Old Broad Street
London EC2N 1AR
United Kingdom

CASH MANAGER AND DATA AGENT

U.S. Bank Global Corporate Trust Limited
125 Old Broad Street
London EC2N 1AR
United Kingdom

IRISH LISTING AGENT

McCann FitzGerald Listing Services Limited
Riverside One
Sir John Rogerson's Quay
Dublin 2, Ireland

LEGAL ADVISERS

To FCE and the issuer as to English law

Hogan Lovells International LLP
Atlantic House
Holborn Viaduct
London EC1A 2FG
United Kingdom

To FCE and the issuer as to Northern Irish law

Pinsent Masons Belfast LLP

1 Lanyon Place
Belfast BT1 3LP
United Kingdom

To FCE and the issuer as to Scots law

Shepherd and Wedderburn LLP

5th Floor
1 Exchange Crescent
Conference Square
Edinburgh EH3 8UL
United Kingdom

To the joint lead managers as to English law

Mayer Brown International LLP

201 Bishopsgate
London EC2M 3AF
United Kingdom

AUDITORS TO THE ISSUER

PricewaterhouseCoopers

1 Embankment Place
London WC2N 6NN
United Kingdom

FCE Bank plc

Seller and Servicer

Globaldrive Auto Receivables UK 2019-A plc

Issuer

£350,000,000.00 Class A

Floating Rate Asset-Backed Notes

£36,400,000.00 Class B

Floating Rate Asset-Backed Notes

PROSPECTUS
