AZURE FINANCE NO.3 PLC
(the "Issuer")

IMPORTANT NOTICE

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The following applies to the Prospectus attached to this electronic transmission, and you are therefore advised to read this carefully before reading, accessing or making any other use of the Prospectus. In accessing the Prospectus, you agree to be bound by the following terms and conditions, including any amendments of such terms and conditions, any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR ISSUE OR THE SOLICITATION OF AN OFFER TO BUY, SUBSCRIBE FOR OR OTHERWISE ACQUIRE THE SECURITIES OF THE ISSUER IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES OF THE ISSUER HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OR "BLUE SKY" LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THEREFORE MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT ("**U.S. PERSONS**"), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE STATE OR LOCAL SECURITIES LAWS AND UNDER CIRCUMSTANCES WHICH WOULD NOT REQUIRE THE ISSUER TO REGISTER UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). IN CONNECTION WITH THE INITIAL DISTRIBUTION OF THE SECURITIES OFFERED HEREBY, THE SECURITIES WILL BE OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES TO PERSONS WHO ARE NOT U.S. PERSONS. THERE HAS BEEN AND WILL BE NO PUBLIC OFFERING OF THE SECURITIES IN THE UNITED STATES.

THE PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER AND, IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON, TO ANY U.S. ADDRESS OR TO ANY U.S. EMAIL ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

BLUE MOTOR FINANCE LIMITED (THE "**SELLER**"), AS THE SPONSOR UNDER THE U.S. RISK RETENTION RULES, DOES NOT INTEND TO RETAIN AT LEAST 5 PER CENT. OF THE CREDIT RISK OF THE SECURITIZED ASSETS FOR THE PURPOSES OF COMPLIANCE WITH THE FINAL RULES PROMULGATED UNDER SECTION 15G OF THE U.S. SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "**U.S. RISK RETENTION RULES**"), BUT RATHER INTENDS TO RELY ON AN EXEMPTION PROVIDED FOR IN SECTION 20 OF THE

U.S. RISK RETENTION RULES REGARDING NON-U.S. TRANSACTIONS. CONSEQUENTLY, EXCEPT WITH THE PRIOR CONSENT OF THE SELLER (A "**U.S. RISK RETENTION WAIVER**") AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY SECTION 20 OF THE U.S. RISK RETENTION RULES, THE SECURITIES OF THE ISSUER MAY NOT BE SOLD TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON AS DEFINED IN THE U.S. RISK RETENTION RULES ("**RISK RETENTION U.S. PERSON**"). PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS SIMILAR TO, BUT NOT IDENTICAL TO, THE DEFINITION OF "U.S. PERSON" IN REGULATION S UNDER THE SECURITIES ACT AND THAT PERSONS WHO ARE NOT "U.S. PERSONS" UNDER REGULATION S MAY BE "U.S. PERSONS" UNDER THE U.S. RISK RETENTION RULES. EACH PURCHASER OF SUCH SECURITIES OR A BENEFICIAL INTEREST THEREIN ACQUIRED IN THE INITIAL DISTRIBUTION OF THE SECURITIES, BY ITS ACQUISITION OF THE SECURITIES OR A BENEFICIAL INTEREST THEREIN, WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT (1) EITHER (i) IT IS NOT A RISK RETENTION U.S. PERSON OR (ii) IT HAS OBTAINED A U.S. RISK RETENTION WAIVER FROM THE SELLER, (2) IT IS ACQUIRING SUCH SECURITIES OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTING SUCH SECURITIES, AND (3) IT IS NOT ACQUIRING SUCH SECURITIES OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING SUCH SECURITIES THROUGH A NON-RISK RETENTION U.S. PERSON, RATHER THAN A RISK RETENTION U.S. PERSON, AS PART OF A SCHEME TO EVADE THE 10 PER CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES).

In order to be eligible to view the Prospectus or make an investment decision with respect to the securities, investors must not be a U.S. Person (or, unless the Seller consents otherwise, a Risk Retention U.S. Person) or located in the United States. By accepting the e-mail and accessing the Prospectus, you will be deemed to have represented to the sender that (i) you have understood and agree to the terms set out herein; (ii) you are not a U.S. Person (or, unless the Seller consents otherwise, a Risk Retention U.S. Person) or acting for the account or benefit of any U.S. Person (or, unless the Seller consents otherwise, any Risk Retention U.S. Person); (iii) the e-mail address that you have given to the sender and to which this e-mail has been delivered is not located in the United States or any of its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands); and (iv) you consent to delivery of the Prospectus by electronic transmission.

The issuance of the Notes and the Residual Certificates referred to in the Prospectus has not been designed to comply with the U.S. Risk Retention Rules, other than the exemption under Section 20 of the U.S. Risk Retention Rules, and no other steps have been taken by the Issuer, the Seller, the Arranger, the Joint Lead Managers or any of their respective affiliates or any other party to accomplish such compliance.

Under no circumstances does the Prospectus constitute an offer to sell or the solicitation of an offer to buy nor may there be any sale of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class X Notes or the Residual Certificates referred to in the Prospectus in any jurisdiction in which such offer, solicitation or sale would be unlawful. Recipients of the Prospectus who intend to subscribe for or purchase the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class X Notes or the Residual Certificates are reminded that any subscription or

purchase may only be made on the basis of the information contained in the final Prospectus. The Prospectus may only be communicated to persons in the United Kingdom in circumstances where section 21(1) of the Financial Services and Markets Act 2000 (the "**FSMA**") does not apply to the Issuer.

The Notes and the Residual Certificates are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments ("**EU MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**EU Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**EU PRIIPs Regulation**") for offering or selling the Notes or the Residual Certificates or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or the Residual Certificates or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

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

In addition to what is indicated in the preceding paragraph, solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes and the Residual Certificates has led to the conclusion that: (i) the target market for the Notes and the Residual Certificates is "eligible counterparties", as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and "professional clients", as defined in Article 2(1)(13A) of UK MiFIR; and (ii) all channels for distribution of the Notes and the Residual Certificates to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes and the Residual Certificates (a "**Distributor**") should take into consideration the manufacturers' target market assessment; however, a Distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes and the Residual Certificates (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes and the Residual Certificates has led to the conclusion that: (i) the target market for the Notes and the Residual Certificates is eligible counterparties and professional clients only, each as defined in EU MiFID II; and (ii) all channels for distribution of the Notes and the Residual Certificates to eligible counterparties and professional clients are appropriate. Any Distributor should take into consideration the manufacturers' target market assessment; however, a Distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes and the Residual Certificates (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Any materials relating to the offering of the Notes and the Residual Certificates do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licenced broker or dealer and a Joint Lead Manager or any affiliate of a Joint Lead Manager is a licenced broker or dealer in that jurisdiction, the offering will be deemed to be made by such Joint Lead Manager or such affiliate on behalf of the Issuer in such jurisdiction.

The Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer, the Seller, the Servicer, the Joint Lead Managers, the Arranger nor any person who controls any of the same nor any director, officer, employee or agent of such person or affiliate of any such person accepts any liability or responsibility for any difference between the Prospectus distributed to you in electronic form and the hard copy version available to you on request during normal business hours at the specified office of the Paying Agent.

Azure Finance No.3 plc

(a public limited company incorporated under the laws of England and Wales with registered number 13876594)

	Initial Aggregate Outstanding Note Principal Amount (GBP)	Interest Rate / Reference Rate	Relevant Margin	Legal Maturity Date	Expected Ratings (Moody's and DBRS)
Class A Notes	181,400,000	Compounded Daily SONIA + Relevant Margin, the sum being subject to a floor of zero	0.8%	20 June 2034 subject to the Business Day Convention	Aaa/AAA
Class B Notes	27,100,000	Compounded Daily SONIA + Relevant Margin, the sum being subject to a floor of zero	1.65%	20 June 2034 subject to the Business Day Convention	Aa3/AA
Class C Notes	18,400,000	Compounded Daily SONIA + Relevant Margin, the sum being subject to a floor of zero	2.75%	20 June 2034 subject to the Business Day Convention	A2/A
Class D Notes	9,200,000	Compounded Daily SONIA + Relevant Margin, the sum being subject to a floor of zero	3.8%	20 June 2034 subject to the Business Day Convention	Baa3/BBB
Class E Notes	6,100,000	Compounded Daily SONIA + Relevant Margin, the sum being subject to a floor of zero	6.35%	20 June 2034 subject to the Business Day Convention	Ba2/BB
Class F Notes	3,700,000	Compounded Daily SONIA + Relevant Margin, the sum being subject to a floor of zero	9.5%	20 June 2034 subject to the Business Day Convention	B1/B(low)
Class X Notes	17,200,000	Compounded Daily SONIA + Relevant Margin, the sum being subject to a floor of zero	7%	20 June 2034 subject to the Business Day Convention	Caa1/B(low)
Residual Certificates	N/A	N/A	N/A	N/A	Not rated

Arranger

Morgan Stanley

Joint Lead Managers

Morgan Stanley **Standard Chartered Bank**

The date of this Prospectus is 17 April 2023

Notes and Closing Date	The Issuer expects to issue the Class A Notes (the "**Class A Notes**"), the Class B Notes (the "**Class B Notes**"), the Class C Notes (the "**Class C Notes**"), the Class D Notes (the "**Class D Notes**"), the Class E Notes (the "**Class E Notes**"), the Class F Notes (the "**Class F Notes**") and the Class X Notes (the "**Class X Notes**") on 20 April 2023 (the "**Closing Date**"). The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes are together referred to in this Prospectus as the "**Collateralised Notes**". The Collateralised Notes and the Class X Notes are together referred to in this Prospectus as the "**Notes**". See "*CONDITIONS OF THE NOTES*" for further details.
Residual Certificates	In addition to the Notes, the Issuer will issue the Residual Certificates on the Closing Date. See "*CONDITIONS OF THE RESIDUAL CERTIFICATES*" for further details.
Underlying Assets	The Issuer will make payments on the Notes and the Residual Certificates from a portfolio comprising receivables (and certain Ancillary Rights) under or in connection with HP Agreements (the "**Portfolio**") originated by Blue Motor Finance Limited ("**Blue**" and the "**Seller**") with borrowers ("**Obligors**") which will be purchased by the Issuer on the Closing Date. These HP Agreements provide for equal monthly payments over the term of the agreement (with the exception of the last payment, which may include, or to which may be added, certain fees). The Portfolio will not include PCP Contracts. Certain characteristics of the Portfolio are described in in the sections of this Prospectus entitled "*DESCRIPTION OF THE PURCHASED RECEIVABLES" and in "PROVISIONAL PORTFOLIO CHARACTERISTICS AND HISTORICAL DATA*".
Credit Enhancement	• Each Class of the Collateralised Notes will benefit from the over-collateralisation funded by the Collateralised Notes ranking junior to such Class of Notes in the relevant Priority of Payments (if any).

	• Through the Principal Deficiency Ledger, each Class of Collateralised Notes will also benefit from credit enhancement in the amount by which Available Revenue Receipts exceed the amounts required to pay interest on the relevant Class of Notes and all other amounts ranking in priority thereto in accordance with the Pre-Acceleration Revenue Priority of Payments. • The Residual Certificates are subordinate to all payments due in respect of the Notes, as provided in the Residual Certificate Conditions and the Transaction Documents. For further explanation, please see "*CREDIT STRUCTURE AND CASHFLOW*".
Liquidity Support	• In relation to each Class of Notes, the subordination in payment of those Classes of Notes (if any) ranking junior in the Pre-Acceleration Revenue Priority of Payments and the Residual Certificates. • The availability of the Senior Reserve Fund to cover Senior Expenses Shortfalls and Senior Reserve Revenue Receipts Shortfalls. • The availability of the Junior Reserve Fund to cover Senior Expenses Shortfalls and Junior Reserve Revenue Receipts Shortfalls. • The availability of the Principal Addition Amount to cover Senior Expenses Shortfalls and Principal Addition Amount Revenue Receipts Shortfalls. For further explanation, please see "*CREDIT STRUCTURE AND CASHFLOW*".
Redemption Provisions	The Notes may be redeemed in whole or in part (as applicable) in the following cases: • a mandatory redemption in whole on the Legal Maturity Date; • a mandatory redemption in part on each Interest Payment Date subject to availability of Available Principal Receipts and application of Available Principal Receipts in accordance with the Pre-Acceleration Principal Priority of Payments in respect of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes; • an optional redemption in whole exercisable by the Issuer on any Interest Payment Date on which the aggregate Outstanding Note Principal Amount of the Collateralised Notes is equal to or

	less than 10% of the aggregate Outstanding Note Principal Amount of the Collateralised Notes as at the Closing Date; • an optional redemption in whole on any Interest Payment Date exercisable by the Issuer for tax reasons; and • a mandatory redemption in part on each Interest Payment Date subject to application of Available Revenue Receipts in accordance with the Pre-Acceleration Revenue Priority of Payments in respect of the Class X Notes (until redeemed in full). • Information on any optional and mandatory redemption of the Notes is summarised in the section "*SUMMARY OF THE CONDITIONS OF THE NOTES*" and set out in full in Condition 5 (*Redemption*).
Credit Rating Agencies	Ratings are expected to be assigned to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes (the "**Rated Notes**") by Moody's Investors Service Limited ("**Moody's**") and DBRS Ratings Limited ("**DBRS**") on or before the Closing Date. In general, European Union ("**EU**") regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued or endorsed by a credit rating agency registered or certified under Regulation (EC) No 1060/2009 of the European Parliament (the "**EU CRA Regulation**"). Similarly, in general, United Kingdom ("**UK**") regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued or endorsed by a credit rating agency registered or certified under the EU CRA Regulation, as it forms part of UK domestic law by virtue of the EUWA (the "**UK CRA Regulation**"). Each of Moody's and DBRS is a credit rating agency established in the UK and registered under the UK CRA Regulation. The FCA maintains on its website, https://www.fca.org.uk/firms/credit-rating-agencies, a list of credit rating agencies registered or certified in accordance with the UK CRA Regulation. This list is updated as necessary but does not supersede the FCA's Financial Services Register. Therefore, such list is not conclusive evidence of the status of the relevant rating agency as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated FCA list. Such website and its contents do not form part of this Prospectus.

	The ratings Moody's has given to the Rated Notes are endorsed by Moody's Deutschland GmbH, which is established in the EU and registered under the EU CRA Regulation. The ratings DBRS has given to the Rated Notes are endorsed by DBRS Ratings GmbH, which is established in the EU and registered under the EU CRA Regulation. Each of Moody's Deutschland GmbH and DBRS Ratings GmbH is included in the list of credit rating agencies published by the European Securities and Markets Authority ("ESMA") on its website (at https://www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the EU CRA Regulation. Such website and its contents do not form part of this Prospectus. Blue considered the appointment of a small credit rating agency when appointing the rating agencies for this Transaction along with Moody's and DBRS. The Residual Certificates will not be rated.
Credit Ratings	The ratings assigned to the Rated Notes by Moody's address, among other matters: • the likelihood of full and timely payments due to the holders of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes of interest on each Interest Payment Date; • the likelihood of full and ultimate payment of interest due to the holders of the Class X Notes, by a date that is not later than the Legal Maturity Date; and • the likelihood of ultimate payment to the holders of the Rated Notes of principal in relation to the Rated Notes on or prior to the Legal Maturity Date. The ratings assigned to the Rated Notes by DBRS address, among other matters: • the likelihood of full and timely payment to the holders of the Class A Notes and the Class B Notes of scheduled interest; • the likelihood of full payment of scheduled interest to the holders of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, where such Class is the Most Senior Class, on a timely basis and, where such Class is not the Most Senior Class, ultimately by a date that is not later than the Legal Maturity Date;

	• the likelihood of full and ultimate payment of interest due to the holders of the Class X Notes, by a date that is not later than the Legal Maturity Date; and • the likelihood of ultimate payment to the holders of the Rated Notes of principal in relation to the Rated Notes on or prior to the Legal Maturity Date. The ratings assigned to the Rated Notes should be evaluated independently against similar ratings of other types of securities. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal by the Rating Agencies at any time. The Issuer has not requested a rating of the Notes by any rating agency other than the Rating Agencies. There can be no assurance as to whether any other rating agency will rate the Notes or, if it does, what ratings would be assigned by such other rating agency. The ratings assigned to the Rated Notes by such other rating agency could be lower than the respective ratings assigned to the Rated Notes by the Rating Agencies. The Residual Certificates are unrated. **The assignment of ratings to the Rated Notes is not a recommendation to invest in the Notes. Any credit rating assigned to the Rated Notes may be revised or withdrawn at any time.**
Listing	This Prospectus has been approved by the Central Bank of Ireland, as competent authority under Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**"). The Central Bank of Ireland only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of the Notes that are subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes. Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") for the Notes to be admitted to its official list (the "**Official List**") and trading on the regulated market of Euronext Dublin (the "**Regulated Market**"). References in this Prospectus to Notes being "listed" (and all related references) shall mean that the Notes have been admitted to the Official List and have been admitted to trading on the Regulated Market. The Regulated Market is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament

	and of the Council on markets in financial instruments ("**EU MiFID II**"). This Prospectus is valid until the Notes are admitted to trading on the Regulated Market of Euronext Dublin and to listing on the Official List of Euronext Dublin. 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 Residual Certificates are not offered under this Prospectus.
Obligations	The Notes and the Residual Certificates will be obligations of the Issuer alone and will not be guaranteed by, or be the responsibility of, any other entity. In particular, the Notes and the Residual Certificates will not be obligations of, or guaranteed by, or be the responsibility of Blue, its affiliates or any other party to the Transaction Documents other than the Issuer.
Retention Undertaking	On the Closing Date and while any of the Collateralised Notes remain outstanding, Blue will, as an originator for the purposes of Regulation (EU) No 2017/2402 as it forms part of UK domestic law by virtue of the EUWA (as amended, together with applicable secondary legislation, guidance, policy statements, transitional relief, regulatory technical standards, implementing technical standards and related documents published by the FCA, the Bank of England, the PRA, the Pensions Regulator or any other relevant UK regulator (or their successor) in relation thereto) (the "**UK Securitisation Regulation**"), retain a material net economic interest of not less than 5 per cent. in the securitisation as required by Article 6(1) of the UK Securitisation Regulation (such retention, the "**Retained Interest**" and such requirement the "**UK Retention Requirement**"). In addition, although Regulation (EU) 2017/2402 (as amended and any relevant regulatory and/or implementing technical standards adopted by the European Commission in relation thereto, any relevant regulatory and/or implementing technical standards applicable in relation thereto pursuant to any transitional arrangements made pursuant to that Regulation, and in each case, any relevant guidance and policy statements published by the European Banking Authority, the European Securities and Markets Authority, the European Insurance and Occupational Pensions Authority (or, in each case, any predecessor authority), the European Commission and by national competent authorities) (the "**EU Securitisation Regulation**") is not applicable to it, Blue, as originator, will undertake (on a contractual basis) to retain a material net economic interest of not less than 5 per cent. in the securitisation in accordance with Article 6(1) of the EU

	Securitisation Regulation as it exists at the Closing Date (not taking into account any national measures) as if it were applicable to it (such requirement the "**EU Retention Requirement**"), unless and until such time as: (i) compliance with the EU Retention Requirement prevents full compliance with the UK Retention Requirement; or (ii) a competent EU authority has confirmed that the satisfaction of the UK Retention Requirement will also satisfy the EU Retention Requirement through the application of an equivalence regime or similar concept. As at the Closing Date, the Retained Interest will be comprised of an interest of no less than 5% of the nominal value of each Class of the Collateralised Notes sold or transferred to investors on the Closing Date, as required by Article 6(3)(a) of the UK Securitisation Regulation and Article 6(3)(a) of the EU Securitisation Regulation as it exists at the Closing Date. Blue's continued holding of the Retained Interest will be disclosed on an ongoing basis in the Monthly Investor Report to be prepared in respect of the Notes. Any change in the manner in which the interest is held may only be made in accordance with the applicable laws and regulations and will be notified to the Noteholders and the Certificateholders. See the section entitled "*RISK RETENTION AND SECURITISATION REGULATION REPORTING*" for more information. On or after the Closing Date, Blue (in its capacity as holder of the Retained Interest) may enter into financing arrangements by way of a repo transaction (the "**Retention Financing**") in respect of the Retained Interest. For further information, see the section entitled "*RISK FACTORS – General Legal Considerations – Certain risks in respect of the Retention Financing*". Each prospective Noteholder and Certificateholder is required to independently assess and determine the sufficiency of the information described in the preceding paragraphs for the purposes of complying with the UK Securitisation Regulation and EU Securitisation Regulation (to the extent applicable to it) and any corresponding national measures which may be relevant and none of the Issuer, the Arranger, the Joint Lead Managers or the other parties to the Transaction Documents make any representation that the information described above or elsewhere in this Prospectus is sufficient in all circumstances for such purposes.

Simple, Transparent and Standardised (STS) Securitisation	The Seller, as originator, will, on or about the Closing Date, procure a notification to be submitted to the FCA, in accordance with Article 27 of the UK Securitisation Regulation, that the requirements of Articles 19 to 22 of the UK Securitisation Regulation have been satisfied with respect to the Notes. The Issuer, as the SSPE, has been designated as the entity responsible for fulfilling the information requirements under Article 7 of the UK Securitisation Regulation pursuant to Article 7(2) of the UK Securitisation Regulation. The Issuer has appointed the Servicer to perform all of the Issuer's obligations under Article 7 of the UK Securitisation Regulation. The Seller, as the originator, is responsible for compliance with Article 7 of the UK Securitisation Regulation pursuant to Article 22(5) of the UK Securitisation Regulation. The Seller has used the services of Prime Collateralised Securities (PCS) UK Limited ("**PCS**") as a verification agent authorised under Article 28 of the UK Securitisation Regulation in connection with an assessment of the compliance of the Notes with the requirements of Articles 19 to 22 of the UK Securitisation Regulation (the "**STS Verification**") and to prepare an assessment of compliance of the Notes with the relevant provisions of Article 243 of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 as it forms part of UK domestic law by virtue of the EUWA ("**UK CRR**") and Article 13 of the Commission Delegated Regulation (EU) 2018/1620 as it forms part of UK domestic law by virtue of the EUWA (together with the STS Verification, the "**STS Assessments**"). It is expected that the STS Assessments prepared by PCS will be available on the PCS website (https://www.pcsmarket.org/transactions) together with detailed explanations of their scope (at https://pcsmarket.org/disclaimer/) on and from the Closing Date. For the avoidance of doubt, the STS Assessments, the PCS website and the contents thereof do not form part of this Prospectus. No assurance can be provided that the securitisation transaction described in this Prospectus does or will continue to qualify as an STS securitisation under the UK Securitisation Regulation as at the date of this Prospectus or at any point in time in the future. For further information, see the section entitled "*RISK FACTORS – General Legal Considerations – Simple, transparent and standardised securitisation*".
U.S. Risk Retention Rules	The Seller, as the sponsor under the U.S. Risk Retention Rules, does not intend to retain at least 5 per cent. of the credit risk of the securitised assets for purposes of compliance with the final rules promulgated under Section 15G (the "**U.S. Risk Retention Rules**") of the U.S. Securities Exchange Act of 1934, as amended (the

	"**Exchange Act**"), but rather intends to rely on an exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. See the section entitled "*RISK FACTORS – General Legal Considerations – U.S. Risk Retention Requirements*".
Eurosystem Eligibility	On the Closing Date, the Class A Notes will be issued under the new safekeeping structure ("**NSS**"). This means that the Class A Notes are intended upon issue to be deposited with one of Euroclear or Clearstream, Luxembourg as Common Safekeeper. Whilst the Class A Notes being held in this manner is intended to allow Eurosystem eligibility, other features of the transaction (including that the Issuer and the Seller are established in the UK) mean that the Class A Notes will not currently be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. In particular, please see the risk factor entitled "RISK FACTORS – Structural Considerations – Eurosystem Eligibility" below. The Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class X Notes and the Residual Certificates will also not currently qualify for Eurosystem eligibility.
Volcker Rule	The Issuer is of the view that it is not a "covered fund" under the regulations adopted to implement section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"), commonly known as the "**Volcker Rule**". Although other exclusions may be available to the Issuer, this conclusion is based on the exemption provided by Section 10(c)(8) of the Volcker Rule, commonly referred to as the "loan securitization exclusion". Any prospective investors, including U.S. or foreign banks or subsidiaries or other affiliates thereof, should consult their own legal advisers regarding such matters and other effects of the Volcker Rule.
Significant Investor	Blue will, on the Closing Date, acquire at least 5 per cent. of the Outstanding Note Principal Amount of each Class of Collateralised Notes (such Notes representing the Retained Interest). In addition, Blue may initially hold a significant investment in the Class X Notes and/or the Residual Certificates. Please refer to the section entitled "SUBSCRIPTION AND SALE" for further details. Morgan Stanley may or may not acquire (and initially hold) certain of the Class X Notes and/or the Residual Certificates on the Closing Date by subscribing for certain Class X Notes and/or acquiring certain Residual Certificates from Blue. Morgan Stanley is free to deal with such Notes and the Residual Certificates in its sole discretion. Any investor in the Notes and/or the Residual Certificates may agree to sell their investments in such Notes or

	Residual Certificates whether in whole or in part to one or more third party investors at any time on, before or after the Closing Date in negotiated transactions and at varying prices to be determined at the relevant time.
UK Securitisation Regulation Transaction Summary	The Issuer and the Seller intend that this Prospectus constitutes a transaction summary and overview of the main features of the transaction contemplated herein for the purposes of Article 7(1)(c) of the UK Securitisation Regulation.

The Notes and the Residual Certificates have not been approved or disapproved by the United States Securities and Exchange Commission (the "**SEC**"), any state securities commission in the United States or any other United States regulatory authority, nor have any of the foregoing authorities passed upon the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence.

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

For reference to the definitions of capitalised terms appearing in this Prospectus, see "*GLOSSARY OF DEFINED TERMS*".

IMPORTANT NOTICE

THE NOTES AND THE RESIDUAL CERTIFICATES WILL BE OBLIGATIONS OF THE ISSUER ONLY. THE NOTES AND THE RESIDUAL CERTIFICATES WILL NOT BE OBLIGATIONS OF, OR THE RESPONSIBILITY OF, OR GUARANTEED BY, ANY PERSON OTHER THAN THE ISSUER. IN PARTICULAR, THE NOTES AND THE RESIDUAL CERTIFICATES WILL NOT BE OBLIGATIONS OF, OR THE RESPONSIBILITY OF, OR GUARANTEED BY, ANY OF THE ARRANGER, THE JOINT LEAD MANAGERS, THE AGENT, THE TRANSACTION PARTIES (OTHER THAN THE ISSUER) OR ANY COMPANY IN THE SAME GROUP OF COMPANIES AS ANY OF THE TRANSACTION PARTIES. NO LIABILITY WHATSOEVER IN RESPECT OF ANY FAILURE BY THE ISSUER TO PAY ANY AMOUNT DUE UNDER THE NOTES OR THE RESIDUAL CERTIFICATES SHALL BE ACCEPTED BY ANY OF THE ARRANGER, THE JOINT LEAD MANAGERS, THE TRANSACTION PARTIES (OTHER THAN THE ISSUER) OR ANY COMPANY IN THE SAME GROUP OF COMPANIES AS THE ARRANGER, THE JOINT LEAD MANAGERS OR THE TRANSACTION PARTIES.

THE NOTES AND THE RESIDUAL CERTIFICATES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR UNDER THE SECURITIES LAWS OR "BLUE SKY LAWS" OF ANY STATE OR OTHER JURISDICTION 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 WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT ("**U.S. PERSONS**"), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE STATE OR LOCAL SECURITIES LAWS AND UNDER CIRCUMSTANCES WHICH WOULD NOT REQUIRE THE ISSUER TO REGISTER UNDER THE INVESTMENT COMPANY ACT. IN CONNECTION WITH THE INITIAL DISTRIBUTION OF THE NOTES AND RESIDUAL CERTIFICATES, THE NOTES AND RESIDUAL CERTIFICATES WILL BE OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES TO PERSONS WHO ARE NOT U.S. PERSONS. THERE HAS BEEN AND WILL BE NO PUBLIC OFFERING OF THE NOTES OR RESIDUAL CERTIFICATES IN THE UNITED STATES. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON RESALES OR TRANSFERS, SEE THE SECTION ENTITLED "SELLING RESTRICTIONS".

THE SELLER, AS THE SPONSOR UNDER THE U.S. RISK RETENTION RULES, DOES NOT INTEND TO RETAIN AT LEAST 5 PER CENT. OF THE CREDIT RISK OF THE SECURITISED ASSETS FOR THE PURPOSE OF COMPLIANCE WITH THE FINAL RULES PROMULGATED UNDER SECTION 15G OF THE U.S. SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "**U.S. RISK RETENTION RULES**"), BUT RATHER INTENDS TO RELY ON AN EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES REGARDING NON-U.S. TRANSACTIONS. CONSEQUENTLY, EXCEPT WITH THE PRIOR CONSENT OF THE SELLER AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY SECTION 20 OF THE U.S. RISK RETENTION RULES, THE NOTES AND RESIDUAL CERTIFICATES MAY NOT BE SOLD TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY RISK RETENTION U.S. PERSON. PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS SIMILAR TO, BUT NOT IDENTICAL TO, THE DEFINITION OF "U.S. PERSON" IN REGULATION S AND THAT PERSONS WHO ARE NOT "U.S. PERSONS" UNDER REGULATION S MAY BE "U.S. PERSONS" UNDER THE U.S. RISK RETENTION RULES. EACH PURCHASER OF SUCH NOTES AND/OR RESIDUAL CERTIFICATES OR A BENEFICIAL INTEREST THEREIN

ACQUIRED IN THE INITIAL DISTRIBUTION OF THE NOTES AND RESIDUAL CERTIFICATES, BY ITS ACQUISITION OF SUCH NOTE AND/OR RESIDUAL CERTIFICATE OR A BENEFICIAL INTEREST THEREIN, WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT (1) EITHER (i) IT IS NOT A RISK RETENTION U.S. PERSON OR (ii) IT HAS OBTAINED A U.S. RISK RETENTION WAIVER FROM THE SELLER, (2) IT IS ACQUIRING SUCH NOTES AND/OR RESIDUAL CERTIFICATES OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTES AND/OR RESIDUAL CERTIFICATES, AND (3) IT IS NOT ACQUIRING SUCH NOTES AND/OR RESIDUAL CERTIFICATES OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING SUCH NOTES AND/OR RESIDUAL CERTIFICATES THROUGH A NON-RISK RETENTION U.S. PERSON, RATHER THAN A RISK RETENTION U.S. PERSON, AS PART OF A SCHEME TO EVADE THE 10 PER CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES).

THE ISSUER IS OF THE VIEW THAT IT IS NOT A "COVERED FUND" UNDER THE "**VOLCKER RULE**". ANY PROSPECTIVE INVESTORS, INCLUDING U.S. OR FOREIGN BANKS OR SUBSIDIARIES OR OTHER AFFILIATES THEREOF, SHOULD CONSULT THEIR OWN LEGAL ADVISERS REGARDING SUCH MATTERS AND OTHER EFFECTS OF THE VOLCKER RULE.

There is no undertaking to register the Notes and/or the Residual Certificates under the securities laws or "blue sky" laws of any of any state or other jurisdiction of the United States. Until 40 days after the later of the commencement of the offering of the Notes and the Residual Certificates and the Closing Date, an offer or sale of the Notes and/or the Residual Certificates within the United States by any dealer (whether or not participating in this offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than pursuant to an exemption from the registration requirements of the Securities Act.

Governing Law

The Notes and the Residual Certificates 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.

Form of the Notes

Each of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes will be issued in registered form and in 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, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes will be represented by a 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 one of Euroclear Bank SA/NV ("**Euroclear**") or Clearstream Banking S.A. ("**Clearstream, Luxembourg**") which will act as the Common Safekeeper for the Class A Notes. The Global Notes representing the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes will be deposited on or around the Closing Date with a Common Depositary for Clearstream, Luxembourg and Euroclear. Except in certain limited circumstances, the Global Notes will not be exchangeable for registered definitive notes, or "definitive notes", and no definitive notes will be issued with a denomination below £100,000 or

above £199,000. If definitive notes are issued, Noteholders should be aware that definitive notes which have a denomination that is not an integral multiple of the minimum authorised denomination may be illiquid and difficult to trade.

On the Closing Date, the Class A Notes will be issued under the NSS. This means that the Class A Notes are intended upon issue to be deposited with one of Euroclear or Clearstream, Luxembourg as Common Safekeeper. Whilst Class A Notes being held in this manner is intended to allow Eurosystem eligibility, other features of the transaction (including that the Issuer and the Seller are established in the UK) mean that the Class A Notes will not currently be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. In particular, please see the risk factor entitled "*RISK FACTORS – Structural Considerations – Eurosystem Eligibility*" below. The Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes will also not currently qualify for Eurosystem eligibility.

The Residual Certificates will be represented on issue by a global residual certificate in registered form (a "**Global Residual Certificate**"). The Residual Certificates may be issued in definitive registered form under certain circumstances.

Payments in respect of the Notes

Interest on the Notes will accrue on the Outstanding Note Principal Amount of each Note at a per annum rate equal to Compounded Daily SONIA plus 0.8%, the sum being subject to a floor of zero, in the case of the Class A Notes, Compounded Daily SONIA plus 1.65%, the sum being subject to a floor of zero, in the case of the Class B Notes, Compounded Daily SONIA plus 2.75%, the sum being subject to a floor of zero, in the case of the Class C Notes, Compounded Daily SONIA plus 3.8%, the sum being subject to a floor of zero, in the case of the Class D Notes, Compounded Daily SONIA plus 6.35%, the sum being subject to a floor of zero, in the case of the Class E Notes and Compounded Daily SONIA plus 9.5%, the sum being subject to a floor of zero, in the case of the Class F Notes, and Compounded Daily SONIA plus 7%, the sum being subject to a floor of zero, in the case of the Class X Notes. Interest will be payable in Sterling by reference to successive interest accrual periods (each, an "**Interest Period**") monthly in arrear (or such longer period for the first Interest Period) on the 20th day of each calendar month, subject to the Business Day Convention (each, an "**Interest Payment Date**"). The first Interest Payment Date will be 22 May 2023, subject to the Business Day Convention.

The Notes will mature on 20 June 2034, subject to the Business Day Convention (the "**Legal Maturity Date**"), unless previously redeemed in full (see "*CONDITIONS OF THE NOTES — Condition 5 (Final redemption)*"). Amortisation of the Notes will commence on the first Interest Payment Date, subject to availability of Available Principal Receipts and application of Available Principal Receipts in accordance with the Pre-Acceleration Principal Priority of Payments.

Payments in respect of the Residual Certificates

Each Residual Certificate represents a pro rata entitlement to receive Residual Certificate Payments on each Interest Payment Date and each date on which amounts are to be applied in accordance with the Post-Acceleration Priority of Payments.

Following the redemption in full of the Notes, the realisation of the Charged Property and payment of the proceeds of realisation in accordance with the applicable Priority of Payments, no more Residual Certificate Payments will be made by the Issuer and the Residual Certificates shall be redeemed and cancelled.

Benchmarks

Interest payable under the Notes is calculated by reference to SONIA. As at the date of this Prospectus, the Bank of England, as the administrator of SONIA, does not appear on the register of administrators and benchmarks established and maintained by the FCA pursuant to the UK Benchmarks Regulation. As far as the Issuer is aware, Article 2 of the UK Benchmarks Regulation applies, such that the Bank of England, as the administrator of SONIA, is not currently required to obtain authorisation or registration (or recognition, endorsement or equivalence) under the UK Benchmarks Regulation.

As at the date of this Prospectus, the Bank of England, as the administrator of SONIA, does not appear on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the EU Benchmarks Regulation. As far as the Issuer is aware, Article 2 of the EU Benchmarks Regulation applies, such that the Bank of England, as the administrator of SONIA, is not currently required to obtain authorisation or registration (or recognition, endorsement or equivalence) under the EU Benchmarks Regulation.

The Bank of England has issued a statement of compliance with the principles for financial benchmarks issued in 2013 by the International Organization of Securities Commissions.

Commercial Activities

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

Responsibility Statements

The Issuer accepts responsibility for the information contained in this Prospectus and declares that the information in this Prospectus, to the best of its knowledge, is in accordance with the facts and contains no omission likely to affect its import.

Where third party information has been used in this Prospectus, the source of such information has been identified. In the case of the presented statistical information, similar statistics may be obtainable from other sources, although the underlying assumptions and methodology, and consequently the resulting data, may vary from source to source. Where information has been sourced from a third party, such publications generally state that the information they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of such information is not guaranteed. As far as the Issuer is aware and able to ascertain from the information published by such third party sources, this information has been accurately reproduced and no facts have been omitted that would render the reproduction of this information inaccurate or misleading.

The Seller and the Servicer accept responsibility for any information in this Prospectus relating to the Purchased Receivables and the information contained in "*RISK RETENTION AND SECURITISATION REGULATION REPORTING", "PROVISIONAL PORTFOLIO CHARACTERISTICS AND HISTORICAL DATA" and "THE SELLER AND THE SERVICER*". Each of the Seller and the Servicer declares that, to the best of its knowledge and belief, the information in such sections is in accordance with the facts and contains no omission likely to affect its import. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Seller and the Servicer as to the accuracy or completeness of any information contained in this Prospectus (other than in the sections referred to above and not specifically excluded therein) or any other information supplied in connection with the Notes, the Residual Certificates or their distribution.

The Note Trustee and the Security Trustee accept responsibility for the section entitled "*THE NOTE TRUSTEE AND SECURITY TRUSTEE*" and declare that the information in such section, to the best of their knowledge, is in accordance with the facts and contains no omission likely to affect its import. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Note Trustee and the Security Trustee as to the accuracy or completeness of any information contained in this Prospectus (other than in the section referred to above and not specifically excluded therein) or any other information supplied in connection with the Notes, the Residual Certificates or their distribution.

The Swap Provider accepts responsibility for the section entitled "*THE SWAP PROVIDER*" and declares that the information in such section, to the best of its knowledge, is in accordance with the facts and contains no omission likely to affect its import.

The Corporate Services Provider accepts responsibility for the section entitled "*THE CORPORATE SERVICES PROVIDER*" and declares that the information in such section, to the best of its knowledge, is in accordance with the facts and contains no omission likely to affect its import.

The Account Bank, Cash Manager, Interest Determination Agent, Registrar and Paying Agent accept responsibility for the section entitled "*THE ACCOUNT BANK, CASH MANAGER, INTEREST DETERMINATION AGENT, REGISTRAR AND PAYING AGENT*" and declare that the

information in such section, to the best of their knowledge, is in accordance with the facts and contains no omission likely to affect its import. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Account Bank, Cash Manager, Interest Determination Agent, Registrar and Paying Agent as to the accuracy or completeness of any information contained in this Prospectus (other than in the section referred to above and not specifically excluded therein) or any other information supplied in connection with the Notes, the Residual Certificates or their distribution.

No representations about the Notes and the Residual Certificates

No person is authorised to give any information or to make any representation about the Notes and the Residual Certificates which is not contained in this Prospectus and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Transaction Parties, the Arranger or the Joint Lead Managers. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that the information contained in it or any other information supplied in connection with the Notes and the Residual Certificates is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

To the fullest extent permitted by law, none of the Arranger, the Joint Lead Managers, the Security Trustee or the Note Trustee accepts any responsibility whatsoever for the contents of this Prospectus (save as referred to above) or for any other statement, made or purported to be made by the Arranger, the Joint Lead Managers, the Note Trustee or the Security Trustee or any other person or on their behalf in connection with the Issuer or the issue and offering of the Notes or the Residual Certificates. Each of the Arranger, the Joint Lead Managers, the Note Trustee and the Security Trustee accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Prospectus or any such statement.

None of the Arranger, the Joint Lead Managers, the Note Trustee, the Security Trustee or any other Transaction Party (other than the Issuer, the Seller or any other Transaction Party, in each case with respect to itself) shall be responsible for the compliance of the Issuer, the Seller or any other Transaction Party with the requirements of the UK Securitisation Regulation or the EU Securitisation Regulation. Each potential purchaser of the Notes or the Residual Certificates should determine the relevance of the information contained in this Prospectus or part hereof and the purchase of Notes or Residual Certificates should be based upon such investigation as each purchaser deems necessary.

None of the Arranger, the Joint Lead Managers, the Note Trustee, the Security Trustee or any other Transaction Party (other than such Transaction Parties that give specific undertakings and then only to the extent of such undertakings and to the persons to whom they are given) has or shall have any liability to any prospective investor or any other person for any insufficiency of such information or any non-compliance by any such person with the due diligence, retention and transparency rules set out in Article 5, Article 6 and Article 7 of the UK Securitisation Regulation or the EU Securitisation Regulation or any other applicable legal, regulatory or other requirements, or has any obligation to provide any further information or take any other steps that

may be required by any institutional investor to enable compliance by such person with the requirements of any due diligence and investor requirement or any other applicable legal, regulatory or other requirements.

Selling Restrictions

The Notes and the Residual Certificates have not been, and will not be, registered under the Securities Act, or the securities laws or "blue sky" laws of any state or other jurisdiction of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States and under circumstances which would not require the Issuer to register under the Investment Company Act. In connection with the initial distribution of the Notes and Residual Certificates, the Notes and Residual Certificates will be offered and sold only outside the United States to persons who are not U.S. Persons. There has been and will be no public offering of the Notes or Residual Certificates in the United States.

Except with the prior consent of the Seller and where such sale falls within the exemption provided by Section 20 of the U.S. Risk Retention Rules, the Notes and Residual Certificates may not be sold to, or for the account or benefit of, any Risk Retention U.S. Person. Prospective investors should note that the definition of "U.S. person" in the U.S. Risk Retention Rules is similar to, but not identical to, the definition of "U.S. person" in Regulation S under the Securities Act ("**Regulation S**") and that persons who are not "U.S. persons" under Regulation S may be "U.S. persons" under the U.S. Risk Retention Rules.

Neither the delivery of this Prospectus nor any offering, sale or delivery of any Notes or the Residual Certificates shall, under any circumstances, create any implication (i) that the information in this Prospectus is correct as of any time subsequent to the date hereof, or (ii) that there has been no adverse change in the financial situation of the Issuer since the date of this Prospectus or (iii) that any other information supplied in connection with the issue of the Notes or the Residual Certificates is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

No action has been taken by the Issuer, the Seller or the Joint Lead Managers other than as set out in this Prospectus that would permit a public offering of the Notes or the Residual Certificates, or possession or distribution of this Prospectus or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, no Notes or Residual Certificates may be offered or sold, directly or indirectly, and neither this Prospectus (nor any part hereof) nor any information memorandum, offering circular, form of application, advertisement or other offering materials may be issued, distributed or published, in any country or jurisdiction except in compliance with applicable laws, orders, rules and regulations, and the Issuer, the Seller and the Joint Lead Managers have represented that all offers and sales by them have been made on such terms.

This Prospectus may only be used for the purposes for which it has been published. This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities to which it relates or an offer to sell or the solicitation of any offer to buy any of the securities offered hereby in any circumstances in which such offer or solicitation is unlawful. The distribution of this Prospectus (or of any part thereof) and the offering and sale of

the Notes and the Residual Certificates in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus (or any part thereof) may come are required by the Issuer, the Seller and the Joint Lead Managers to inform themselves about and to observe any such restrictions. This Prospectus does not constitute, and may not be used for, or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. For a further description of certain restrictions on offerings and sales of the Notes and the Residual Certificates and distribution of this Prospectus (or of any part thereof), see "*SUBSCRIPTION AND SALE*".

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

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

It should be remembered that the price of securities and the income deriving from them may decrease.

The Notes and the Residual Certificates are being offered only to a limited number of investors that are willing and able to conduct an independent investigation of the characteristics of the Notes and the Residual Certificates and the risks of ownership of the Notes and the Residual Certificates. It is expected that prospective investors interested in participating in this offering will conduct an independent investigation of the risks posed by an investment in the Notes and the Residual Certificates. Prospective purchasers of the Notes and the Residual Certificates must be able to hold their investment for an indefinite period of time.

EU MiFID II Product Governance / Professional Investors and ECPs only Target Market

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes and the Residual Certificates has led to the conclusion that: (i) the target market for the Notes and the Residual Certificates is eligible counterparties and professional clients only, each as defined in EU MiFID II; and (ii) all channels for distribution of the Notes and the Residual Certificates to eligible counterparties and professional clients are appropriate. Any Distributor should take into consideration the manufacturers' target market assessment; however, a Distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes and the Residual Certificates (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

UK MiFIR Product Governance / Professional Investors and ECPs only Target Market

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes and the Residual Certificates has led to the conclusion that: (i) the target market for the Notes and the Residual Certificates is eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes and the Residual

Certificates to eligible counterparties and professional clients are appropriate. Any Distributor should take into consideration the manufacturers' target market assessment; however, a Distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes and the Residual Certificates (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

EU PRIIPs Regulation / Prohibition of Sales to EEA Retail Investors

The Notes and the Residual Certificates are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**EU Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor as defined in Article 2 of the EU Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**EU PRIIPs Regulation**") for offering or selling the Notes or the Residual Certificates or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or the Residual Certificates or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

UK PRIIPs Regulation / Prohibition of Sales to UK Retail Investors

The Notes and the Residual Certificates 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 UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the EU Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the EU Prospectus Regulation as it forms part of UK domestic law by virtue of the EUWA. Consequently, no key information document required by the EU PRIIPs Regulation as it forms part of UK domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or the Residual Certificates or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or the Residual Certificates or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Interpretation

In this Prospectus, unless otherwise specified or the context otherwise requires, references to "£", "Sterling" and "Pounds Sterling" are references to the lawful currency for the time being of the United Kingdom of Great Britain and Northern Ireland.

In this Prospectus, unless otherwise specified or the context otherwise requires, references to "€" and "euros" are to the lawful currency of the Member States of the European Union that have

adopted or adopt the single currency in accordance with the Treaty on the functioning of the European Union (originally, the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992), as amended by the Treaty of Amsterdam (signed in Amsterdam on 2 November 1997), as amended by the Treaty of Nice (signed in Nice on 26 February 2001, as amended by the Treaty of Lisbon (signed in Lisbon on 13 December 2007) and as subsequently amended from time to time).

Certain figures included in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown for the same category in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

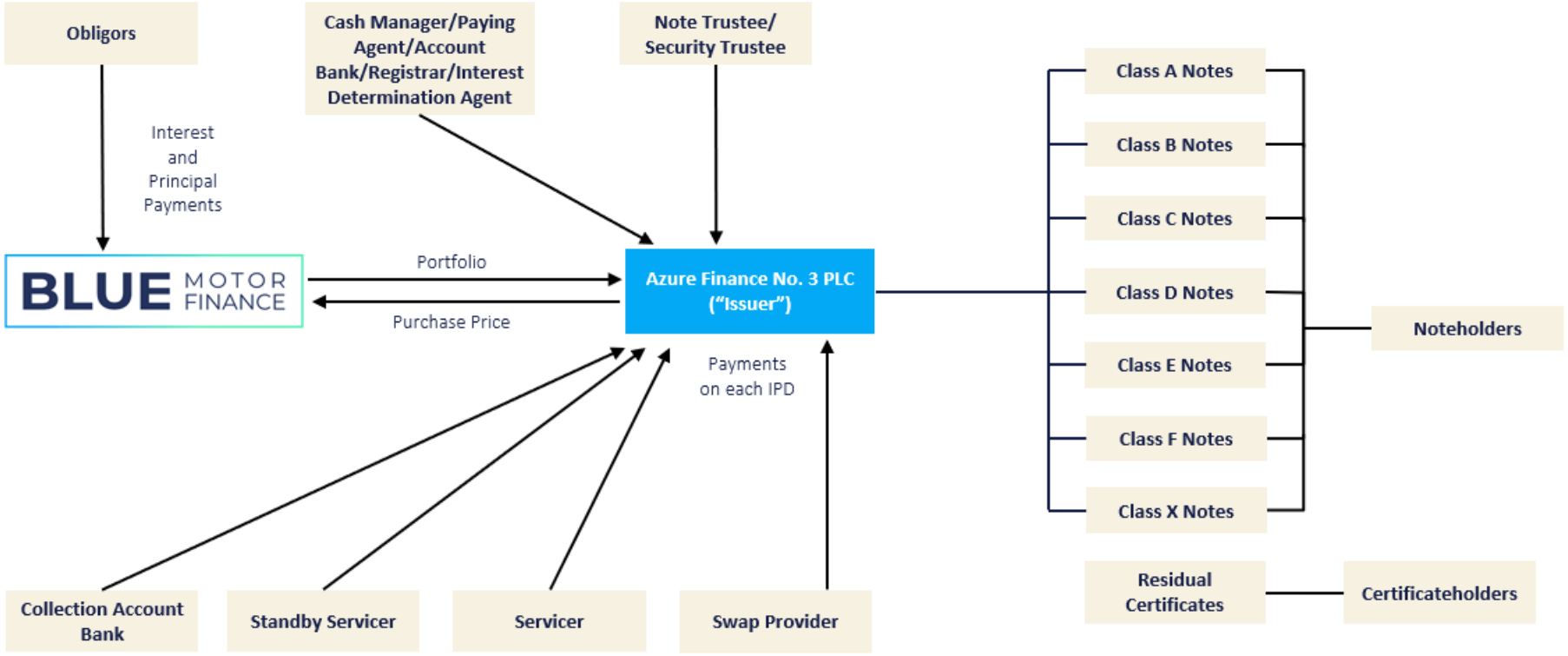
Capitalised terms used in this Prospectus, unless otherwise indicated, have the meanings set out in this Prospectus. A glossary of defined terms appears at the end of this Prospectus in the section headed "*GLOSSARY OF DEFINED TERMS*".

Forward-Looking Statements

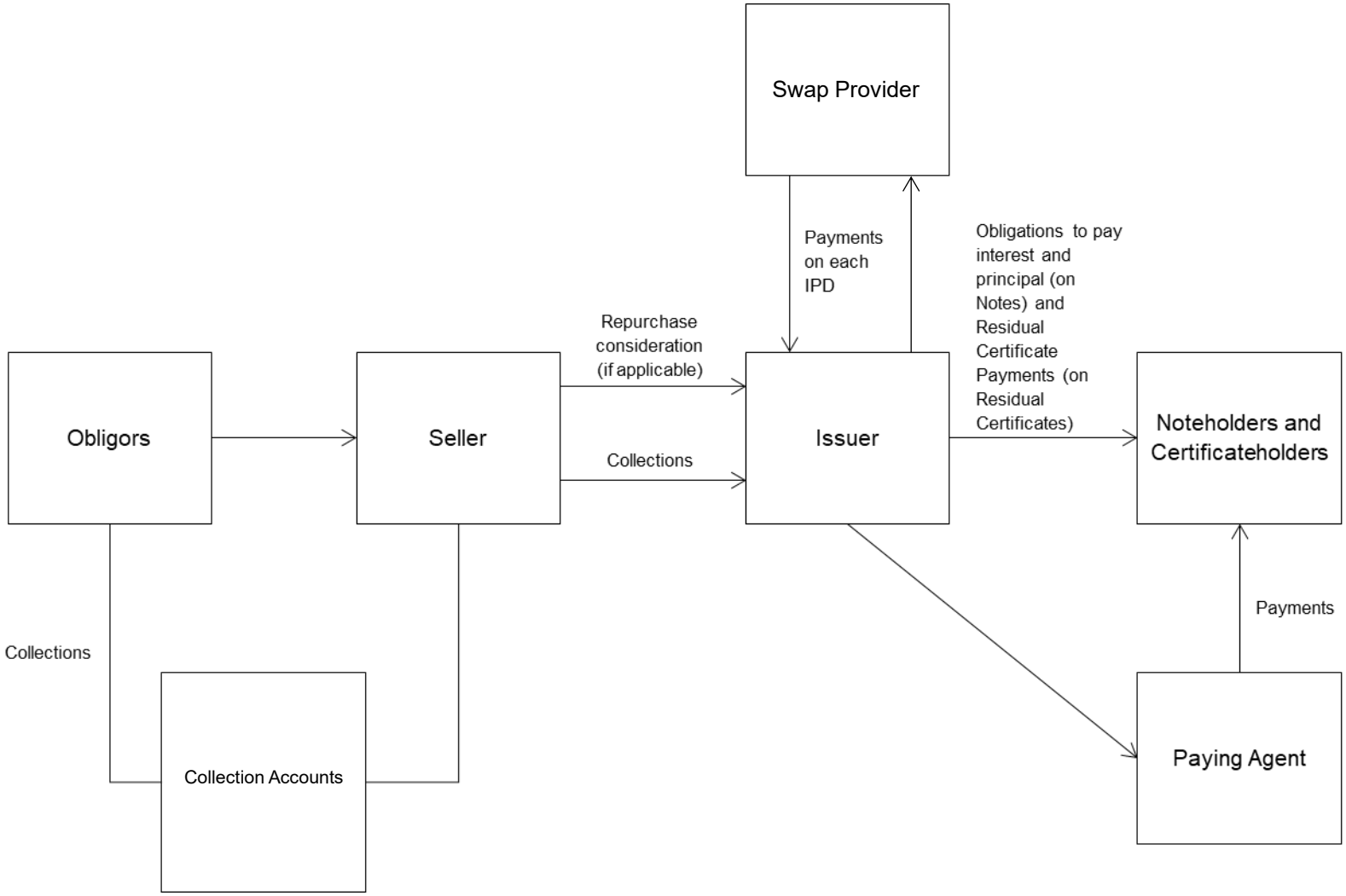
Certain matters contained herein are forward-looking statements. Such statements appear in a number of places in this Prospectus, including with respect to assumptions on prepayment and certain other characteristics of the HP Agreements and Purchased Receivables, and reflect significant assumptions and subjective judgments by the Issuer that may not prove to be correct. Such statements may be identified by reference to a future period or periods and the use of forward-looking terminology such as "may", "will", "could", "believes", "expects", "anticipates", "continues", "intends", "plans" or similar terms. Consequently, future results may differ from the Issuer's expectations due to a variety of factors, including (but not limited to) the economic environment and regulatory changes in the auto and consumer finance industry in the United Kingdom. Moreover, past financial performance should not be considered a reliable indicator of future performance and prospective purchasers of the Notes and the Residual Certificates are cautioned that any such statements are not guarantees of performance and involve risks and uncertainties, many of which are beyond the control of the Issuer. The Arranger and the Joint Lead Managers have not attempted to verify any such statements, nor do they make any representations, express or implied, with respect thereto. Prospective purchasers should therefore not place undue reliance on any of these forward-looking statements. None of the Arranger, the Joint Lead Managers or the Transaction Parties assumes any obligation to update these forward-looking statements or to update the reasons for which actual results could differ materially from those anticipated in the forward-looking statements.

DIAGRAMMATIC OVERVIEW OF THE TRANSACTION

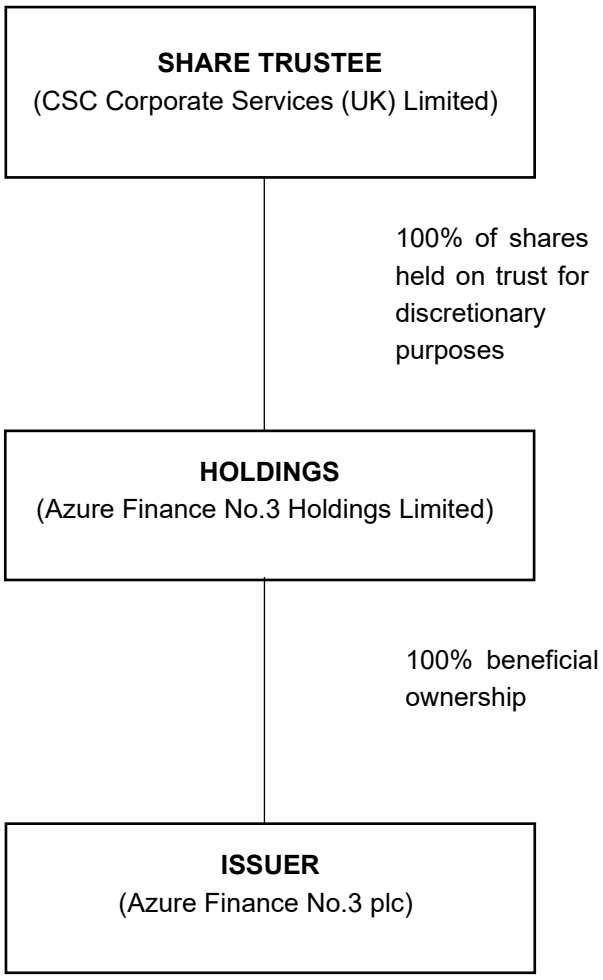
These structure diagrams of the Transaction are qualified in their entirety by reference to the more detailed information appearing elsewhere in this Prospectus.



DIAGRAMMATIC OVERVIEW OF ONGOING CASH FLOW



OWNERSHIP STRUCTURE DIAGRAM



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TRANSACTION OVERVIEW

TRANSACTION PARTIES ON THE CLOSING DATE

Party	**Name**	**Address**	***Document under which appointed/Further Information***
Issuer	Azure Finance No.3 plc	10th Floor, 5 Churchill Place, London E14 5HU	N/A. See the section entitled "*THE ISSUER*" for further information.
Holdings	Azure Finance No.3 Holdings Limited	10th Floor, 5 Churchill Place, London E14 5HU	N/A. See the section entitled "*HOLDINGS*" for further information.
Seller/Originator	Blue Motor Finance Limited	Darenth House, 84 Main Road, Sundridge, Kent TN14 6ER	Receivables Sale and Purchase Agreement. See the section entitled "*THE SELLER AND THE SERVICER*" for further information.
Servicer	Blue Motor Finance Limited	Darenth House, 84 Main Road, Sundridge, Kent TN14 6ER	Servicing Agreement by the Issuer. See the section entitled "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Servicing Agreement*" for further information.
Cash Manager	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB	Cash Management Agreement by the Issuer. See the section entitled "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Cash Management Agreement*" for further information.
Swap Provider	BNP Paribas	10 Harewood Avenue, London NW1 6AA	Swap Agreement by the Issuer. See the section entitled "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Swap Agreement*" for further information.

Party	**Name**	**Address**	***Document under which appointed/Further Information***
Account Bank	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB	Bank Account Agreement by the Issuer. See the section entitled "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Bank Account Agreement*" for further information.
Note Trustee	Citicorp Trustee Company Limited	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB	Trust Deed. See the section entitled "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Trust Deed*" for further information.
Security Trustee	Citicorp Trustee Company Limited	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB	Deed of Charge. See the section entitled "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Deed of Charge*" for further information.
Paying Agent	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB	Agency Agreement by the Issuer. See the section entitled "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Agency Agreement*" for further information.
Interest Determination Agent	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB	Agency Agreement by the Issuer. See the section entitled "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Agency Agreement*" for further information.
Registrar	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB	Agency Agreement by the Issuer. See the section entitled "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Agency*

Party	Name	Address	***Document under which appointed/Further Information***
			Agreement" for further information.
Corporate Services Provider	CSC Capital Markets UK Limited	10th Floor, 5 Churchill Place, London E14 5HU	Corporate Services Agreement by the Issuer. See the section entitled *"SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Corporate Services Agreement*" for further information.
BMF DD Collection Account Holder	Blue Motor Finance DD Limited	1 Bartholomew Lane, London EC2N 2AX	BMF DD Collection Account Declaration of Trust. See the section entitled "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Collection Account Declarations of Trust*" for further information.
BMFL Collection Account Holder	Blue Motor Finance Limited	Darenth House, 84 Main Road, Sundridge, Kent TN14 6ER	BMFL Collection Account Declaration of Trust. See the section entitled "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Collection Account Declarations of Trust*" for further information.
Standby Servicer	Equiniti Gateway Ltd	Highdown House, Yeoman Way, Worthing BN99 3HH	Standby Servicer Agreement by the Issuer. See the section entitled "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Standby Servicer Agreement*" for further information.

Party	Name	Address	***Document under which appointed/Further Information***
Arranger	Morgan Stanley & Co. International plc	25 Cabot Square, Canary Wharf, London E14 4QA	Subscription Agreement. See the section entitled "*SUBSCRIPTION AND SALE*" for further information.
Joint Lead Manager	Morgan Stanley & Co. International plc	25 Cabot Square, Canary Wharf, London E14 4QA	Subscription Agreement. See the section entitled "*SUBSCRIPTION AND SALE*" for further information.
Joint Lead Manager	Standard Chartered Bank	1 Basinghall Avenue, London EC2V 5DD	Subscription Agreement. See the section entitled "*SUBSCRIPTION AND SALE" for further information.*
Irish Listing Agent	Arthur Cox Listing Services Limited	Ten Earlsfort Terrace, Dublin 2 D02 T380, Ireland	N/A
Clearing System	Clearstream Banking S.A.	42 Avenue JF Kennedy, L-1885, Luxembourg	N/A
Clearing System	Euroclear Bank SA/NV	1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium	N/A
Rating Agency	Moody's Investor Service Limited	One Canada Square, Canary Wharf, London E14 5FA	N/A
Rating Agency	DBRS Ratings Limited	20 Fenchurch Street, 31st Floor, London EC3M 3BY	N/A
Competent Authority	Central Bank of Ireland	N Wall Quay, North Dock, Dublin D01 F7X3, Ireland	N/A
Stock Exchange	Irish Stock Exchange plc trading as Euronext Dublin	Exchange Buildings, Foster Place, Dublin 2, Ireland	N/A
Securitisation Repository	EuroABS Limited	4 Rectory Lane, Sidcup, Kent DA14 4QE	N/A

Party	**Name**	**Address**	***Document under which appointed/Further Information***
	SecRep Limited	4a Rectory Lane, Sidcup, Kent DA14 4QE	N/A

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes and the Residual Certificates. All of these factors are contingencies which may or may not occur.

Factors which the Issuer believes are material for the purpose of assessing the market risks associated with the Notes and the Residual Certificates are also described below.

The underlying HP Agreements, the structure of the Transaction Documents and the issue of the Notes and the Residual Certificates, as well as the ratings which are to be assigned to the Notes, are based on English law and Scots law and United Kingdom tax, regulatory and administrative practice in effect as at the date of this Prospectus as they affect the parties to the Transaction and the Portfolio, and having due regard to the expected tax treatment of the Issuer under such law and practice. No assurance can be given as to the impact of any possible change to English law and Scots law and United Kingdom tax, regulatory or administrative practice after the date of this Prospectus.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes and the Residual Certificates based on the probability of their occurrence and the expected magnitude of their negative impact. However, the Issuer may be unable to pay interest, principal or other amounts on or in connection with the Notes and the Residual Certificates for other reasons not known to the Issuer. Prospective investors are requested to carefully consider all the information in this Prospectus prior to making any investment decision. Prospective investors should make such inquiries and investigations as they consider necessary without relying on the Issuer, the Arranger, the Joint Lead Managers or any other party referred to herein.

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

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

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

STRUCTURAL CONSIDERATIONS

Liability under the Notes and the Residual Certificates

The Notes and the Residual Certificates will be obligations of the Issuer alone and will not be guaranteed by, or be the responsibility of, any other entity. In particular, the Notes and the Residual Certificates will not be obligations of, or guaranteed by, or be the responsibility of Blue, its affiliates or any other Transaction Party other than the Issuer.

All payment obligations of the Issuer under the Notes and the Residual Certificates constitute exclusively obligations to pay out the sums standing to the credit of the Transaction Account, the Senior Reserve Fund, the Junior Reserve Fund, the Swap Collateral Account and the proceeds from the Security, in each case in accordance with the applicable Priority of Payments. If, following the enforcement of the Security, the proceeds of enforcement prove ultimately insufficient, after payment of all claims ranking in priority to amounts due under the Notes and the Residual Certificates, to pay in full all principal and interest and other amounts whatsoever due in respect of the Notes and the Residual Certificates, any shortfall arising will be extinguished and the Noteholders and the Certificateholders will neither have any further claim against the Issuer in respect of any such amounts nor have recourse to any other person for the Loss sustained. The enforcement of the Security by the Security Trustee is the only remedy available to the Noteholders and the Certificateholders for the purpose of recovering amounts payable in respect of the Notes and the Residual Certificates.

Limited resources of the Issuer

The Issuer is a special purpose entity, with no business operations other than the issue of the Notes and the Residual Certificates, the financing of the purchase of the Portfolio and the entry into the related Transaction Documents. Therefore, the ability of the Issuer to meet its obligations under the Notes will depend, inter alia, upon receipt of:

- payments of Collections under the Purchased Receivables;
- Recovery Collections;
- any Non-Compliant Receivable Repurchase Price or Receivables Indemnity Amount due from the Seller under the Receivables Sale and Purchase Agreement;
- the amount standing to the credit of the Reserve Funds;
- net interest earned on the Reserve Funds and the Transaction Account; and
- payments, if any, under the other Transaction Documents in accordance with the terms thereof.

Blue will also hold its title to Vehicles financed by the HP Agreements in the Portfolio on trust for the Issuer pursuant to the Vehicle Declaration of Trust.

Other than the foregoing, the Issuer will have no other funds available to meet its obligations under the Notes and the Residual Certificates.

Subordination

Pursuant to the Priorities of Payments, certain junior Classes of Notes are subordinated in right of payment of principal and interest to more senior Classes of Notes.

The Class A Notes will rank *pro rata* and *pari passu* without preference or priority among themselves at all times as to payments of interest and principal, as provided in the Conditions and the Transaction Documents.

The Class B Notes will rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to all payments due in respect of the Class A Notes, as provided in the Conditions and the Transaction Documents.

The Class C Notes will rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to all payments due in respect of the Class A Notes and the Class B Notes, as provided in the Conditions and the Transaction Documents.

The Class D Notes will rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to all payments due in respect of the Class A Notes, the Class B Notes and the Class C Notes, as provided in the Conditions and the Transaction Documents.

The Class E Notes will rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to all payments due in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, as provided in the Conditions and the Transaction Documents.

The Class F Notes will rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to all payments due in respect of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, as provided in the Conditions and the Transaction Documents.

The Class X Notes will rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to all payments due in respect of all other Classes of Notes, as provided in the Conditions and the Transaction Documents. Prior to service of a Note Acceleration Notice, payments of interest and principal on the Class X Notes will only be made from Available Revenue Receipts to the extent of amounts available in accordance with the Pre-Acceleration Revenue Priority of Payments.

The Residual Certificates will rank *pro rata* and *pari passu* without preference or priority among themselves in relation to Residual Certificate Payments at all times, but subordinate to all payments due in respect of the Notes, as provided in the terms and conditions of the Residual Certificates and the Transaction Documents.

In addition to the above, payments on the Notes and the Residual Certificates are subordinate to payments of certain senior ranking fees, costs and expenses, including those payable as Senior Expenses.

There is no assurance that these subordination rules will protect the holders of Notes from risk of loss.

Absence of a secondary market and market value of the Notes and the Residual Certificates

Although application will be made to Euronext Dublin for the Notes to be listed on the official list and to be admitted to trading on the regulated market of Euronext Dublin, as at the Closing Date, there will be no secondary market for the Notes (or the Residual Certificates, which will not be listed). There can be no assurance that there will be bids and offers and that a liquid secondary market for the Notes or the Residual Certificates will develop or that a market will develop for the Notes or the Residual Certificates or, if it develops, that it provides sufficient liquidity to absorb any bids, or that it will continue for the whole life of the Notes or the Residual Certificates.

Further, limited liquidity in the secondary market for asset-backed securities has had a severe adverse effect on the market value of asset-backed securities in the past and may in the future have a severe adverse effect on the market value of asset-backed securities, especially those securities that are more sensitive to prepayment, credit or interest rate risk and those securities that have been structured to meet the investment requirements of limited categories of investors. Consequently, any purchaser of the Notes or the Residual Certificates must be prepared to hold such Notes or Residual Certificates for an indefinite period of time or until final redemption or maturity of such Notes or Residual Certificates. The market values of the Notes and the Residual Certificates are likely to fluctuate. Any such fluctuation may be significant and could result in significant losses to investors in the Notes or the Residual Certificates. In addition, the forced sale into the market of asset-backed securities held by structured investment vehicles, hedge funds, issuers of collateralised debt obligations and other similar entities that are experiencing funding difficulties could adversely affect an investor's ability to sell, and/or the price an investor receives, for the Notes or the Residual Certificates in the secondary market.

Significant events, such as conflicts and pandemics and actions taken by authorities in response to them, could exacerbate the risks described above.

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

Limited enforcement rights

Following an Event of Default and the service of a Note Acceleration Notice in accordance with Condition 10 (*Events of Default*) or, following redemption in full of the Notes, in accordance with Residual Certificate Condition 8 (*Events of Default*), the Security will become enforceable and the Note Trustee may at its discretion direct the Security Trustee to take action to enforce the Security. The Note Trustee shall not be obliged to enforce (or direct the Security Trustee to take such action to enforce) the Security unless (i) so directed by the holders of at least 25% in aggregate Outstanding Note Principal Amount of the Most Senior Class of Notes or if so directed by an Extraordinary Resolution of the Most Senior Class of Notes; or (ii) following redemption in full of the Notes, if so directed by the holders of at least 25% in number of the Residual Certificates then in issue or if so directed by an Extraordinary Resolution of the Certificateholders (subject, in each case, to the Note Trustee being indemnified and/or secured and/or prefunded to its satisfaction).

The Note Trustee may also, at its discretion, direct the Security Trustee to take action to enforce the Security although the Security Trustee itself is not required to take any action (including appointing an administrative receiver or other Receiver) unless indemnified and/or secured and/or prefunded to its satisfaction.

The Note Trustee may at any time, at its discretion, and will do so (subject in each case to the Note Trustee having been indemnified and/or secured and/or prefunded to its satisfaction) if (i) it has been directed to do so by the holders of at least 25% in aggregate Outstanding Note Principal Amount of the Most Senior Class of Notes or if so directed by an Extraordinary Resolution of the Most Senior Class of Notes at the relevant date; or (ii) following redemption in full of the Notes, it has been directed to do so by the holders of at least 25% in number of the Residual Certificates then in issue or if so directed by an Extraordinary Resolution of the Certificateholders, and, in each case, without notice and in such manner as it deems appropriate:

(a) take such proceedings and/or other steps as it may deem appropriate against or with respect to the Issuer or any other person to enforce its obligations under the Trust Deed, the other Transaction Documents, the Conditions and the Residual Certificate Conditions (as applicable) and/or take any other proceedings (including lodging an appeal in any proceedings) with respect to or concerning the Issuer;

(b) exercise any of its rights under, or in connection with, the Trust Deed or any other Transaction Document; and/or

(c) give any directions to the Security Trustee under or in connection with any Transaction Document.

To the extent that the Note Trustee acts in accordance with such directions of the holders of the Most Senior Class of Notes or the Certificateholders (as applicable), as described above, it will have no obligation to take the interests of any other party into account or to follow any direction given by any other party.

Deferral of interest payments

If, on any Interest Payment Date, in relation to any Class of Notes (other than the then Most Senior Class of Notes outstanding), the Issuer has insufficient funds to make payment in full of all amounts of interest (including any interest accrued thereof) payable in respect of such Class of Notes (after having paid or provided for items of higher priority in the Pre-Acceleration Revenue Priority of Payments), then the Issuer will pay only a pro rata share of such aggregate funds by way of interest with respect to such Class of Notes and be entitled under Condition 6 (*Additional interest and subordination*) to defer payment of the unpaid amount until the following Interest Payment Date on which sufficient funds are available to fund the payment of such deferred interest to the extent of such available funds, in accordance with the Conditions.

Only failure to pay interest on the then Most Senior Class of Notes outstanding when the same becomes due and payable shall constitute an Event of Default under the Notes which may result in the Security Trustee enforcing the Security.

Meetings of Noteholders and Certificateholders, modification and waiver

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

The Conditions, the Residual Certificate Conditions and the Trust Deed also provide that the Note Trustee may agree, without the consent of the Noteholders or the Certificateholders, to certain modifications of the Notes, the Residual Certificates and the Transaction Documents, or the waiver or authorisation of certain breaches or proposed breaches of the Notes and the Residual Certificates or any of the Transaction Documents.

Pursuant to and in accordance with the detailed provisions of Condition 12(b) (*Meetings of Noteholders, amendments, waiver, substitution and exchange*) and Residual Certificate Condition 10(b) (*Meetings of Certificateholders and Noteholders, amendments, waiver, substitution and exchange*), the Note Trustee shall be obliged, and shall direct the Security Trustee, without any consent of the Noteholders or the Certificateholders, to concur with the Issuer in making any modification (other than a Basic Terms Modification which, for the avoidance of doubt, shall not include a Benchmark Rate Modification) to the Conditions, the Residual Certificate Conditions and/or any Transaction Document that the Issuer considers necessary or advisable for the purpose of:

(a) complying with, or implementing or reflecting, any change in criteria of the Rating Agencies;

(b) enabling the Issuer and/or the Swap Provider to comply with any obligation which applies to it under UK EMIR, EU EMIR, EU MiFID II, UK MiFIR, EU MiFIR, UK MiFID II, EU SFTR, UK SFTR, EU CRR or UK CRR (as applicable);

(c) complying with any requirements of (i) Article 6 of the UK Securitisation Regulation, Article 6 of the EU Securitisation Regulation or Section 15G of the Exchange Act, including as a result of the adoption of additional regulatory technical standards or other secondary legislation or regulation in relation to the UK Securitisation Regulation, the EU Securitisation Regulation or Section 15G of the Exchange Act, (ii) any other risk retention legislation or regulations or official guidance in relation thereto in relation to securitisation transactions, or (iii) UK CRR or EU CRR;

(d) enabling the Notes to be or remain listed on Euronext Dublin or a replacement recognised stock exchange;

(e) enabling the Issuer or any other Transaction Party to comply with FATCA (or any voluntary agreement entered into with a taxing authority in relation thereto);

(f) enabling the Issuer to open any custody account for the receipt of any collateral posted by the Swap Provider under the Swap Agreement in the form of securities;

(g) opening additional accounts with an additional account bank or moving the Issuer Accounts to be held with an alternative account bank with the Required Ratings;

(h) for so long as the Class A Notes are intended to be held in a manner which will allow for Eurosystem eligibility, achieving or maintaining such eligibility;

(i) complying with any changes in the requirements of the UK Securitisation Regulation or the EU Securitisation Regulation, including (in relation to the UK Securitisation Regulation) relating to the treatment of the Notes as a simple, transparent and standardised securitisation, and any related regulatory technical standards or other secondary legislation or regulation authorised under the UK Securitisation Regulation or EU Securitisation Regulation or regulations or official guidance in relation thereto;

(j) complying with the UK CRA Regulation or the EU CRA Regulation; or

(k) changing the benchmark rate on the Notes from SONIA to an Alternative Benchmark Rate (and such other amendments as are necessary or advisable in the reasonable judgment of the Issuer (or the Servicer on its behalf) to facilitate such changes) to the extent there has been or there is reasonably expected to be a material disruption or cessation to SONIA (including changing the benchmark rate referred to in any interest rate hedging agreement to align such rate with the proposed change to SONIA in respect of such Notes or other such consequential amendments) or where the Issuer and the Swap Provider agree to apply an alternative fallback (and make alternative adjustments, amendments and payments) in respect of the transaction under the Swap Agreement following the occurrence of a Benchmark Trigger Event thereunder,

provided that, except for paragraphs (b), (c), (e) and (g), (1) the Issuer shall provide written notice of the proposed modification to the Noteholders and the Certificateholders and (2) Noteholders holding or representing at least 10% of the Outstanding Note Principal Amount of the Most Senior Class of Notes outstanding (or, if the Notes have been redeemed in full, Certificateholders holding at least 10% in number of the Residual Certificates in issue) have not contacted the Issuer or the Note Trustee notifying the Issuer or the Note Trustee that such Noteholders (or Certificateholders, as the case may be) do not consent to the proposed modification.

Each of the Issuer, the Note Trustee and the Security Trustee will rely without investigation or liability on any certification provided to it in connection with the transaction amendments and will not be required to monitor or investigate whether the Servicer or any other Transaction Party is acting in a commercially responsible manner or to consider the interests of the Noteholders, Certificateholders or any other Secured Creditor, or be liable to any person by acting in accordance with any certification it receives from the Servicer or any other Transaction Party, irrespective of whether any such modification is or may be materially prejudicial to the interests of the Noteholders, Certificateholders or any other Secured Creditor.

There can be no assurance that the effect of such modification to the Transaction Documents will not ultimately adversely affect the interests of the holders of one or all Class of Notes or the Certificateholders.

Certain material interests

Certain parties to the transaction may perform multiple roles, including:

(a) Blue, who will act as Seller and Servicer and may initially hold a significant investment in the Class X Notes and the Residual Certificates;

(b) Citibank, N.A., London Branch, who will act as Interest Determination Agent, Cash Manager, Account Bank, Paying Agent and Registrar; and

(c) Morgan Stanley & Co. International plc, who will act as Arranger and Joint Lead Manager and may or may not initially hold a significant investment in the Class X Notes and/or the Residual Certificates, as a consequence of subscribing for certain Class X Notes and/or acquiring certain Residual Certificates from Blue.

The terms of the Transaction Documents do not prevent any of the parties to the Transaction Documents from rendering services similar to those provided for in the Transaction Documents to other persons, firms or companies or from carrying on any business similar to or in competition with the business of any of the parties to the Transaction Documents.

Prospective investors should note that the Joint Lead Managers have provided financing to the Seller, including indirectly through warehouse facilities and directly through a secured credit facility. As such, the proceeds of the issuance of the Notes will be used on or about the Closing Date to refinance certain of such financings by the Seller using a portion of the Purchase Price in respect of the Purchased Receivables and their Ancillary Rights to purchase the relevant Purchased Receivables from the issuers under the warehouse facilities before on-selling such Purchased Receivables to the Issuer. The issuers under the warehouse facilities and the Seller will ultimately use such funds to partially repay the respective Joint Lead Manager(s). Other than where required in accordance with applicable law, the Joint Lead Managers have no obligation to act in any particular manner as a result of their prior, indirect involvement with the Purchased Receivables and any information in relation thereto. With respect to any refinancing to which it is a party, each of the Joint Lead Managers will act in its own commercial interest.

Accordingly, conflicts of interest may exist or may arise as a result of parties to this transaction:

(a) having previously engaged or in the future engaging in transactions with other parties to the transaction;

(b) having multiple roles in this transaction; and/or

(c) carrying out other transactions for third parties,

and such parties may act in a manner that is not consistent with the interests of the Noteholders and the Certificateholders.

In the event that any of the above parties were to fail to perform their obligations (including any failure to deliver reports that it is required to prepare) under the respective agreements to which they are a party (including any failure arising from circumstances beyond their control, such as conflicts or pandemics), Noteholders and Certificateholders may be adversely affected.

Ratings of the Notes

The ratings assigned to the Rated Notes by the Rating Agencies take into consideration the structural and legal aspects associated with the Notes, the terms of the Transaction Documents and the underlying Purchased Receivables, the credit quality of the Portfolio, the extent to which the Obligors' payments under the Purchased Receivables are sufficient to make the payments required under the Notes as well as other relevant features of the structure, including, inter alia,

the credit quality of the Account Bank, the Swap Provider, the Seller and the Servicer (if different). Each Rating Agency's rating reflects only the view of that Rating Agency. Further events, including events affecting the Account Bank, the Swap Provider, the Seller and the Servicer, could have an adverse effect on the rating of the Rated Notes.

The ratings assigned to the Rated Notes by Moody's address, among other matters:

(a) the likelihood of full and timely payments due to the holders of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes of interest on each Interest Payment Date;

(b) the likelihood of full and ultimate payment of interest due to the holders of the Class X Notes, by a date that is not later than the Legal Maturity Date; and

(c) the likelihood of ultimate payment to the holders of the Rated Notes of principal in relation to the Rated Notes on or prior to the Legal Maturity Date.

The ratings assigned to the Rated Notes by DBRS address, among other matters:

(a) the likelihood of full and timely payment to the holders of the Class A Notes and the Class B Notes of scheduled interest;

(b) the likelihood of full payment of scheduled interest to the holders of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, where such Class is the Most Senior Class, on a timely basis and, where such Class is not the Most Senior Class, ultimately by a date that is not later than the Legal Maturity Date;

(c) the likelihood of full and ultimate payment of interest due to the holders of the Class X Notes, by a date that is not later than the Legal Maturity Date; and

(d) the likelihood of ultimate payment to the holders of the Rated Notes of principal in relation to the Rated Notes on or prior to the Legal Maturity Date.

At any time, any Rating Agency may revise its relevant rating methodology with the result that, amongst other things, any rating assigned to the Notes may be affected. In order for the Transaction Documents to comply with new rating methodologies, amendments may need to be made to the Transaction Documents and the consent of the Noteholders may, in certain circumstances only, be required to implement such amendments. Noteholders should note that, if the amendments required to comply with such new rating methodologies are not implemented, this may ultimately have an adverse impact on the ratings assigned by the relevant Rating Agency to the Rated Notes.

Rating organisations other than the 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 Rated Notes by the Rating Agencies, such shadow or unsolicited ratings could have an adverse effect on the value of the Notes. Future events, including events affecting the Account Bank, the Swap Provider, the Seller and the Servicer (if different) could also have an adverse effect on the rating of the Rated Notes.

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

Counterparty credit risk

The Issuer is party to contracts with a number of other third parties who have agreed to perform services in relation to the Purchased Receivables, the Notes and the Residual Certificates. Accordingly, the ability of the Issuer to meet its obligations under the Notes and the Residual Certificates depends to a large extent upon the ability of the parties to the Transaction Documents to perform their contractual obligations.

No assurance can be given as to the creditworthiness of the third parties referred to above or that their creditworthiness will not decline in the future. If any third parties: (i) were to fail to perform their obligations under the respective agreement(s) to which they are a party; (ii) were to resign from their appointment; (iii) were to have their appointment under the agreement(s) to which they are a party terminated in accordance with the terms of the Transaction Documents (in each case without being replaced by a suitable replacement party that is able to perform such services, has at least the minimum required ratings and holds the required licences); or (iv) were (particularly in the case of the Account Bank or the Collection Account Bank) to become insolvent, the collections on the Portfolio or the payments to the Noteholders and the Certificateholders may be disrupted or otherwise adversely affected, which, in turn, may negatively impact the value of, and ultimate return on, the Notes and the Residual Certificates. Prospective investors should also be aware that third parties on which the Issuer relies may be adversely impacted by the general economic climate. In particular, general economic factors (including those resulting from significant events, such as conflicts or pandemics) may affect the administration, collection and enforcement of the Purchased Receivables by the Servicer in accordance with the Servicing Agreement.

The Transaction Documents do not contain any restrictions on the ability of any third party providing services to the Issuer to change its business plan and/or strategy and/or access to other business lines or markets after the Closing Date. Any changes to the business plan and/or strategy of a third party service provider could expose that third party to additional risks (including regulatory, operational and systems risk) which could have an adverse effect on the ability of the third party to provide services to the Issuer and, consequently, could have an adverse effect on the Issuer's ability to perform its obligations under the Notes.

Interest rate risk

Payments in respect of the Purchased Receivables made to the Seller by an Obligor under an HP Agreement comprise monthly amounts calculated with respect to a fixed interest rate. The rate of interest payable in respect of the Notes is calculated by reference to Compounded Daily

SONIA. This gives rise to interest rate risk, insofar as Compounded Daily SONIA may vary from time to time and be materially different to the applicable fixed interest rates under the HP Agreements within the Portfolio.

The Issuer has entered into the Swap Agreement in order to mitigate this interest rate risk. The Swap Agreement consists of a 1992 ISDA Master Agreement, the associated schedule and credit support annex thereto and an interest rate swap confirmation thereunder.

Pursuant to the terms of the Swap Agreement, on each Interest Payment Date commencing on the first Interest Payment Date, the Issuer will make fixed rate payments to the Swap Provider ("**Issuer Swap Payments**"), which the Issuer will fund using the Collections which it receives from the Purchased Receivables and the Reserve Funds. Such Issuer Swap Payments will be calculated by reference to (i) the Swap Notional Amount, (ii) the Swap Rate and (iii) the Day Count Fraction. Pursuant to the Swap Agreement, the Issuer will also pay to the Swap Provider (or there will be paid to the Swap Provider on the Issuer's behalf) the Swap Premium on or about the Closing Date.

The Swap Provider will, on the corresponding Interest Payment Dates, make floating rate payments ("**Swap Provider Payments**") to the Issuer in an amount calculated by reference to (i) the Swap Notional Amount, (ii) Swap SONIA and (iii) the Day Count Fraction.

The Issuer Swap Payment and the Swap Provider Payment to be made on the same Interest Payment Date will be netted against one another so as to give rise to a single payment to be made by the Issuer to the Swap Provider or by the Swap Provider to the Issuer. If the Issuer Swap Payment and the Swap Provider Payment to be made on the same Interest Payment Date are equal, then neither party will make a payment to the other on such Interest Payment Date.

During periods in which Compounded Daily SONIA is higher than the Swap Rate under the Swap Agreement, the Issuer will be more dependent on receiving payments from the Swap Provider in order to make interest payments on the Notes (and payments on the Residual Certificates). If the Swap Provider fails to pay any amounts when due under the Swap Agreement, the Collections from Purchased Receivables and the Reserve Funds may be insufficient to make the required payments on the Notes (and the Residual Certificates) and the Noteholders (and the Certificateholders) may experience delays and/or reductions in the interest and principal payments on the Notes (and the Residual Certificates).

In addition, the Swap Notional Amount for each Interest Period will be determined in accordance with a fixed amortisation schedule appended to the interest rate swap confirmation (see "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Swap Agreement*"), which is unlikely to exactly match – and could (depending on the rate of repayment on the Notes) deviate significantly from – the Aggregate Outstanding Note Principal Amount of the Notes.

Where there is a deviation between the amortisation schedule of the Swap Agreement and the reduction in the Aggregate Outstanding Note Principal Amount of the Notes, an underhedged or overhedged position could result, which could in turn affect the ability of the Issuer to meet its obligations under the Notes (and the Residual Certificates) and/or could have a material adverse effect on the value or liquidity of, and the amount of payments under, the Notes (and the Residual Certificates).

In the event Swap SONIA in respect of a period is negative, the Swap Provider Payment on the relevant Interest Payment Date would be a negative sum and the Issuer would be required to pay to the Swap Provider the absolute value of such amount, in addition to the relevant Issuer Swap Payment. Changes to Swap SONIA may therefore adversely affect payments under the Swap Agreement, which could result in the Issuer having insufficient amounts available to it to make payments on the Notes and/or the Residual Certificates.

The market continues to develop in relation to SONIA as a reference rate for floating rate notes

Investors should be aware that the market continues to develop in relation to the Sterling Overnight Index Average (SONIA) as a reference rate in the capital markets. 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 the Notes. The development of SONIA as an interest reference rate for sterling denominated notes, as well as continued development of SONIA-based rates in the market and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of the Notes from time to time.

Interest on the Notes is only capable of being determined at the end of the relevant Observation Period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in the Notes to reliably estimate the amount of interest which will be payable on such Notes and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which could adversely impact the liquidity of such Notes. Further, if the Notes become due and payable under Condition 10 (*Events of Default*), the rate of interest payable shall be determined on the date the Notes became due and payable and shall not be reset thereafter.

In addition, the manner of application of SONIA reference rates in the sterling denominated public auto loan securitisation markets may differ materially compared with the application of SONIA in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the application of SONIA reference rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of the Notes.

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

Various interest rates and other indices which are deemed to be "benchmarks", including SONIA, are the subject of national, international and other regulatory reforms and proposals for reform, including the EU Benchmarks Regulation and the UK Benchmarks Regulation. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the Notes.

The EU Benchmarks Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within

the European Union. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU-supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU-based, deemed equivalent or recognised or endorsed).

The UK Benchmarks Regulation, among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

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

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark; and/or (iii) leading to the disappearance of the benchmark. Any of the above changes, or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on the Notes.

Based on the foregoing, investors should be aware that:

(a) any of these reforms or pressures described above or any other changes to SONIA (or any other relevant interest rate benchmark) could affect the level of the published rate, including to cause it to be lower and/or more volatile than it would otherwise be;

(b) while an amendment may be made under Condition 12(b) (*Amendments and waiver*) to change the SONIA rate on the Notes to an alternative base rate under certain circumstances (broadly related to SONIA disruption or discontinuation and subject to certain conditions), there can be no assurance that any such amendment will be made or, if made, that it (i) will fully or effectively mitigate all relevant interest rate risks or result in an equivalent methodology for determining the interest rates on the 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

(c) if SONIA is discontinued or is otherwise unavailable, and whether or not an amendment is made under Condition 12(b) (*Amendments and waiver*) to change the SONIA rate on the Notes as described in paragraph (b) above, there can be no assurance that the applicable fall-back provisions under the Swap Agreement would operate to allow the transaction under the Swap Agreement to effectively mitigate interest rate risk in respect

of the Notes and the fallback provisions in the Notes may in certain circumstances result in the effective application of a fixed rate based on the rate which applied in the previous period when SONIA was available.

Investors should note the various circumstances under which a Benchmark Rate Modification may be made, which are specified in Condition 12(b) (*Amendments and waiver*). As noted above, these events broadly relate to SONIA's disruption or discontinuation, but also include, inter alia, any public statements by the regulatory supervisor of the administrator of the Applicable Benchmark Rate to that effect, and a Benchmark Rate Modification may also be made if the Issuer (or the Servicer) reasonably expects any of these events to occur. Investors should also note the various options permitted as an Alternative Benchmark Rate as set out in Condition 12(b) (*Amendments and waiver*).

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

Interest on the Notes

The interest rate payable by the Issuer with respect to the Notes is calculated as the sum of Compounded Daily SONIA and the applicable margin (the sum is subject to a floor of zero) as set out in the Conditions. In the event that Compounded Daily SONIA were to fall to a negative rate, the absolute value of which exceeds the applicable margin, the holders of a Class of Notes will not receive any interest payments on that Class of Notes.

Termination of the Swap Agreement

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

The Swap Provider may terminate the Swap Agreement if, among other things:

(i) the Issuer becomes insolvent;

(ii) the Issuer fails to make a payment under the Swap Agreement when due and such failure is not remedied within three Business Days of notice of such failure being given;

(iii) performance of the Swap Agreement becomes illegal or a force majeure event occurs;

(iv) a Note Acceleration Notice is served on the Issuer;

(v) payments from the Swap Provider are increased for a set period of time due to tax reasons;

(vi) all of the Notes then outstanding become subject to redemption as a result of a Clean-Up Call, the exercise of optional redemption for tax reasons pursuant to Condition 5(b) (*Redemption for taxation reasons*) or redemption in full prior to the Legal Maturity Date pursuant to Condition 5(c) (*Mandatory early redemption in part*);

(vii) an amendment is made to the Transaction Documents which affects the timing or priority of payments under the Swap Agreement without the consent of the Swap Provider; or

(viii) the Issuer misrepresents its status in respect of UK EMIR (as to which, see "*LEGAL AND REGULATORY CONSIDERATIONS – European Market Infrastructure Regulation (EMIR) and Markets in Financial Instruments Directive (MiFID)*").

The Issuer may terminate the Swap Agreement if, among other things:

(i) the Swap Provider becomes insolvent;

(ii) the Swap Provider fails to make a payment under the Swap Agreement when due and such failure is not remedied within three Business Days of notice of such failure being given;

(iii) performance of the Swap Agreement becomes illegal or a force majeure event occurs;

(iv) payments to the Issuer are reduced due to tax for a period of time;

(v) the Swap Provider fails to comply with the various ratings downgrade requirements of the Rating Agencies; or

(vi) the benchmark rate on the Notes is changed and the Alternative Benchmark Rate is different to the benchmark rate under the Swap Agreement.

The transaction under the Swap Agreement will terminate upon redemption of the Notes in full.

The Issuer is exposed to the risk that the Swap Provider may become insolvent or may suffer from a ratings downgrade. In the event that the Swap Provider suffers a ratings downgrade and ceases to be an Eligible Swap Provider, the Issuer may terminate the Swap Agreement if such Swap Provider fails, within a set period of time, to take certain actions intended to mitigate the effects of such downgrade. Such actions could include such Swap Provider collateralising its obligations as a referenced amount calculated in accordance with a credit support annex to the 1992 ISDA Master Agreement, transferring its obligations to a replacement Swap Provider or procuring a guarantee. However, in the event such Swap Provider is downgraded, there can be no assurance that a guarantor or replacement Swap Provider will be found or that the amount of collateral will be sufficient to meet the Swap Provider's obligations.

If the Swap Agreement is terminated by either party or the Swap Provider becomes insolvent, the Issuer may not be able to enter into a replacement Swap Agreement immediately or at all. To the extent a replacement Swap is not entered into on a timely basis, the amount available to pay interest under the Notes (and the Residual Certificates) may be reduced. Under these

circumstances, the Purchased Receivables and the Reserve Funds may be insufficient to make the required payments on the Notes (and the Residual Certificates) and the Noteholders (and the Certificateholders) may experience delays and/or reductions in the interest and principal payments on the Notes (and the Residual Certificates).

If the Swap Agreement is terminated before its scheduled termination date, the Issuer or the Swap Provider may be liable to make an early termination payment to the other party. The amount of such termination payment will be based on the market value of the terminated swap transaction. This market value will be computed on the basis of market quotations of the cost of entering into a replacement swap transaction with the same terms and conditions that would have the effect of preserving the respective full payment obligations of the parties. Any such termination payment could, for example, if interest rates have changed significantly, be substantial. Although any such termination payment due from the Issuer would, in certain situations, be subordinated as a Swap Provider Subordinated Amount, the termination of the Swap Agreement may reduce, accelerate or delay payments of interest and principal on the Notes (and payments on the Residual Certificates).

In the event of the insolvency of the Swap Provider, the Issuer will, to the extent that amounts are payable to it by the Swap Provider, be treated as a general creditor of such Swap Provider and the Issuer is consequently exposed to the credit risk of such Swap Provider. To mitigate this risk, under the terms of the Swap Agreement, if the relevant ratings of the Swap Provider are below certain levels (which are set out in the Swap Agreement and described in further detail in the section entitled "*TRIGGERS TABLE – RATING TRIGGERS TABLE*") while the Swap Agreement is outstanding, the Swap Provider will, in accordance with the terms of the Swap Agreement, be required to elect to take certain remedial measures within the applicable time frame stipulated in the Swap Agreement (at its own cost) which may include providing collateral in support of its obligations under the Swap Agreement, arranging for its obligations under the Swap Agreement to be transferred to an entity which is an Eligible Swap Provider, procuring another entity which is an Eligible Swap Provider to become co-obligor or guarantor in respect of its obligations under the Swap Agreement, or taking such other action as is required to maintain or restore the rating of the Rated Notes. However, no assurance can be given that, at the time that such actions are required, sufficient collateral will be available to the Swap Provider for posting or that another entity which is an Eligible Swap Provider will be available to become a replacement Swap Provider, co-obligor or guarantor or that the Swap Provider will be able to take the requisite other action. If the remedial measures following a downgrade of the Swap Provider below the level of an Eligible Swap Provider are not taken within the applicable time frames, this will permit the Issuer to terminate the Swap Agreement early. However, the Issuer may, notwithstanding such termination right, as a result of the Swap Provider's failure to comply with its obligations and/or its subsequent insolvency, have insufficient funds to make payments on the Notes (and the Residual Certificates).

Employees

HP Agreements with Obligors who are employees of Blue at the time of sale will not be sold to the Issuer. In very limited cases it is possible that some Obligors may be employees of Blue if they become employees after entering into their HP Agreement. Consequently, they may have a right of set-off against amounts due under the Purchased Receivables against unpaid wages or other cash benefits. Any such set-off may adversely affect the Issuer's ability to make payments in full when due on the Notes.

Bank of England Eligibility

Certain investors in the Class A Notes may wish 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**") or Indexed Long-Term Repo ("**ILTR**") scheme or other liquidity schemes offered by the Bank of England from time to time. Recognition of the Class A Notes as eligible securities for the purposes of the DWF or the ILTR will depend upon 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 or ILTR collateral. None of the Issuer, the Arranger, the Joint Lead Managers or any other party gives any representation, warranty, confirmation or guarantee to any investor in the Class A Notes that the Class A Notes will, either upon issue, or at any or all times during their life, satisfy all or any requirements for the DWF or the ILTR schemes and be recognised as eligible DWF or ILTR collateral. Any potential investor in the Class A Notes should make its own determinations and seek its own advice with respect to whether or not the Class A Notes constitute eligible DWF or ILTR collateral.

Eurosystem Eligibility

On the Closing Date, the Class A Notes will be issued under NSS. This means that the Class A Notes are intended upon issue to be deposited with one of Euroclear or Clearstream, Luxembourg as Common Safekeeper. The Class A Notes being held in this manner is intended to allow Eurosystem eligibility, however, other features of the transaction (including that the Issuer and the Seller are established in the UK) mean that the Class A Notes will not currently be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem ("**Eurosystem eligible collateral**"). Such recognition will depend upon satisfaction of all of the other Eurosystem eligibility criteria. It is expected that the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class X Notes and the Residual Certificates will also not satisfy the Eurosystem eligibility criteria.

None of the Issuer, the Arranger, the Joint Lead Managers or any other Transaction Party gives any representation, warranty, confirmation or guarantee to any investor in the Class A Notes that the Class A Notes will, either upon issue, or at any or all times during their life, satisfy all or any requirements for Eurosystem eligibility and be recognised as Eurosystem eligible collateral. Any prospective investor in the Class A Notes should consult its professional advisors with respect to whether or not the Class A Notes constitute Eurosystem eligible collateral at any point of time during the life of the Class A Notes.

THE PORTFOLIO, THE SELLER AND THE SERVICER

As the Issuer's beneficial interest in the Purchased Receivables is the primary source of funds, the Issuer's ability to pay interest and to repay principal on the Notes and the Residual Certificates is largely dependent upon the performance of the Portfolio and the servicing of the Portfolio. The following risks relating to the Portfolio could therefore indirectly affect the Issuer's ability to meet its obligations under the Notes and the Residual Certificates.

Servicing of the Portfolio

The Servicer will be appointed by the Issuer to service the Purchased Receivables and enforce any rights in respect of the Purchased Receivables and the related HP Agreements. Consequently, the net cash flows from the Purchased Receivables may be affected by decisions made, actions taken and the collection procedures adopted by, the Servicer. To address this risk, the terms of the Servicing Agreement provide that the Servicer will devote to the performance of its obligations and the exercise of its discretions thereunder and its exercise of the rights of the Issuer in respect of contracts and arrangements giving rise to payment obligations in respect of the Purchased Receivables at least the same amount of time and attention and exercise the higher of: (i) the level of skill, care and diligence it would exercise if it were administering receivables in respect of which it held the entire benefit; and (ii) the level of skill, care and diligence of a reasonably prudent servicer of automotive consumer loans in the United Kingdom. However, the Servicer will also continue to perform debt collection services for its own account and in respect of portfolios owned by third parties and therefore will not be exclusively dedicated to the performance of the Servicer's activities under the Servicing Agreement. See "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS — Servicing Agreement" and "THE SELLER AND THE SERVICER — Credit and Collection Procedures*".

The Servicer will carry out the administration, collection and enforcement of the Purchased Receivables in accordance with the Servicer's Credit and Collection Procedures. Accordingly, the Noteholders and the Certificateholders are relying on the business judgment and practices of the Servicer as to the liquidation of the Purchased Receivables against the Obligors. See "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS — Servicing Agreement" and "THE SELLER AND THE SERVICER — Credit and Collection Procedures*".

In addition, the Servicer, being an entity regulated by the FCA that has a business that extends beyond the servicing of the Portfolio, is exposed to various forms of legal and regulatory risk in respect of its current, past and future operations, including the risk of acting in breach of legal or regulatory principles or requirements, any of which could, for the reasons stated above, have an adverse effect on the Servicer's ability to fulfil its obligations in respect of the servicing of the Portfolio and the Issuer's ability to meet its obligations in respect of the Notes and the Residual Certificates. These risks could include, but are not limited to:

(a) certain aspects of the Servicer's business (including the sale of products or the handling of complaints relating to such products) may be determined by the FCA, the Financial Ombudsman Service or the courts not to have been conducted in accordance with applicable laws or regulations or, in the case of the Financial Ombudsman Service, with what is fair and reasonable in the Financial Ombudsman Service's opinion;

(b) the risks arising from increased political and regulatory scrutiny of the treatment of consumers; the FCA in particular continues to focus on conduct of business activities through its supervision activity;

(c) the Servicer may be liable for damages to third parties (including Obligors) harmed by the conduct of its business; and

(d) the risk of regulatory proceedings, and/or private litigation, arising out of regulatory investigations or otherwise.

Upon the occurrence of any Servicer Termination Event, the Issuer and the Security Trustee will have the right to remove Blue as Servicer (in this regard see further "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS — Servicing Agreement*"). If the appointment of Blue is terminated, the Issuer will (a) deliver a notice to invoke the Standby Servicer, which, upon completion of the procedures contemplated by the Standby Servicer Agreement, is expected to assume responsibility for the administration of the Purchased Receivables on the terms of the Replacement Servicing Agreement, or (b) if there is no Standby Servicer or the Standby Servicer is for any reason unable to assume responsibility for the administration of the Purchased Receivables and subject to there being sufficient funds available for the Issuer to obtain expert assistance, use all reasonable endeavours to appoint a replacement Servicer to perform the obligations which Blue agrees to provide under the Servicing Agreement. The Servicer may also resign its appointment on not less than 12 months' written notice to the Issuer, the Seller, the Security Trustee and the Standby Servicer (with a copy being sent to the Cash Manager and the Rating Agencies), provided that such resignation shall not take effect until the Issuer and the Security Trustee consent in writing to such resignation and the Standby Servicer or another replacement servicer has been appointed as Servicer. See "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS — Servicing Agreement*" and "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS — Standby Servicer Agreement*" for further details. In addition, the Servicer has undertaken in the Servicing Agreement that if it makes any amendments to the Credit and Collection Procedures then, to the extent such changes are material, the Servicer shall as soon as practicable after such changes notify the Issuer, the Security Trustee, the Standby Servicer and the Rating Agencies. Any changes, additions and/or alterations made to the Credit and Collection Procedures may only be made in accordance with the Servicer Standard of Care.

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

The appointment of Blue as Servicer under the Servicing Agreement may be terminated as a result of, among other circumstances, a default by it in performing its obligations under the Servicing Agreement or its insolvency. The appointment of Blue as Servicer may not be terminated until the Standby Servicer has assumed responsibility for the administration of the

Purchased Receivables as contemplated by the Standby Servicer Agreement or a replacement Servicer has been appointed.

Limited data and due diligence relating to the Portfolio

None of the Arranger, the Joint Lead Managers, the Transaction Parties or any other person referred to herein (other than the Seller but only as explicitly described herein) has undertaken or will undertake any investigations, searches or other actions to verify any details in respect of the Purchased Receivables or the HP Agreements or to establish the creditworthiness of any Obligor. Each of the aforementioned persons will rely solely on the accuracy of the representations and warranties and the financial information given by the Seller to the Issuer in the Receivables Sale and Purchase Agreement in respect of, inter alia, the Purchased Receivables, the Obligors, the HP Agreements underlying the Purchased Receivables and the related Vehicles. The benefit of the representations and warranties given to the Issuer will be transferred by the Issuer to the Security Trustee for the benefit of the Secured Creditors under the Deed of Charge.

The Seller is under no obligation to, and will not, provide the Issuer or any other Transaction Party with financial or other information specific to individual Obligors and HP Agreements to which the Purchased Receivables relate. Any such person will only be supplied with general information in relation to the aggregate of the Obligors and the HP Agreements, none of which such person has taken steps to verify. Further, neither the Issuer nor any other Transaction Party will have any right to inspect the internal records of the Seller.

Should the Seller fail to take appropriate remedial action under the terms of the Receivables Sale and Purchase Agreement, this may have an adverse effect on the value of the Purchased Receivables and on the ability of the Issuer to make payments under the Notes and the Residual Certificates.

Characteristics of the Portfolio

The characteristics of the Portfolio will differ from the characteristics of the Provisional Portfolio as at the Provisional Cut-Off Date, because of (i) redemptions of HP Agreements occurring, or enforcement procedures being completed, in each case during the period between the Provisional Cut-Off Date and the Closing Date, (ii) other Receivables which satisfy the Eligibility Criteria being included in the Portfolio and/or (iii) the Seller becoming aware that one or more of the HP Agreements in the Provisional Portfolio would not comply with the Seller Receivables Warranties on the Closing Date.

Risk of late payment of monthly instalments

The performance of the Purchased Receivable depends on a number of factors, including general economic conditions, unemployment levels and the circumstances of individual Obligors. Certain national and international macroeconomic factors may also contribute to or hinder the economic health of an Obligor and thus the economic performance of the Purchased Receivables. Whilst each HP Agreement has due dates for scheduled payments thereunder, there is no assurance that the Obligors under those HP Agreements will pay on time, or at all. Obligors may default on their obligations due under the HP Agreements for a variety of financial and personal reasons, including loss or reduction of earnings, illness (including any illness arising in connection with an

epidemic or a pandemic), divorce and other similar factors which may, individually or in combination, lead to an increase in delinquencies by and bankruptcies of the Obligors.

Blue originates Receivables to Obligors which are allocated to a risk tier ranging from Risk Tier 1 to Risk Tier 8, which it considers to be "prime" to "near prime" risk tiers. In certain circumstances the credit rules allow for lending to customers who may, in the past, have had impairments to their credit profile, such as a county court judgment, subject to specific conditions and restrictions and where Blue is satisfied that the customer has shown financial stability and has been a responsible debtor since the occurrence of the relevant event (please see the section "*THE SELLER AND THE SERVICER – Underwriting – Credit underwritin*g"). The Portfolio includes a small proportion of Receivables which fall into this category. The Portfolio does not, however, contain any Receivables in relation to which the Obligor has been subject to a county court judgment within the period of three years prior to the Provisional Cut-Off Date. Obligors in higher risk tiers are, on average, more likely to fail to make payments on their HP Agreements. Any such failure by the Obligors to make payments under the HP Agreements, either on time or at all, would have an adverse effect on the Issuer's ability to make payments under the Notes and the Residual Certificates.

The Senior Reserve Fund (in respect of certain senior expenses and the Class A Notes and the Class B Notes) and the Junior Reserve Fund (in respect of certain senior expenses and the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes) in part mitigate the risk of late payment by Obligors. Prior to the delivery of a Note Acceleration Notice, in the event of shortfalls in the Available Revenue Receipts, the Issuer may draw on amounts standing to the credit of the relevant Reserve Fund to make payments in respect of interest on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, as well as certain senior expenses, in accordance with the applicable Priority of Payments, however, no assurance can be given that the Issuer will have sufficient funds to make payments in full in respect of the Notes (or the Residual Certificates).

Risk of early repayment

In the event that the HP Agreements underlying the Purchased Receivables are prematurely terminated or otherwise settled early, the Noteholders (other than the Class X Noteholders) will (not taking into account any loss suffered by the Issuer with respect to some or all of the Purchased Receivables, which is described above) be repaid the principal which they invested, but the Noteholders will receive interest, and Certificateholders will receive Residual Certificate Payments, for a shorter period of time than might have been anticipated. Class X Noteholders may not, in such circumstances, be repaid in full. In addition, faster than expected repayments on the Purchased Receivables may reduce the yield of the Notes and the Residual Certificates.

The rate of prepayment of the Purchased Receivables cannot be predicted and is influenced by a wide variety of economic and other factors, including prevailing interest rates, the buoyancy of the auto finance market, the availability of alternative financing and local and regional economic conditions. Therefore, no assurance can be given as to the level of prepayment that the Purchased Receivables will experience. Based on assumed rates of prepayment, the approximate average lives and principal payment windows of each Class of Notes are set out in the section entitled "*ESTIMATED WEIGHTED AVERAGE LIFE OF THE NOTES*". However, the actual characteristics and performance of the Purchased Receivables will differ from such assumptions and any difference will affect the percentages of the initial amount outstanding of the

Notes which are outstanding over time and the weighted average lives of the Notes. See "*RISK FACTORS – The Portfolio and the Seller – Performance of Purchased Receivables is uncertain*".

Rights in relation to the Vehicles

The ownership of the Vehicles which are the subject of HP Agreements which are included in the Portfolio will be retained by Blue. The Issuer will have the benefit of an assignment of the Collections which includes the Vehicle Sale Proceeds. Blue will declare a trust in favour of the Issuer over the Vehicles which are the subject of HP Agreements included in the Portfolio (the "**Vehicle Declaration of Trust**") and accordingly will hold title to such Vehicles and any Vehicle Sale Proceeds arising in relation thereto on trust for the Issuer.

Nonetheless, the Issuer will rely on the Seller fulfilling its contractual undertaking to pay to the Issuer such Vehicle Sale Proceeds. Accordingly, in the event of any insolvency of Blue, although the Issuer has the benefit of the Vehicle Declaration of Trust declared by Blue over its interest in the Vehicles and the Vehicle Sale Proceeds of such Vehicles, the Issuer is reliant on any administrator or liquidator of Blue taking appropriate steps to sell such Vehicles. Because the Vehicle Sale Proceeds will be transferred to the Issuer, they will be of no value to Blue's creditors as a whole and therefore an administrator or liquidator will not have any financial incentive to take such steps, which may adversely impact the timing or amount of collections available to the Issuer to make payments on the Notes and the Residual Certificates. The Issuer has accordingly taken further steps to mitigate this risk by the inclusion of a provision in the Receivables Sale and Purchase Agreement providing that, following the appointment of an Insolvency Official in respect of the Seller, the Issuer will pay to the Seller the Incentive Fee in respect of each related Vehicle resold by the Seller pursuant to the Receivables Sale and Purchase Agreement from and only to the extent of the Vehicle Sale Proceeds, and that in satisfaction of this obligation the Seller will be entitled to retain the Incentive Fee from the Vehicle Sale Proceeds of any related Vehicle. However, there can be no certainty that any administrator or liquidator would take such actions and no contractual obligations on Blue to do so that would be enforceable against Blue or an administrator or liquidator thereof after the commencement of the administration or liquidation of Blue.

Certain third parties may also acquire rights in relation to the Vehicles which could prejudice the collection of the Vehicle Sale Proceeds by the Issuer. Most notably, if a creditor secures a money judgment against Blue, a High Court enforcement officer is empowered to seize and sell Blue's goods and chattels, in an amount sufficient to satisfy the judgment debt and cost of execution, through a writ of control or its Scottish equivalent. This means that the Vehicles, which remain the property of Blue, will be at risk of execution from a judgment creditor, although a third party may apply to the Court to contest the sale. Such creditor enforcement action is not possible (without the leave of court) once administration or liquidation of Blue intervenes, since such action is effectively stayed by the advent of the insolvency proceedings.

Performance of Purchased Receivables is uncertain

The payment of principal and interest on the Notes and the Residual Certificates is dependent on, among other matters, the performance of the Purchased Receivables. Accordingly, the Noteholders and the Certificateholders will be exposed to the credit risk of the Obligors, including the risk of default in payment by the Obligors.

The performance of the Purchased Receivables depends on a number of factors, including general economic conditions (including those caused by significant events, such as conflicts or pandemics), unemployment levels, the circumstances of individual Obligors, Blue's underwriting standards at origination and the success of Blue's servicing and collection strategies. Consequently, there can be no assurance as to how the Purchased Receivables (and accordingly the Notes and the Residual Certificates) will perform based on credit evaluation scores or other similar measures. If the performance of the Purchased Receivables was adversely affected by such factors, the Issuer's ability to make payments on the Notes and the Residual Certificates could be adversely affected.

Risk of Losses on the Purchased Receivables

The Issuer is subject to the risk of default in payment by the Obligors and the inability of the Servicer, on behalf of the Issuer, to realise or recover sufficient funds under the Servicer's Credit and Collection Procedures in respect of any HP Agreement and its related Vehicle in order to discharge all amounts due and owing by the relevant Obligor(s) under such HP Agreement, which may adversely affect payments on the Notes and the Residual Certificates. This risk is mitigated to some extent by certain credit enhancement features which are described in the section entitled "*CREDIT STRUCTURE AND CASHFLOW*". However, no assurance can be made as to the effectiveness of such credit enhancement features, or that such credit enhancement features will protect the Noteholders and Certificateholders from all risk of loss. Should there be credit losses arising in respect of the HP Agreements, this could have an adverse effect on the ability of the Issuer to make payments on the Notes or the Residual Certificates.

Potential adverse changes to the value and/or composition of the Portfolio – right to Vehicles may not be sufficient to ensure the Issuer's ability to make payments under the Notes and the Residual Certificates

No assurances can be given that the respective values of the Vehicles to which the Portfolio relates have not depreciated and will not depreciate at a rate greater than the rate which they were expected to do so on the date of origination of the Receivables. Any proceeds of sale of a Vehicle by Blue following its repossession or redelivery may be less than the amount owed under the related HP Agreement, and any Vehicle may be subject to an existing lien (for example, in respect of repairs carried out by a garage for which no payment has yet been made). Additionally, pricing of used vehicles fluctuates according to supply and demand which is driven by broader economic factors.

If this has happened or happens in the future, or if the used car market in the United Kingdom or any parts thereof (whether in respect of particular vehicle brands or vehicles more generally (for example, due to a movement away from diesel and petrol engines)) should experience a downturn, or if there is a further general deterioration of the economic conditions in the United Kingdom or any parts thereof, then any such scenario could have an adverse effect on (i) the ability of Obligors to repay amounts under their HP Agreements and/or (ii) the likely amount to be recovered upon a forced sale of Vehicles upon default by Obligors and/or (iii) the exercise of a voluntary termination by the Obligors under their HP Agreements. In this context, vehicle recalls by a manufacturer and other actions that manufacturers may take or have taken, whether voluntarily or as required by applicable law, may adversely affect the consumer demand for, and the values of, the motor vehicles produced by these manufacturers, which may either depress the price at which repossessed motor vehicles may be sold or delay the timing of those sales.

In addition, it is possible that an Obligor could claim against Blue as the counterparty to the HP Agreement in relation to a Vehicle affected by a manufacturer recall. The consequences of any successful claim could include one or more of damages, rescission of the relevant HP Agreement or termination of the relevant HP Agreement, depending on the claim. If a successful claim is brought against Blue, Blue may have a claim against the relevant Dealer. Such a claim would likely be equal to the loss suffered by Blue in respect of the claim brought by the Obligor and, if any damages are received from the relevant Dealer, they would mitigate any loss suffered by Blue in respect of the claim brought by the Obligor. Whether or not Blue is able to fully recover any loss suffered will depend on the particular facts of the claim and the solvency of the relevant Dealer. The Obligor may be able to set-off any damages owed to it by Blue against the relevant Purchased Receivable.

Any of the above could result in the Issuer receiving less in respect of the related Purchased Receivable following a sale of the relevant Vehicle than it anticipated. This could have an adverse effect on the Issuer's ability to make payments on the Notes or the Residual Certificates.

Concentration of the Obligors

The Obligors under the Purchased Receivables are located throughout England, Wales and Scotland. These Obligors may be concentrated in certain locations, such as densely populated or industrial areas (for more information see "*DESCRIPTION OF THE PURCHASED RECEIVABLES*"). Deterioration in the economic condition of the areas in which the Obligors are located may have an adverse effect on the ability of the Obligors to make payments under the Purchased Receivables. This may, in turn, increase the risk of losses on the Purchased Receivables. A concentration of Obligors in certain areas may result in a greater risk that the Noteholders may ultimately not receive the full principal amount of the Notes and interest thereon, and that the Certificateholders may receive lower payments in respect of the Residual Certificates, as a result of such uncovered losses incurred in respect of the Purchased Receivables than if such concentration had not been present.

Market value of Vehicles

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.

Used car residual values in the UK have recently performed relatively strongly; however, these may reduce in future (especially in relation to certain types of vehicles, for example, those with diesel or petrol engines). Blue's loans are fully amortising and, therefore, are only exposed to residual values in the event of a customer default or voluntary termination. A reduction in the residual value of vehicles will increase the net loss on any Purchased Receivables which are defaulted or subject to voluntary termination. In such circumstances a reduction in the residual value of Vehicles related to Purchased Receivables could reduce amounts available to the Issuer to make payments of interest and principal under the Notes. Blue controls the amount lent against each vehicle value and monitors residual values on loans that fall into arrears closely as well as recovery rate trends through its cars sold at auction.

Historical information, forecasts and estimates

The historical information set out in this Prospectus (in particular in "*DESCRIPTION OF THE PURCHASED RECEIVABLES*") is based on the historical experience and present procedures of the Seller. None of the Transaction Parties (other than the Seller), the Arranger or the Joint Lead Managers have undertaken or will undertake any investigation or review of, or search to verify, the historical information. There can be no assurances as to the future performance of the Purchased Receivables.

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

General market volatility

Developments such as the UK's departure from the European Union, consumer energy price inflation, and disruption to global supply chains – alongside elevated global demand for goods and supply shortages of specific goods – have led to recent inflationary pressure and rises in UK interest rates. Continuing inflationary pressure may result in further interest rate increases over time. Additionally, geopolitical risks, for example relating to the conflict in Ukraine, could impact the UK economy, in particular by further increasing energy and oil prices (and therefore petrol and diesel retail prices). This could lead to further impacts on supply chains and further increases in the cost of living and inflation. Such events and volatility could, in turn, lead to a reduction in the ability of Obligors to make payments in respect of the Purchased Receivables.

Any of the matters outlined above could (alone or in combination) adversely affect the ability of the Issuer to satisfy its obligations under the Notes and the Residual Certificates and/or the market value and/or liquidity of the Notes and the Residual Certificates in the secondary market.

GENERAL LEGAL CONSIDERATIONS

Security and insolvency considerations in respect of the Issuer

The Issuer will enter into the Deed of Charge pursuant to which it will grant the Security in respect of certain of its obligations, including its obligations under the Notes and the Residual Certificates (as to which, see "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Deed of Charge*"). If certain insolvency proceedings are commenced in respect of the Issuer, the ability to realise the Security may be delayed and/or the value of the Security impaired.

The Insolvency Act 1986 allows for the appointment of an administrative receiver in relation to certain transactions in the capital markets. Although there is as yet no case law on how these provisions will be interpreted, it should be applicable to the floating charge created by the Issuer and granted by way of security to the Security Trustee. However, this is partly a question of fact. The Secretary of State may, in any event and by secondary legislation, modify the exceptions to the prohibition on appointing an administrative receiver and/or provide that the exception shall cease to have effect. Were it not possible to appoint an administrative receiver in respect of the Issuer, the Issuer would likely be subject to administration if it became insolvent, which may lead to the ability to realise the Security being delayed and/or the value of the Security being impaired.

Significant changes to the UK insolvency regime were enacted under the Corporate Insolvency and Governance Act 2020 which came into effect on 26 June 2020. The changes include, among other things: (i) the introduction of a new moratorium regime that certain eligible companies can obtain which will prevent creditors taking certain action against the company for a specified period; (ii) a ban on operation of or exercise of "ipso facto clauses" preventing (subject to exemptions) termination, variation or exercise of other rights under a contract due to a counterparty entering into certain insolvency or restructuring procedures; and (iii) a new compromise or arrangement under Part 26A of the Companies Act 2006 (the "**Restructuring Plan**") that provides for ways of imposing a restructuring on creditors and/or shareholders without their consent (under a so-called cross-class cram-down procedure), subject to certain conditions being met and with a court adjudicating on the fairness of the restructuring proposal as a whole in determining whether or not to exercise its discretionary power to sanction the Restructuring Plan. While the Issuer is expected to be exempt from the application of the new moratorium regime and the ban on ipso facto clauses, there is no guidance on how the new legislation will be interpreted and the Secretary of State may by regulations modify the exceptions. For the purposes of the Restructuring Plan, it should also be noted that there are currently no exemptions, but the Secretary of State may by regulations provide for exclusion of certain companies providing financial services and the UK government has expressly provided for changes to the Restructuring Plan to be effected through secondary legislation, particularly in relation to the cross-class cram-down procedure. It is therefore possible that aspects of the legislation may change.

In addition, it should be noted that, to the extent that the assets of the Issuer are subject only to a floating charge (including any fixed charge recharacterised by the courts as a floating charge), in certain circumstances under the provisions of sections 174A, 176ZA and 176A of the Insolvency Act 1986, certain floating charge realisations which would otherwise be available to satisfy the claims of Secured Creditors under the Deed of Charge may be used to satisfy any expenses of the insolvency proceeding, claims of unsecured creditors or creditors who otherwise take priority over floating charge recoveries. While certain of the covenants given by the Issuer in the Transaction Documents are intended to ensure it has no significant creditors other than the

secured creditors under the Deed of Charge, it will be a matter of fact as to whether the Issuer has any such creditors at any time. There can be no assurance that the Noteholders and the Certificateholders will not be adversely affected by any such reduction in floating charge realisations upon the enforcement of the Security.

While the transaction structure is designed to minimise the likelihood of the Issuer becoming insolvent, and/or subject to pre-insolvency restructuring proceedings, there can be no assurance that the Issuer will not become insolvent and/or (including as a result of any modification to the exceptions from the application of the new insolvency reforms referred to above) the subject of insolvency or pre-insolvency restructuring proceedings and/or that the Noteholders and the Certificateholders would not be adversely affected by the application of insolvency or pre-insolvency restructuring laws or other laws affecting creditors' rights generally.

Fixed charges may take effect under English law as floating charges

Pursuant to the terms of the Deed of Charge, the Issuer has purported to grant fixed charges over, among other things, its interests in the Purchased Receivables and their Ancillary Rights, and its rights and benefits in the Issuer Accounts from time to time.

English law relating to the characterisation of fixed charges is complicated and dependent on the facts of any given situation. The fixed charges purported to be granted by the Issuer (but not any fixed security granted by way of assignment) may take effect under English law as floating charges if, for example, it is determined that the Security Trustee has not been provided with sufficient control over the Charged Property (although it should be noted that there is no equivalent concept of recharacterisation of fixed security as floating security under Scots law). If the charges take effect as floating charges instead of fixed charges, then, as a matter of law, certain claims would have priority over the claims of the Security Trustee in respect of the floating charge assets.

The interest of the Secured Creditors in property and assets over which there is a floating charge will rank behind the expenses of any administrator or liquidator and the claims of certain preferential creditors on enforcement of the Security. Section 251 of the Enterprise Act 2002 abolished crown preference in relation to all insolvencies (and thus reduced the categories of preferential debts that are to be paid in priority to debts due to the holder of a floating charge) but Section 176A of the Insolvency Act 1986 requires a "prescribed part" (up to a maximum amount of £600,000, or £800,000 in relation to floating charges which come into existence on or after 6 April 2020) of the floating charge realisations available for distribution to be set aside to satisfy the claims of unsecured creditors. In addition, HMRC has preferential status as a secondary preferential creditor in respect of certain taxes (e.g. VAT, PAYE, employee NICs, student loan deductions and construction industry scheme deductions). This means that the expenses of any administration, the claims of preferential creditors and the beneficiaries of the prescribed part will be paid out of the proceeds of enforcement of the floating charge ahead of amounts due to the Noteholders and the Certificateholders. The prescribed part will not be relevant to property subject to a valid fixed security interest or to a situation in which there are no unsecured creditors.

Basel Capital Accord and regulatory capital requirements

Prudential regulation reforms under Basel or other frameworks may have an adverse impact on the regulatory capital treatment of the Notes and the Residual Certificates. Investors should note

that the Basel Committee on Banking Supervision (the "**BCBS**") has approved a series of significant changes to the Basel framework for prudential regulation (such changes being referred to by the BCBS as Basel III, and referred to, colloquially, as Basel III in respect of reforms finalised prior to 7 December 2017 and Basel IV in respect of reforms finalised on or following that date). The Basel III reforms have now been incorporated into EU law (which will apply in stages, the latest of which will apply from 2023).

Some but not all of the EU law referred to above has been incorporated into UK domestic law by virtue of the EUWA. The initial aim of the UK regulators was to implement the remaining Basel III standards on 1 January 2023. However, on 30 November 2022, each of HM Treasury and the PRA published a consultation on these reforms. In October 2021, the PRA published a policy statement on its final rules implementing Basel standards that were implemented in the EU through EU CRR II. The Financial Services Act 2021 (Prudential Regulation of Credit Institutions and Investment Firms) (Consequential Amendments and Miscellaneous Provisions) Regulations 2021 (the "**FSA Regulations 2021**") were published in December 2021 and entered into force on or before 1 January 2022. The FSA Regulations 2021 made consequential amendments to primary and secondary legislation, as well as to retained EU legislation, relating to the UK implementation of certain standards developed by the BCBS that were implemented in the EU through CRR II and the introduction of the Investment Firms Prudential Regime ("**IFPR**") for FCA investment firms. Further consequential amendments have since been introduced by the Financial Services Act 2021 (Prudential Regulation of Credit Institutions and Investment Firms) (Consequential Amendments and Miscellaneous Provisions) Regulations 2022, which came into force on 17 August 2022.

The implementation date of most of the Basel IV reforms has been postponed until January 2025 and full implementation is expected from 1 January 2030. National implementation of the Basel IV reforms may vary those reforms and/or their timing. The Basel IV reforms, which include revisions to the credit risk framework in general and the securitisation framework in particular, have not yet been legislated for in the UK. The European Commission published legislative proposals implementing the Basel IV reforms on 27 October 2021. The UK authorities have stated that they will work towards a UK implementation timetable of the Basel IV reforms consistent with the 1 January 2025 implementation date.

The BCBS continues to work on new policy initiatives. The implementation of the Basel III and Basel IV reforms, and any new policy initiatives, may result in increased regulatory capital and/or other prudential requirements in respect of securitisation positions. It should also be noted that other types of investor, in addition to banks, may be subject to regulatory rules that impose requirements in respect of an investment in the Notes or the Residual Certificates, and those rules may be derived from a framework other than Basel. Which rules apply will depend on the jurisdiction in which an investor operates and the type of activities for which it is regulated. For example, insurance and reinsurance undertakings incorporated in the European Economic Area and (by virtue of the EUWA) in the UK are subject to the Solvency II regulatory framework. Changes to any prudential requirements may be implemented during the life of the Notes and the Residual Certificates. In particular, it should be noted that the UK authorities have announced that the Solvency II framework in the UK will be reformed. On 20 July 2021, the PRA launched a quantitative impact study to assist its analysis of potential reform options and on 7 November 2022 published a consultation paper to consult on a package of reforms.

For more details about the Basel framework and regulatory capital requirements, see "*LEGAL AND REGULATORY CONSIDERATIONS — Basel Capital Accord and regulatory capital requirements*".

Prospective investors should therefore make themselves aware of the requirements described above (and any corresponding implementing rules of their regulator), where applicable to them, in addition to any other applicable regulatory requirements with respect to their investment in the Notes or the Residual Certificates. Investors in the Notes or the Residual Certificates are responsible for analysing their own regulatory position and prudential regulation treatment applicable to the Notes and the Residual Certificates and should consult their own advisers in this respect. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

The matters described above and in "*LEGAL AND REGULATORY CONSIDERATIONS — Basel Capital Accord and regulatory capital requirements*" as well as the UK Securitisation Regulation and EU Securitisation Regulation (as described below) and any other changes to the regulation or regulatory treatment of the Notes and the Residual Certificates for some or all investors may negatively impact the capital requirements for individual investors and, in addition, negatively affect the market value and secondary market liquidity of the Notes and the Residual Certificates.

Risks relating to the Banking Act 2009 and the Bank Recovery and Resolution Directive 2014

The Banking Act 2009 (the "**Banking Act**") includes provision for a special resolution regime pursuant to which specified UK authorities have extended tools to deal with the failure (or likely failure) of certain UK incorporated entities, including authorised deposit-taking institutions and investment firms, and powers to take certain resolution actions in respect of third country institutions. In addition, powers may be used in certain circumstances in respect of UK established banking group companies, where such companies are in the same group as a relevant UK or third country institution or in the same group as an EEA credit institution or investment firm. The relevant transaction entities for these purposes include the Account Bank, the Cash Manager, the Note Trustee and the Security Trustee (each a "**relevant entity**").

The tools available under the Banking Act include share and property transfer powers (including powers for partial property transfers), bail-in powers, certain ancillary powers (including powers to modify contractual arrangements in certain circumstances) and special insolvency procedures which may be commenced by the UK authorities. It is possible that the extended tools described above could be used prior to the point at which an application for insolvency proceedings with respect to a relevant entity could be made and, in certain circumstances, the UK authorities may exercise broad pre-resolution powers in respect of relevant entities with a view to removing impediments to the exercise of the stabilisation tools. In general, the Banking Act requires the UK authorities to have regard to specified objectives in exercising the powers provided for by the Act. One of the objectives (which is required to be balanced as appropriate with the other specified objectives) refers to the protection and enhancement of the stability of the financial system of the United Kingdom.

The Banking Act includes provisions related to compensation in respect of instruments and orders made under it. In general, there is considerable uncertainty about the practical scope of the powers afforded to UK authorities under the Banking Act and how the UK authorities may choose

to exercise them. If an instrument or order were to be made under the provisions of the Banking Act currently in force in respect of a relevant entity (as described above), such action may (amongst other things) affect the ability of such entities to satisfy their obligations under the Transaction Documents and/or result in the cancellation, modification or conversion of certain unsecured liabilities of such entity under the Transaction Documents or in other modifications to such documents. In particular, modifications may be made pursuant to powers permitting (i) certain trust arrangements to be removed or modified, (ii) contractual arrangements between relevant entities and other parties to be removed, modified or created where considered necessary to enable a transferee in the context of a property or share transfer to operate the transferred business effectively and (iii) in connection with the modification of an unsecured liability through use of the bail-in tool, the discharge of a relevant entity from further performance of its obligations under a contract.

In addition, subject to certain conditions, powers may apply to require a relevant instrument or order (and related events) to be disregarded in determining whether certain widely defined "default events" have occurred (which events may include trigger events included in the Transaction Documents in respect of a relevant entity, including termination events). As a result, the making of an instrument or order in respect of a relevant entity as described above may affect the ability of the Issuer to meet its obligations in respect of the Notes or the Residual Certificates. As noted above, the stabilisation tools may be used in respect of certain banking group companies provided certain conditions are met. If the Issuer were regarded to be a banking group company and no exclusion applied, then it would be possible in certain scenarios for the relevant authority to exercise one or more relevant stabilisation tools (including the property transfer powers and/or the bail-in powers) in respect of it, which could result in reduced amounts being available to make payments in respect of the Notes and/or in the modification, cancellation or conversion of any unsecured portion of the liability of the Issuer under the Notes or the Residual Certificates at the relevant time.

The UK authorities have provided an exclusion for certain securitisation companies although some aspects of the relevant provisions are not entirely clear. This regime was amended to comply with the EU's Bank Recovery and Resolution Directive (2014/59/EU) ("**BRRD**"). BRRD was implemented in the UK through, among other regulations, the Bank Recovery and Resolution Order 2014 (the "**BRRD Order**") and incorporated into UK domestic law following the withdrawal of the UK from the European Union by, amongst other statutory instruments, The Bank Recovery and Resolution and Miscellaneous Provisions (Amendment) (EU Exit) Regulations 2018. The EU Directive (2019/879/EU) amending the BRRD ("**BRRD II**") entered into force on 27 June 2019 and became applicable on 28 December 2020. BRRD II implements (among other reforms) the Financial Stability Board's standards on total loss absorbing capacity. The UK implemented the majority of the BRRD II provisions which became applicable on 28 December 2020; however, the UK imposed a 'sunset' on a number of BRRD II provisions so they ceased to have effect after 31 December 2020 and the UK did not implement BRRD II provisions which became applicable on or after 1 January 2021. There can be no assurance that the UK authorities will not make an instrument or order under the Banking Act in respect of the entities referred to above and/or that Noteholders and Certificateholders will not be adversely affected by any such instrument or order if made. As a result of the BRRD providing for the establishment of an EEA-wide framework for the recovery and resolution of credit institutions and investment firms and any relevant national implementing measures, it is possible that an institution with its head office in an EEA state and/or certain group companies could be subject to certain resolution actions in that other state. Any such action may affect the ability of any relevant entity to satisfy its obligations under the

Transaction Documents and there can be no assurance that Noteholders and Certificateholders will not be adversely affected as a result.

Regulatory initiatives may have an adverse impact on the regulatory treatment of the Notes and the Residual Certificates and/or decreased liquidity in respect of the Notes and the Residual Certificates

In Europe, the U.S. and elsewhere, there is increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in multiple measures for increased regulation which are at various stages of implementation and which may have an adverse impact on the regulatory position of certain investors in securitisation exposures and/or on the incentives for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Notes and the Residual Certificates are responsible for analysing their own regulatory position and should consult their own advisers in this respect. None of the Issuer, the Seller, the Arranger, the Joint Lead Managers nor any other party to the Transaction Documents makes any representation to any prospective investor or purchaser of the Notes or the Residual Certificates regarding the regulatory capital treatment of their investment on the Closing Date, or at any time in the future. Any changes to the regulation or regulatory treatment of the Notes and the Residual Certificates 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 and the Residual Certificates in the secondary market.

U.S. Risk Retention Requirements

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

The Seller, as the sponsor under the U.S. Risk Retention Rules, does not intend to retain at least 5 per cent. of the credit risk of the securitised assets for the purposes of compliance with the U.S. Risk Retention Rules, but rather will rely on an exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. To qualify for the exemption, 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% of the dollar value (or equivalent amount in the currency in which the securities are issued) of all classes of securities issued in the securitisation transaction are sold or transferred to, 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% 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.

Prior to any Notes and/or Residual Certificates which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person, the purchaser of such Notes and/or Residual Certificates must first disclose to the Arranger and the Joint Lead Managers that it is a Risk Retention U.S. Person and obtain the written consent of the Seller in the form of a U.S. Risk Retention Waiver. Prospective investors should note that the definition of "U.S. person" in the U.S. Risk Retention Rules is similar to, but not identical to, the definition of "U.S. person" in Regulation S and that persons who are not "U.S. persons" under Regulation S may be "U.S. persons" under the U.S. Risk Retention Rules.

The definition of "U.S. person" in the U.S. Risk Retention Rules is excerpted below. Particular attention should be paid to clauses (b) and (h), which are different to comparable provisions from Regulation S. Under the U.S. Risk Retention Rules, and subject to limited exceptions, "U.S. person" means any of the following:

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

(b) any partnership, corporation, limited liability company or other organisation or entity organised or incorporated under the laws of any State or of the United States;[1]

(c) any estate of which any executor or administrator is a U.S. person (as defined under any other clause of this definition);

(d) any trust of which any trustee is a U.S. person (as defined under any other clause of this definition);

(e) any agency or branch of a foreign entity located in the United States;

(f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition);

(g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States; and

(h) any partnership, corporation, limited liability company or other organisation or entity if:

(i) organised or incorporated under the laws of any foreign jurisdiction; and

(j) formed by a U.S. person (as defined under any other clause of this definition) principally for the purpose of investing in securities not registered under the Securities Act. [2]

Each holder of a Note and/or Residual Certificate or a beneficial interest therein acquired on the Closing Date, by its acquisition of a Note and/or Residual Certificate or a beneficial interest

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[1] The comparable provision from Regulation S is "(ii) any partnership or corporation organised or incorporated under the laws of the United States".

[2] The comparable provision from Regulation S is "(vii)(B) formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act) unless it is organised or incorporated, and owned, by accredited investors (as defined in 17 CFR 230.501(a)) who are not natural persons estates or trusts".

therein, will be deemed to represent to the Issuer, the Seller, the Arranger and the Joint Lead Managers that (1) either (i) it is not a Risk Retention U.S. Person or (ii) it has obtained a U.S. Risk Retention Waiver from the Seller, (2) it is acquiring such Note and/or Residual Certificate or a beneficial interest therein for its own account and not with a view to distribute such Note and/or Residual Certificate and (3) it is not acquiring such Note and/or Residual Certificate or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note and/or Residual Certificate through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules described herein).

There can be no assurance that the requirement to request the Seller to give its prior written consent to any Notes and/or Residual Certificates which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person will be complied with or will be made by such Risk Retention U.S. Persons.

There can be no assurance that the exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions will be available. Failure of the offering of the Notes and the Residual Certificates to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) could give rise to regulatory action against either the originator or the Issuer which may adversely affect their ability to perform their obligations under the Transaction Documents and thereby adversely affect the Notes and the Residual Certificates. 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 risk retention requirements of the U.S. Risk Retention Rules could negatively affect the market value and secondary market liquidity of the Notes and the Residual Certificates.

None of Blue, the Arranger, the Joint Lead Managers or any of their respective affiliates makes any representation to any prospective investor or purchaser of the Notes and the Residual Certificates as to whether the transactions described in this Prospectus comply as a matter of fact with the U.S. Risk Retention Rules on the Closing Date or at any time in the future. Prospective investors should consult their own advisors as to the U.S. Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

Consumer Credit Act 1974

In the United Kingdom, consumer credit contracts, including the HP Agreements, are subject to extensive regulation under the UK consumer credit regime. If an HP Agreement does not comply with the relevant legal and regulatory requirements (some of which are described below), the Servicer may be prevented from or delayed in enforcing all or parts of the HP Agreement and collecting amounts due and/or retaining amounts collected on the related Purchased Receivable and this could lead to significant disruption and have an adverse effect on the ability of the Issuer to make payments of interest and/or principal on the Notes or other amounts due on the Residual Certificates. In addition, certain rights (set out in detail below) must be granted to the Obligor and, where the Obligor exercises any one of these rights, this may adversely affect the Issuer's ability to make payments in full when due on the Notes or the Residual Certificates due to reduced sums being payable or the Obligor exercising a set-off right.

The regulatory framework for consumer credit activities in the UK consists of FSMA and its secondary legislation, retained provisions in the Consumer Credit Act 1974 (the "**CCA**") and its retained associated secondary legislation, and rules and guidance in the FCA Handbook, including the Consumer Credit sourcebook ("**CONC**"). The HP Agreements are regulated by FSMA and the CCA and this will have several consequences, including the following (refer to the section "*LEGAL AND REGULATORY CONSIDERATIONS – Consumer Credit Act 1974*" for further details):

- Blue has to comply with authorisation and permission requirements and each HP Agreement must comply with origination requirements. If they do not comply with those requirements, then the HP Agreement will be unenforceable against the Obligor in certain circumstances;

- Blue, or any subsequent Servicer (as applicable), must comply with specific requirements regarding variation of each HP Agreement and the provision of certain information in relation to each HP Agreement. Failure to comply with such requirements could result in the HP Agreement being unenforceable against the Obligor in certain circumstances;

- an Obligor has a right to withdraw from the relevant HP Agreement in certain circumstances;

- an Obligor has a statutory right, under sections 99 and 100 of the CCA, to terminate an HP Agreement and return the Vehicle to Blue. In this circumstance, the Obligor must pay to Blue all arrears, the amount (if any) by which one half of the total amount payable under the HP Agreement to maturity exceeds the aggregate of the sums paid under the contract, and all other sums due but unpaid under the contract (including any deposit).

If a significant number of Obligors exercise their rights to terminate their HP Agreements pursuant to sections 99 and 100 of the CCA, it is possible that the Notes and the Residual Certificates may be redeemed earlier than anticipated.

Furthermore, if an Obligor terminates an HP Agreement pursuant to sections 99 and 100 of the CCA, it is possible that the Issuer will not receive the full amount of the outstanding principal amount on the relevant Purchased Receivable and an amount of principal will accordingly be written-off. This in turn could trigger losses in respect of the Notes and the Residual Certificates;

- an Obligor also has a statutory right to early settlement of an HP Agreement;

- Blue has the right to terminate an HP Agreement in the event of an unremedied material breach of the agreement by the Obligor (but must serve a notice on the Obligor in accordance with section 88 of the CCA before it may do so);

- a disposition of the Vehicle by the Obligor to a bona fide private purchaser without notice of the HP Agreement will transfer Blue's title to the Vehicle to the purchaser;

- the court also has a power to give relief to an Obligor, including to give time to the Obligor to pay arrears and remedy any breach;

- the court also has the power under the CCA to determine that the relationship between Blue and a customer arising out of an HP Agreement (whether alone or with any related agreement) is unfair to the customer. If the court makes such a determination, then it may make an order in relation to Blue, among other things, requiring Blue, or any assignee such as the Issuer, to repay any sum paid by the Obligor. Once an Obligor alleges that an unfair relationship exists, the burden of proof is on Blue to prove to the contrary;

- complaints against authorised persons under FSMA relating to conduct in the course of specified regulated activities (including in relation to consumer credit) can be determined by the Financial Ombudsman Service (an out-of-court dispute resolution scheme). The Financial Ombudsman Service has the power to award compensation to any Obligor when determining their complaint. From 1 April 2023, the maximum level of compensation that can be awarded in relation to an act or omission arising on or after 1 April 2019 is £415,000. The compensation awarded may adversely affect the value at which the HP Agreements and Purchased Receivables could be realised and accordingly the Issuer's ability to meet its obligations under the Notes and the Residual Certificates. Given the way that the Financial Ombudsman Service makes its decisions, it is not possible to predict with any certainty how any future decision of the Financial Ombudsman Service might affect the Issuer's ability to make payments in full when due on the Notes and the Residual Certificates;

- an Obligor who is a private person may be entitled to claim damages for loss suffered as a result of any contravention of a rule under the FSMA by a person who is an FCA-authorised person. The Obligor may set-off any such damages that are awarded against the amount they owe under an HP Agreement;

- the FCA has a broad range of enforcement powers under the FSMA, including restitution and customer redress;

- Blue, or any subsequent Servicer (as applicable), has to comply with certain post-contractual information requirements, including those under the CCA. Failure to comply with these requirements could have a significant impact on the enforceability of the HP Agreements and Blue's ability to recover interest and default fees or retain certain amounts collected in respect of interest and default fees; and

- Blue 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, some or all of the HP Agreements may be unenforceable. Further, if a court or the FCA were to take the view that Blue, or any subsequent Servicer (as applicable), were required to notify Obligors of such unenforceability before enforcing the HP Agreement, this would result in significant compliance cost and could result in a lengthier enforcement process in the future. This could also encourage Obligors and claims management companies to raise technical issues of CCA non-compliance against Blue, or any subsequent Servicer (as applicable).

In addition:

- under an HP Agreement, where a credit broker (such as a Dealer) carries out antecedent negotiations with an Obligor, those negotiations will be deemed to be performed in the

capacity of agent of Blue (as lender) as well as in his or her actual capacity. As a result, Blue will be potentially liable for misrepresentations made by a credit broker (such as a Dealer) involved in introducing an Obligor to Blue;

- if any Vehicle becomes "protected" pursuant to the CCA, this could potentially cause delays in recovering amounts due from Obligors and consequently may reduce amounts available to Noteholders and Certificateholders;

- the Consumer Rights Act 2015 ("**CRA15**") applies in relation to HP Agreements involving consumers. An Obligor may challenge a term in a consumer contract on the basis that it is "unfair" within the meaning of CRA15 and therefore not binding on the Obligor. The broad and general wording of the CRA15 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 any agreements made with consumers may contain unfair terms, which may result in the possible unenforceability of those unfair terms;

- further, CRA15 also implies terms into the HP Agreements as to the title, description and quality or fitness for purpose of the Vehicles. Breach of such terms would entitle an Obligor to bring a claim for damages. There is a risk that any compensation owed to an Obligor under such a claim could be set-off against the amount the Obligor owes under the HP Agreement. If a significant number of Obligors were to bring such claims this would adversely affect the Issuer's ability to make payment in full when due on the Notes and the Residual Certificates. No assurance is given that (a) changes to the guidance or case law in relation to CRA15 and (b) future changes to CRA15 or the manner in which CRA15 is applied, interpreted or enforced will not have an adverse effect on the Purchased Receivables, Blue, the Servicer, the Issuer and their respective businesses and operations; and

- there are certain consequences for a breach of the Consumer Protection from Unfair Trading Regulations 2008 (the "**Consumer Protection Regulations**"), which prohibit unfair, aggressive and misleading business-to-consumer commercial practices before, during and after a consumer contract is made. These consequences include liabilities for misrepresentation or breach of contract and/or prosecution of Blue. No assurance can be given that any regulatory action or guidance in respect of the Consumer Protection Regulations will not have a material adverse effect on the HP Agreements and accordingly on the Issuer's ability to make payments in full when due on the Notes and the Residual Certificates.

For further details on consumer protection legal and regulatory requirements and how they apply to the Seller and the Purchased Receivables, see "*LEGAL AND REGULATORY CONSIDERATIONS*".

Changes to the UK regulatory structure

The FCA is responsible for the consumer credit regime in the UK. The FCA regulates firms in the sector both prudentially and through extensive conduct of business requirements intended to ensure that business across the sector is conducted in a way which advances the interests of all users and participants. HM Treasury oversees the regime and is responsible for the legislative

framework. In December 2022, HM Treasury published a consultation paper in relation to reform of the CCA which, amongst other things, considers whether the expansion of FCA rule-making powers is possible or desirable to enable the transfer of the remaining provisions out of the CCA. HM Treasury expects to publish a consultation response document in the second quarter of 2023, with the FCA expected to consult on its approach to any new rules in due course. The proposals outlined in the consultation build upon recommendations made by the FCA in its final report to HM Treasury dated March 2019 entitled "Review of Retained Provisions of the Consumer Credit Act: Final Report" as well as those addressed in Christopher Woolard's review into change and innovation in the unsecured consumer credit market, which both made recommendations for a reformed regime. The Financial Services and Markets Bill ("**FSMB**") was introduced on 20 July 2022 and is currently before Parliament. If enacted, the FSMB provides for HM Treasury to implement changes to give effect to the outcomes of its Future Regulatory Framework Review, and also powers to implement the changes regarding the CCA.

The FCA is continually evolving its practices in connection with the consumer credit regime. In light of this it is possible that it will take further action to impose stricter rules on current practices of consumer credit regulated firms. It is possible that the actions it takes as regulator, as well as any adverse decision or award made by the Financial Ombudsman Service (as to which, see the section entitles "*LEGAL AND REGULATORY CONSIDERATIONS – Consumer Credit Act 1974 – (j) Financial Ombudsman Service*") will have an effect on the HP Agreements or the Seller, the Issuer and their respective businesses and operations, which may, in turn, affect the Issuer's ability to make payments in full on the Notes and the Residual Certificates when due.

In the context of consumer credit regulation and related regulation, there are a significant number of complex regulations applied by the FCA. It should be noted that the regulations themselves, related laws and regulatory practice are all liable to change during the life of the Notes and the Residual Certificates. The nature of such changes and the ultimate impact is difficult to predict and there is no certainty of the impact any regulatory change could have on the performance of the Portfolio, which may ultimately have an adverse impact on the Issuer's ability to make timely payments on the Notes or Residual Certificates.

FCA ongoing work in the motor finance sector

The FCA published a "Dear CEO" letter on 20 January 2020 entitled "Portfolio Strategy: Motor Finance Providers" setting out its supervisory strategy for the period to August 2021. Among other things, the FCA mentioned its review of the motor finance sector in the UK, the final findings of which were published in March 2019. As a result of the findings from its review, the FCA published a consultation paper on 15 October 2019 (CP19/28) consulting on the FCA's proposals to ban commission models that can give brokers and motor dealers an incentive to increase a customer's interest rate. The FCA confirmed its final rule changes and new rules introducing a ban on discretionary commission models took effect on 28 January 2021. The FCA has also introduced new disclosure rules relating to commission paid by customers which also take effect from this date. For more detail see "*LEGAL AND REGULATORY CONSIDERATIONS – FCA ongoing work in the motor finance sector*".

The FCA launched its Credit Information Market Study in 2019 and an interim report and a discussion paper were published in November 2022. The report on the credit information market analysed the purpose, quality and accessibility of credit information as well as the market structure, business models, competition, consumer engagement and consumer understanding of

credit information. A final report is expected to be published in the third quarter of 2023. Credit information is particularly important in retail lending as it is used for assessment of credit risk and affordability as well as fraud prevention.

In May 2021, the FCA published a policy statement on FCA Handbook changes to improve competition and protect home and motor insurance customers from loyalty penalties (PS21/5). This was followed in August 2021 by a second policy statement making minor amendments to the FCA's rules (PS21/11). PS21/5 also summarises the feedback received on the FCA's consultation paper (CP20/19) and its final report on its market study on general insurance pricing practices, both published in September 2020.

The amended rules consist of a package of measures, including:

(a) a requirement that, when a firm offers a renewal price to an existing customer, that price should be no greater than the equivalent new business price for a new customer;

(b) changes to the FCA's existing product governance rules to ensure firms have in place processes to provide products that offer fair value to customers;

(c) rules requiring firms to offer a range of accessible and easy options for consumers who want to cancel auto-renewal on their contracts; and

(d) reporting requirements to help ongoing supervision of the home and motor insurance markets and to help the FCA monitor firms.

The rules on systems and controls, retail premium finance and product governance came into effect on 1 October 2021. The rules on pricing, auto-renewal and reporting came into effect on 1 January 2022, though a transitional provision for the rules on pricing and auto-renewal disclosure gave firms until 17 January 2022 to put their processes in place, provided they backdated benefits to customers to 1 January 2022. The new rules superseded the FCA's guidance on the general insurance distribution chain, which was withdrawn when the new rules came into effect.

The FCA has also published a research paper, which contains the results of an experiment it has conducted to consider consumer perceptions of, and their responses to, discounts and incentives.

The FCA's conclusions from its ongoing work in the motor finance sector, and any subsequent rule changes, may have an effect on the vehicle finance market and no assurance can be given that further changes will not be made to the regulatory regime in respect of the vehicle finance market in the United Kingdom generally, the Seller's particular sector in that market or specifically in relation to the Seller, whether arising from the FCA's review of the motor finance industry, changes to the consumer credit regime generally or otherwise. Should new rules be introduced, or a different interpretation of existing rules be endorsed, by the FCA, or should enforcement action be taken by the FCA, this may have a material adverse effect on the Seller, the Issuer and/or the Servicer and their respective businesses and operations and this may in turn adversely affect the Issuer's ability to make payments in full when due on the Notes and the Residual Certificates.

Risks relating to other current and future regulatory developments

Breathing Space Regulations

On 17 November 2020, the Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020 (the "**Breathing Space Regulations**") were made which implemented a new debt respite scheme in England and Wales from 4 May 2021. This scheme established two types of moratorium, a 'breathing space moratorium' and a 'mental health crisis moratorium'. Each type of moratorium is intended to support debtors in England and Wales who are struggling to pay their debts. During a moratorium, a creditor is prevented from taking steps (i) to require a debtor to pay interest that accrues on a moratorium debt (being a debt owed at the time the application for a moratorium was made and registered with the Secretary of State) during the moratorium period, (ii) to require a debtor to pay fees, penalties or charges in relation to a moratorium debt that accrue during the moratorium period, (iii) to take any enforcement action in respect of a moratorium debt or (iv) to instruct an agent to take any actions in (i) to (iii) above. A breathing space moratorium lasts for 60 days and cannot be extended. A debtor is able to access a breathing space moratorium once in each 12 month period. A mental health crisis moratorium lasts for the duration of an individual's mental health crisis treatment plus 30 days. There is no limit to the number of times a debtor is able to access a mental health crisis moratorium.

On 24 December 2020, the UK government published guidance to provide support to creditors and debt advisors in understanding the Breathing Space Regulations. On 26 February 2021, the FCA published a policy statement (PS 21/1) outlining changes to the FCA Handbook as a result of the Breathing Space Regulations. The changes amend certain parts of CONC to clarify how the rules will apply where the Breathing Space Regulations also apply.

The moratoria under the Breathing Space Regulations cover almost all personal debts, except for secured debts, such as the HP Agreements; however, arrears owed under the HP Agreements are eligible for the breathing space moratorium or the mental health crisis moratorium and therefore Blue is required to implement the requirements of the relevant scheme for customers that meet the eligibility criteria for entry into such scheme.

In Scotland, eligible individuals are afforded similar legal protection under the Bankruptcy (Scotland) Act 2016 although the moratorium period of 6 months is longer than in England and Wales and does not make any accommodation for mental health crisis.

In addition to the moratoria under the Breathing Space Regulations, on 13 May 2022 HM Treasury published a consultation and draft regulations (the Debt Respite Scheme (Statutory Debt Repayment Plan etc) (England and Wales) Regulations 2022) (the "**Draft DRS Regulations**") to implement a statutory debt repayment plan (the "**SDRP**") to allow customers a longer and more manageable time frame (up to ten years) in which to repay their debts (see "*Legal and Regulatory Considerations – Breathing Space and SDRP*" for more details). During the duration of the SDRP, customers would be protected from creditors. SDRPs will only be accessible through the debt advice function of a local authority or from private debt advice providers authorised by the FCA. Any debt or liability owed by the debtor when applying for the SDRP will be a "qualifying debt" unless it is a "non-eligible debt". Some types of non-eligible debts are mandatorily excluded from an SDRP but this is not expected to include motor finance agreements as the scope is likely to be the same as the Breathing Space Regulations. While an SDRP is in effect, creditors cannot

take enforcement steps in respect of a qualifying debt. HM Treasury published its consultation response in November 2022. The original intention of the UK government was to lay the SDRP regulations by the end of 2022. However, having reflected on feedback, the government has determined to delay the implementation of the Draft DRS Regulations and explained that no decision on reform has been made at this stage. The government has explained that it will base further decisions on the future of the SDRP on the outcomes of the government's review of the personal insolvency framework, led by the Insolvency Service. The moratoria under the Breathing Space Regulations and, if and when implemented, the SDRP could result in adverse consequences for Noteholders and Certificateholders, including reduced or delayed payments on the Notes or a reduction in the credit quality or credit rating of the Notes or Residual Certificates.

Consumer duty

The FCA has published new FCA Handbook rules and guidance (PS22/9), together with separate non-Handbook guidance (FG22/5), for a "consumer duty" (the "**Consumer Duty**"), which aims to set clear and higher expectations for firms' standards of care towards "retail customers", which includes all customers other than professional clients (such as large corporates and government bodies) and eligible counterparties.

The Consumer Duty has three key elements: (1) a 'consumer principle', that 'a firm must act to deliver good outcomes for retail customers; (2) 'cross-cutting rules', which develop and clarify the consumer principle's overarching expectations of firm conduct and set out how it should apply in practice; and (3) the 'four outcomes', a suite of rules and guidance that set more detailed expectations for firm conduct in relation to four specific outcomes for the key elements of the firm-customer relationship – 'products and services', 'price and value', 'consumer understanding' and 'consumer support' (see "*Legal and Regulatory Considerations – Consumer Duty*" for further details). The FCA has been clear that it sees the introduction of this Consumer Duty as a paradigm shift in the expectations of firms.

The FCA has previously considered the potential merits and unintended consequences of introducing a private right of action for breaches of the Consumer Duty. While the FCA recognised the potential benefits of a private right of action, it has decided not to provide such a right at this time; in its policy statement (PS22/9) the FCA stated that any decision to attach a private right of action to the Consumer Duty would be subject to further consultation.

On 1 March 2023, the FCA published a "Dear CEO" letter to firms providing motor finance entitled "Implementing the Consumer Duty in the Motor Finance Providers Portfolio", which focuses on the implementation of the Consumer Duty, setting out how it applies to motor finance providers and key issues for such providers to consider set against the four outcomes of the Consumer Duty.

Principles-based regulation presents many challenges to firms, and the introduction of a Consumer Duty to this regime will likely intensify these challenges. Possible adverse consequences of the introduction of a Consumer Duty include a greater difficulty in recovering amounts owed under the HP Agreements, leading to lower revenues with which to make payments on the Notes and Residual Certificates. Any more specific effect on the Notes and the Residual Certificates will become clearer in the course of implementation and once the FCA's approach to supervision and enforcement becomes evident. In the short term, however, firms will

inevitably need to devote significant time and resource to embedding the changes necessitated by the Consumer Duty.

BEIS consultation on reforming competition and consumer policy

In the context of consumer credit regulation and related regulation, there are a significant number of complex regulations applied by the FCA. It should be noted that the regulations themselves, related laws and regulatory practice are all liable to change during the life of the Notes and the Residual Certificates. For example, on 20 July 2021, the department for Business, Energy & Industrial Strategy ("**BEIS**") published a consultation entitled "Reforming Competition and Consumer Policy: Driving growth and delivering competitive markets that work for consumers". This contained a number of proposals for changes to consumer protection law, not all of which will be relevant to the consumer credit regime. However, the consultation sought views on what changes can be made to existing consumer protection legislation – including the CRA15 – to remove red tape for businesses while maintaining consumer protection (without making any specific suggestions in the consultation as to what might be changed). BEIS published its response in April 2022 and intends to take forward some amendments to the existing consumer protection regime and also strengthen the enforcement regime. There is no certainty of the impact any regulatory change could have on the performance of the Portfolio, which may ultimately have an adverse impact on the Issuer's ability to make timely payments on the Notes or the Residual Certificates.

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

Securitisation Regulations

The EU Securitisation Regulation commenced application in general from 1 January 2019 and, from 9 April 2021, the EU Securitisation Regulation applies as amended by Regulation (EU) 2021/557. However, some legislative measures necessary for the full implementation of the regime have not yet been finalised and compliance with certain requirements is subject to the application of transitional provisions. In addition, further amendments are expected to be introduced to the EU Securitisation Regulation regime as a result of the separate reviews of the regime conducted by the European Commission and the European Banking Authority.

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

The EU Securitisation Regulation has direct effect in member states of the EU and, once the EU Securitisation Regulation is incorporated into the EEA Agreement, it will apply more broadly in the EEA, including Iceland, Norway and Liechtenstein.

The UK Securitisation Regulation commenced application in the UK on 31 December 2020, when the post-Brexit implementation period ended. The UK Securitisation Regulation largely mirrors (with some amendments) the EU Securitisation Regulation as it applied in the EU at the end of 2020 (meaning that the amendments that took effect in the EU from 9 April 2021 are not part of the UK regime). The UK Securitisation Regulation regime has been subject to review and may be subject to further reviews, which may result in further changes being introduced in the UK in due course. Therefore, some divergence between EU and UK regimes exists already and the risk of more divergence in the future between EU and UK regimes cannot be ruled out.

Each sponsor, originator, original lender or securitisation special purpose entity involved in a securitisation will be bound by the UK Securitisation Regulation (if incorporated in the UK) or the EU Securitisation Regulation (if incorporated in the EU), including by the risk retention provisions of Article 6, and the reporting requirements of Article 7, of the UK Securitisation Regulation or the EU Securitisation Regulation (as applicable).

In addition, certain UK-regulated institutional investors and certain EU-regulated institutional investors, which broadly include credit institutions, investment firms, authorised alternative investment fund managers, insurance and reinsurance undertakings, certain undertakings for the collective investment of transferable securities ("**UCITs**") and certain regulated pension funds (institutions for occupational retirement provision), must comply, under Article 5 of the UK Securitisation Regulation or Article 5 of the EU Securitisation Regulation (as applicable), with certain due diligence requirements prior to holding a securitisation position and on an ongoing basis while holding the position. Among other things, prior to holding a securitisation position, such institutional investors are required to verify certain matters with respect to compliance of the relevant transaction parties with credit granting standards, risk retention and transparency requirements. The exact territorial scope of this requirement is (particularly in the case of the EU Securitisation Regulation) not certain, although, in the case of the EU Securitisation Regulation, the European Commission adopted the view, in a report to the European Parliament and the Council on the functioning of the EU Securitisation Regulation published in October 2022, that EU institutional investors' due diligence obligations under Article 5 of the EU Securitisation Regulation require EU institutional investors to verify, before holding a securitisation position, that the sell-side parties in the securitisation, wherever they are established, fulfil the requirements under the EU Securitisation Regulation that would be applicable to those sell-side parties were they established in the EU.

If an institutional investor elects to acquire or holds any securitisation position having failed to comply with one or more of these requirements which is applicable to it, this may result in the imposition of a penal capital charge on the relevant position for such institutional investor, if it is subject to regulatory capital requirements, a requirement to take a corrective action, in the case of certain types of regulated fund investor, and/or regulatory action by a national regulatory authority that has jurisdiction over such institutional investor.

Various parties to the securitisation transaction described in this Prospectus (including Blue (as originator) and the Issuer) will be subject, directly, to the requirements of the UK Securitisation Regulation as a matter of law.

In addition, various parties to the securitisation described in this Prospectus (including Blue (as the originator) and the Issuer) have contractually elected and agreed to comply with certain requirements of the EU Securitisation Regulation relating to risk retention, transparency and

reporting (even if the EU Securitisation Regulation is not applicable to such parties), as such requirements exist at the Closing Date, unless and until such time as:

(i) compliance with the relevant requirements of the EU Securitisation Regulation prevents full compliance with the relevant requirements of the UK Securitisation Regulation; or

(ii) a competent EU authority has confirmed that satisfaction of the applicable requirements under the UK Securitisation Regulation will also satisfy the corresponding requirements of the EU Securitisation Regulation through the application of an equivalence regime or similar concept.

Given that the undertakings in respect of the EU Securitisation are limited as set out above, if the requirements of the EU Securitisation Regulation or the UK Securitisation Regulation change after the Closing Date, then Blue and/or the Issuer may not be required to comply with, and may elect not to, or be unable to, comply with the requirements of the EU Securitisation Regulation. It is not possible to predict how any such requirements may change.

Further, some uncertainty remains in relation to the interpretation of some of the requirements of the UK Securitisation Regulation and the EU Securitisation Regulation, which could adversely impact the ability of such parties to comply with their legal obligations and their contractual obligations under the Transaction Documents. There is also uncertainty in relation to what is or will be required to demonstrate compliance to the relevant regulators, including in particular with regard to the transparency obligations imposed under Article 7 of the UK Securitisation Regulation and the EU Securitisation Regulation. See the section entitled "*RISK RETENTION AND SECURITISATION REGULATION REPORTING*" below.

Prospective investors in the Notes and the Residual Certificates are responsible for analysing their own regulatory position, and should consult their own advisers in this respect. There can be no assurance that undertakings relating to compliance with the UK Securitisation Regulation or the EU Securitisation Regulation, the information in this Prospectus or information to be made available to investors in accordance with such undertakings will be adequate for any prospective institutional investors to comply with their due diligence obligations under the UK Securitisation Regulation or the EU Securitisation Regulation.

Non-compliance with the UK Securitisation Regulation and/or the undertakings in respect of the EU Securitisation Regulation could adversely affect the regulatory treatment of the Notes and the Residual Certificates and the market value and/or liquidity of the Notes and the Residual Certificates in the secondary market or give rise to regulatory action.

With respect to the Seller's commitment to retain a material net economic interest in the securitisation described in this Prospectus, please see the statements set out in the section entitled "*RISK RETENTION AND SECURITISATION REGULATION REPORTING*" below.

Certain risks in respect of Retention Financing

On or after the Closing Date, Blue (in its capacity as holder of the Retained Interest) may enter into the Retention Financing in respect of the Retained Interest that it is required to acquire in order to comply with the UK Securitisation Regulation and its undertakings in respect of the EU Securitisation Regulation. If it does so, Blue would, directly or indirectly, transfer title to the

Retained Interest to the provider of the Retention Financing (the "**Repo Counterparty**") in connection with the Retention Financing. The Retention Financing would be on full-recourse terms. Although Blue would transfer legal and beneficial title to the Notes comprising the Retained Interest (the "**Retention Notes**") to the Repo Counterparty as part of the Retention Financing, Blue would retain the economic risk in the Retention Notes but not legal ownership of them. The Retention Financing would be documented under a Global Master Repurchase Agreement but without any haircut on the transfer of the Retention Notes to the Repo Counterparty or, unless an Event of Default has occurred under the Notes, any obligation on Blue to provide mark-to-market margining. The scheduled term of the Retention Financing would align with the Legal Maturity Date of the Notes.

Blue has represented and agreed in the Subscription Agreement to the Issuer, the Arranger and the Joint Lead Managers that the Retention Financing would at all times be on a full recourse basis and the credit risk of the Retained Interest will not be transferred, sold, mitigated or hedged by Blue.

None of the Issuer, any Agent, the Arranger, the Joint Lead Managers, the Security Trustee, the Note Trustee or any of their respective affiliates makes any representation, warranty or guarantee that the Retention Financing would comply with the UK Securitisation Regulation and the EU Securitisation Regulation. In particular, if either Blue or the Repo Counterparty defaults in the performance of its obligations under the Retention Financing and the non-defaulting party elects to terminate the Retention Financing, Blue would not be entitled to have the Retention Notes (or equivalent securities) retransferred to it and instead a cash settlement amount would be payable. However, the risk of cash settlement is mitigated under the terms of the Retention Financing because the right of the Repo Counterparty to terminate the Retention Financing would be limited to the occurrence of certain material events of default with respect to Blue. In exercising its rights pursuant to the Retention Financing, the Repo Counterparty would not be required to have regard to the UK Securitisation Regulation or Blue's undertakings in respect of the EU Securitisation Regulation and any such termination of the Retention Financing may therefore cause the transaction described in this Prospectus to be non-compliant with the risk retention requirements. This may affect the price and liquidity of the Notes and the Residual Certificates, and Notes and Residual Certificates held by other investors could be subject to increased regulatory capital charges levied by a relevant regulator with jurisdiction over any such investor. See "*RISK FACTORS – General Legal Considerations – Certain risks in respect of the retention financing – Certain conflicts of interest – the Retention Financing Parties*".

Recourse risk to the Seller

Noteholders and Certificateholders should be aware that any incurrence of debt by the Seller, including the Retention Financing, could potentially lead to an increased risk of the Seller becoming insolvent and therefore unable to fulfil its obligations in its capacity as Seller, Servicer and holder of the Retained Interest.

Certain conflicts of interest – the Retention Financing parties

Blue may enter into the Retention Financing, as to which see "*RISK FACTORS – General Legal Considerations – Certain risks in respect of the Retention Financing*" above. Noteholders and Certificateholders should be aware that the terms of the Retention Financing would be such that certain parties to it could benefit from a situation where credit losses are incurred on the Retained

Interest. As of the Closing Date, such parties are not otherwise parties to the Transaction Documents and, as such, have no direct rights to control or influence the performance of the transactions contemplated by the Transaction Documents. Furthermore, when exercising their rights in connection the Retention Financing, the relevant parties could seek to enforce their security over all or some of the Retention Notes and, directly or indirectly, take possession of, or sell, such Retention Notes to a third party and, in doing so, neither the Repo Counterparty nor any other party to which title to the Retention Notes is transferred would have any duties or obligations to consider the effect of any such actions to the Noteholders or the Certificateholders.

Simple, transparent and standardised securitisation

The UK Securitisation Regulation makes provision for a securitisation transaction to be designated as a simple, transparent and standardised securitisation (an "**STS Securitisation**"). In order to obtain this designation, a transaction is required to comply with the requirements set out in Articles 19 to 22 of the UK Securitisation Regulation (the "**STS Criteria**") and one of the originator or sponsor in relation to such transaction is required to file a notification to the FCA confirming the compliance of the relevant transaction with the STS Criteria (an "**STS Notification**"). The Seller (in its capacity as an "originator" for the purposes of the UK Securitisation Regulation) will procure that, on the Closing Date, a notification confirming that the requirements of Articles 19 to 22 of the UK Securitisation Regulation have been satisfied with respect to the Transaction is submitted to the FCA in accordance with Article 27 of the UK Securitisation Regulation.

The Seller (in its capacity as an "originator" for the purposes of the UK Securitisation Regulation) believes, to the best of its knowledge, that the elements of the STS Criteria will have, at the Closing Date, been complied with in relation to the Transaction, and it is intended that an STS Notification will be filed in relation to the Transaction as at the Closing Date. However, none of the Issuer, the Seller, the Arranger, the Joint Lead Managers or any other Transaction Party gives any explicit or implied representation or warranty (a) that the securitisation transaction described in this Prospectus will be included in the list of STS Securitisations administered by the FCA pursuant to Article 27 of the UK Securitisation Regulation, (b) that such securitisation transaction does or continues to comply with the UK Securitisation Regulation or (c) that such 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 UK Securitisation Regulation on, or at any time after, the date of this Prospectus. The 'STS' status of the Transaction may change and prospective investors should verify the current status of the Transaction on the FCA's website. Investors should also note that, to the extent the Transaction is designated as an STS Securitisation, such designation is not an assessment by any party as to the creditworthiness of that transaction but is instead a reflection that the specific requirements of the UK Securitisation Regulation have been met as regards compliance with the STS Criteria.

Investors should consider the consequence from a regulatory perspective of the Transaction not being considered an STS Securitisation, including (but not limited to) that the lack of such designation may negatively affect the regulatory treatment of the Notes and the Residual Certificates and, in addition, have a negative effect on the price and liquidity of the Notes and the Residual Certificates in the secondary market.

None of the Arranger, the Joint Lead Managers, the Issuer or any other Transaction Party (or any of their respective Affiliates) makes any representation or accepts liability with respect to whether

or not the Transaction qualifies as a STS Securitisation under the UK Securitisation Regulation. For the avoidance of doubt, designation as an STS Securitisation under the UK Securitisation does not mean, as at the date of this Prospectus, that the Transaction will meet the STS requirements of the EU Securitisation Regulation (primarily due to jurisdictional requirements following the UK's withdrawal from the EU), and, as such, better or more flexible regulatory treatment under the relevant EU regulatory regimes will not be available. While it is possible that, in due course, as part of the wider review of the EU Securitisation Regulation regime, an equivalence regime for non-EU STS Securitisations may be introduced in the EU, resulting in the UK STS regime being considered equivalent, no assurances can be made that such equivalence regime will be introduced or that, when introduced, it will benefit the EU regulatory treatment of the Transaction. For such reason, no notification in respect of the Transaction will be made to ESMA pursuant to the EU Securitisation Regulation.

It is important to note that the involvement of PCS as an authorised verification agent is not mandatory and the responsibility for compliance with the UK Securitisation Regulation remains with the relevant institutional investors, originators, sponsors and issuers, as applicable. The STS Assessments will not absolve such entities from making their own assessments with respect to the UK Securitisation Regulation, and the STS Assessments cannot be relied on to determine compliance with the requirements of the UK Securitisation Regulation in the absence of such assessments by the relevant entities. Furthermore, the STS Assessments are not an opinion on the creditworthiness of the Notes or Residual Certificates nor on the level of risk associated with an investment in the Notes or Residual Certificates nor an indication of the suitability of the Notes or Residual Certificates for any investor and/or a recommendation to buy, sell or hold Notes and/or Residual Certificates. Institutional investors that are subject to the due diligence requirements of the UK Securitisation Regulation or the EU Securitisation Regulation need to make their own independent assessment and may not solely rely on the STS Assessments, the STS Notification or other disclosed information.

Reporting obligations under European Market Infrastructure Regulation (EMIR) and Markets in Financial Instruments Directive (MiFID)

Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories, known as the European Market Infrastructure Regulation (including, without limitation, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators and as amended, including by Regulation (EU) 2019/834 ("**EMIR REFIT**")) ("**EU EMIR**"), came into force on 16 August 2012. Much of the detail in respect of the obligations under EU EMIR is specified further in Regulatory Technical Standards ("**RTS**") and Implementing Technical Standards ("**ITS**"), which have come into effect since August 2012 on a rolling basis (together, the "**Adopted Technical Standards**"). EU EMIR forms part of the domestic law of the UK by virtue of the EUWA (as amended from time to time, "**UK EMIR**") and a number of statutory instruments made onshoring amendments to the UK EMIR.

UK EMIR prescribes a number of regulatory requirements in respect of OTC derivative contracts including (i) a mandatory clearing obligation for certain classes of OTC derivatives contracts (the "**Clearing Obligation**") through an authorised central counterparty (a "**CCP**"), (ii) the reporting of all derivative contracts to a trade repository (the "**Reporting Obligation**"), (iii) certain risk mitigation requirements in relation to OTC derivative contracts that are not centrally cleared, including the requirement to post initial and variation margin.

The extent to which the Clearing Obligation, Reporting Obligation and risk mitigation requirements apply to counterparties to derivatives trades depends on the type of counterparty. On the basis of the Adopted Technical Standards, which set out the clearing thresholds, and UK EMIR, the Issuer should be treated as a non-financial counterparty whose trading is below the specified thresholds ("**NFC-**") for the purposes of UK EMIR. It is therefore not subject to the Clearing Obligation and subject to fewer risk mitigation requirements.

If the Issuer's counterparty status changes due to a change in or of applicable law, change in counterparty location, or because it exceeds a clearing threshold, the Issuer may become subject to greater obligations under UK EMIR, including the Clearing Obligation, as well as certain risk mitigation requirements. Satisfying these obligations would increase the Issuer's costs of compliance and operations.

The regulatory framework relating to derivatives is set not only by EU EMIR and UK EMIR but also by Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments ("**EU MiFID II**") and Regulation (EU) No 600/2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 ("**EU MiFIR**" and, together with EU MiFiD II, "**EU MiFID II / MiFIR**"). The EU MiFID II framework was transposed and implemented in the UK by a combination of HM Treasury legislation and FCA and PRA Handbook rules, and the EU MiFIR as applicable in the UK before IP Completion Time now forms part of UK domestic law by virtue of the EUWA ("**UK MiFID II / MiFIR**"). Amongst other requirements, UK MiFIR requires certain sufficiently liquid and standardised derivatives traded on a trading venue that have been declared subject to the Clearing Obligation to be traded on a regulated market, multilateral trading facility, organised trading facility or third country trading venue granted equivalence status by the European Commission (the "**Trading Obligation**"). On the basis that it is unlikely that the swap transaction under the Swap Agreement will be sufficiently standardised and liquid, it should not be subject to the Trading Obligation.

Notwithstanding the qualifications on application described above, the position of the Swap Agreement under the Clearing Obligation may be affected by further measures to be made, regulatory guidance and/or by any inability to rely on an exemption for any reason. Prospective investors should be aware that the regulatory changes arising from UK EMIR and/or UK MiFID II / MiFIR may in due course significantly raise the costs of entering into derivative contracts and may adversely affect the Issuer's ability to engage in transactions in OTC derivatives. As a result of such increased costs or increased regulatory requirements, investors may receive less interest or return, as the case may be. Investors should be aware, however, that such risks are material and that the Issuer could be materially and adversely affected thereby. As such, investors should consult their own independent advisers and make their own assessment about the potential risks posed by UK EMIR UK MiFID II / MiFIR and/or, in making any investment decision in respect of the Notes. See also "*LEGAL AND REGULATORY CONSIDERATIONS – European Market Infrastructure Regulation (EMIR) and Markets in Financial Instruments Directive (MiFID)*" for further details.

Equitable assignment

Assignment by Blue to the Issuer of the benefit of the Receivables (and the Ancillary Rights) derived from HP Agreements governed by the laws of England and Wales will take effect in equity only because no notice of the assignment will be given to Obligors. The giving of notice to an

Obligor of the assignment (whether directly or indirectly) by the Issuer would have the following consequences:

(a) notice to the Obligor would "perfect" the assignment so that the Issuer would take priority over any interest of a later encumbrancer or assignee of Blue's rights who has no notice of the assignment to the Issuer;

(b) notice to the Obligor would mean that the Obligor should no longer make payment to Blue as creditor under the HP Agreement but should make payment instead to the Issuer. If the Obligor were to ignore a notice of assignment and pay Blue for its own account, the Obligor might still be liable to the Issuer for the amount of such payment. However, for so long as Blue remains the Servicer under the Servicing Agreement, Blue is also the agent of the Issuer for the purposes of the collection of the Purchased Receivables and will, accordingly, be accountable to the Issuer for any amount paid to Blue in respect of the Purchased Receivables;

(c) notice to the Obligor would prevent Blue (in its capacity as the Seller) and the Obligor amending the relevant HP Agreement without the involvement of the Issuer. However, Blue as Servicer will undertake for the benefit of the Issuer that Blue will not waive any breach under, or make any changes or variations to, the HP Agreements unless (i) such changes are Permitted Variations or (ii) the Seller and the Issuer have confirmed that the Purchased Receivables to which such HP Agreements relate will be repurchased by the Seller; and

(d) lack of notice to the Obligor means that the Issuer will have to join Blue as a party to any legal action which the Issuer may want to take against any Obligor. Blue as Seller will, however, undertake for the benefit of the Issuer that Blue will lend its name to, and take such other steps as may be required by the Issuer or the Security Trustee in relation to, any action in respect of the Purchased Receivables and Blue grants the Issuer a power of attorney in this regard (the "**Seller Power of Attorney**").

Until notice is given to the Obligor, equitable set-off rights (such as for misrepresentation or breach of contract as referred to in "*LEGAL AND REGULATORY CONSIDERATIONS – Liability for misrepresentations and breach of contract – HP Agreements*" below) may accrue in favour of an Obligor in respect of his obligation to make payments under the relevant HP Agreement. These may, therefore, result in the Issuer receiving less cash than anticipated from the Purchased Receivables, which may adversely affect the Issuer's ability to make payments under the Notes and the Residual Certificates. The assignment of any Receivables to the Issuer will be subject both to any prior equities which have arisen in favour of the Obligor and to any equities which may arise in the Obligor's favour after the assignment until such time (if ever) as he receives actual notice of the assignment. However, where the set-off by an Obligor is connected with an HP Agreement (as would be the case for claims in respect of Vehicle defects), the Obligor may exercise a right of set-off (or an analogous right in Scotland), irrespective of any notice given to it of the assignment to the Issuer. The exercise of any such equitable set-off rights may adversely affect the Issuer's ability to make payments in full when due on the Notes and the Residual Certificates.

Perfection Events have been put in place in the transaction to mitigate the risk deriving from the equitable assignment but there can be no certainty as to the timing and effectiveness of such Perfection Events or any action taken by the Security Trustee or any other party in relation thereto.

Scottish Receivables

Certain of the HP Agreements (which are expressly governed by English law) have been entered into with Obligors who are (a) consumers and (b) located in Scotland and certain of the Vehicles financed pursuant to the HP Agreements are located in Scotland. In such circumstances, there is a risk that the Scottish courts could apply Scots law based on the Consumer Rights Act 2015.

If a Scottish court were to declare that an HP Agreement was in fact governed by Scots law, the Scots court may declare that such HP Agreement had always been governed by Scots law, and that such HP Agreement should therefore be interpreted as a matter of Scots law. There is therefore a risk that the transfer under English law of Receivables derived from such HP Agreements sold by Blue in its capacity as Seller to the Issuer may not be considered to be a valid transfer by the Scots courts.

Volcker Rule

The Dodd-Frank Act has been largely implemented and continues to be implemented by federal regulatory agencies, including the SEC, the Commodity Futures Trading Commission (the CFTC), the Federal Deposit Insurance Corporation and the United States Federal Reserve Board. The Dodd-Frank Act reforms include heightened consumer protection, revised regulation of over-the-counter derivatives markets, restrictions on proprietary trading and the ownership and sponsorship of private investment funds by banks and their affiliates under the Volcker Rule, imposition of heightened prudential standards, and broader application of leverage and risk-based capital requirements

The Dodd-Frank Act significantly expands the coverage and scope of regulations that limit affiliate transactions within a banking organisation, including coverage of the credit exposure on derivatives transactions, repurchase and reverse repurchase agreements and securities borrowing and lending transactions. In particular, Section 619 of the Dodd-Frank Act added a new section 13 to the Bank Holding Company Act of 1956, commonly referred to as the "**Volcker Rule**". The Volcker Rule and its related regulations generally prohibit "banking entities" (broadly defined to include U.S. banks, bank holding companies and foreign banking organisations, together with their respective subsidiaries and other affiliates) from (i) engaging in proprietary trading in financial instruments, (ii) acquiring or retaining any "ownership interest" in, or "sponsoring", a "covered fund" and (iii) entering into certain transactions with such funds, subject to certain exemptions and exclusions.

An "ownership interest" is defined widely and may arise through a holder's exposure to the profits and losses of the "covered fund", as well as through certain rights of the holder to participate in the selection or removal of an investment advisor, investment manager, general partner, trustee or member of the board of directors of the "covered fund". A "covered fund" is defined widely, and includes any issuer which would be an investment company under the Investment Company Act but is exempt from registration solely in reliance on section 3(c)(1) or 3(c)(7) of the Investment Company Act, subject to certain exemptions found in the Volcker Rule's implementing regulations.

The Issuer is of the view that it is not a "covered fund" within the meaning of the Volcker Rule. If, however, the Issuer were deemed to be a "covered fund" and the Notes or the Residual Certificates were deemed to constitute an "ownership interest" in the Issuer, the Volcker Rule and its related regulatory provisions will restrict the ability of "banking entities" to hold an "ownership interest" in the Issuer or enter into certain credit related financial transactions with the Issuer.

There is limited interpretive guidance regarding the Volcker Rule and its implementing regulations. The Volcker Rule's prohibitions and lack of interpretive guidance could negatively impact the liquidity and value of the Notes and the Residual Certificates. Any entity that is a "banking entity" as defined under the Volcker Rule and is considering an investment in the Notes or the Residual Certificates should consider the potential impact of the Volcker Rule in respect of such investment and on its portfolio generally. Each investor must determine for itself whether it is a "banking entity" subject to regulation under the Volcker Rule. None of the Issuer, the Arranger, the Joint Lead Managers, Blue (in its capacity as the Seller and the Servicer) or the Note Trustee makes any representation regarding (i) the status of the Issuer under the Volcker Rule or (ii) the ability of any purchaser to acquire or hold the Notes and the Residual Certificates, now or at any time in the future.

Any prospective investor in the Notes or the Residual Certificates, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisors regarding the effects of the Volcker Rule in respect of any investment in the Notes and/or the Residual Certificates and should conduct its own analysis to determine whether the Issuer is a "covered fund" for its purposes.

Regulators in the United States may promulgate further regulatory changes, and no assurance can be given as to the impact of such changes on the Notes and the Residual Certificates.

Prospective investors should make themselves aware of the changes and requirements described above (and any corresponding implementing rules of their regulator), where applicable to them, in addition to any other applicable regulatory requirements with respect to their investment in the Notes and/or the Residual Certificates. The matters described above and any other changes to the regulation or regulatory treatment of the Notes and the Residual Certificates 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 and the Residual Certificates in the secondary market.

GENERAL TAX CONSIDERATIONS

United Kingdom taxation position of the Issuer

The Issuer has been advised that it should fall within the regime for the taxation of securitisation companies (as introduced by the TSC Regulations). If the TSC Regulations apply to a company, then, broadly, it will be subject to corporation tax on the cash profit retained by it for each accounting period in accordance with the transaction documents.

Investors should note, however, that the TSC Regulations are in short-form and are supplemented by, and advisors rely significantly upon, guidance from HMRC when advising on the scope and operation of the TSC Regulations, including whether any particular company falls within the regime.

Prospective Noteholders and Certificateholders should note that, if the Issuer does not fall to be taxed under the regime provided for by the TSC Regulations, then its profits or losses for tax purposes might be different from the cash profit retained by it in accordance with the Transaction Documents. Any unforeseen taxable profits in the Issuer could have an adverse effect on its ability to make payments to the Noteholders and the Certificateholders.

Withholding tax in respect of the Notes or the Residual Certificates

The Issuer will not gross-up payments in the event that the payments on the Notes or Residual Certificates become subject to withholding taxes. See "*TAXATION*".

The Issuer believes that the risks described above are the principal risks for the Noteholders and the Certificateholders, but the inability of the Issuer to pay interest and principal on the Notes or to make Residual Certificate Payments on the Residual Certificates may occur for other reasons.

RECEIVABLES POOL AND SERVICING

Please refer to the sections entitled "*DESCRIPTION OF THE PURCHASED RECEIVABLES", "SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Receivables Sale and Purchase Agreement" and "SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Servicing Agreement" for further information*.

Sale of Portfolio	The Portfolio will consist of the Receivables and the Ancillary Rights which will be sold by the Seller to the Issuer on the Closing Date. The Portfolio will consist of each payment due from an Obligor under an HP Agreement (but excluding any Excluded Amounts) at any time on and from the Cut-Off Date together with the Ancillary Rights relating to such Purchased Receivables (less the Financing Costs incurred between the Cut-off Date and the Closing Date), each of which will be sold to the Issuer on the Closing Date. The Ancillary Rights include the right to receive the proceeds of sale of the Vehicle that is the subject of the relevant HP Agreement, including where the sale of such Vehicle arises due to the return or repossession of the Vehicle following a default by the Obligor under the relevant HP Agreement or exercise by the relevant Obligor of a Voluntary Termination. None of the assets backing the Notes and the Residual Certificates is itself an asset-backed security and the transaction is also not a "synthetic" securitisation in which risk transfer would be achieved through the use of credit derivatives or other similar financial instruments. The HP Agreements are directed at retail customers that are resident in England and Wales or Scotland and each HP Agreement is governed by English law. Since origination, certain of the Receivables in the Portfolio have been held in a special purpose vehicle used for warehousing purposes by the Seller or a special purpose vehicle used by a third party for the purchase of receivables. No HP Agreements in the Portfolio are PCP Contracts. The sale of the Portfolio to the Issuer will also be subject to certain conditions as at the Closing Date. The conditions include that: (a) the Issuer pays the Purchase Price in respect of the Portfolio; and (b) the Sale Notice attaching the Receivables Listing certified by an authorised signatory of the Seller to be true and accurate in all material respects is delivered from the Seller to the Issuer, the Note Trustee and the Cash Manager.

	The assignment by the Seller of the Purchased Receivables will take effect in equity because no notice of the assignment will be given to Obligors unless a Perfection Event shall have occurred. The actual pool of Purchased Receivables sold to the Issuer on the Closing Date (which will be randomly selected from the Receivables in the Provisional Portfolio which the Seller determines comply with the Eligibility Criteria on the Cut-Off Date) will vary from those included in the Provisional Portfolio.
Features of Purchased Receivables	The following is a summary of certain features of the Receivables within the Provisional Portfolio as at the Provisional Cut-Off Date. Investors should refer to, and carefully consider, the further details in respect of the Receivables within the Provisional Portfolio set out in "*PROVISIONAL PORTFOLIO CHARACTERISTICS AND HISTORICAL DATA*". **Summary of Provisional Portfolio (as of the Provisional Cut-Off Date)** Number of Loans: 31,687 Number of Obligors: 31,657 Current Outstanding Principal Balance (£): 241,721,585 Original Principal Balance (£): 284,699,503 Average Outstanding Loan Size (£): 7,628 Top Borrower (%): 0.02% Weighted Average Loan to Value (%): 92.80% Weighted Average APR (%): 15.81% *Weighted Average APR (%) - Risk Tier 1-2*: 13.82% *Weighted Average APR (%) - Risk Tier 3-5*: 16.89% *Weighted Average APR (%) - Risk Tier 6-8*: 22.29% Min APR (%): 8.50% Max APR (%): 35.69% Weighted Average Amortising Rate (%): 15.78% Minimum Original Term (in months): 12.0 Maximum Original Term (in months): 85.0 Weighted Average Seasoning (in months): 9.69 Weighted Average Original Term (in months): 57.67 Weighted Average Remaining Term (in months): 48.02 Fully Amortising (%): 100.0% Weighted Average Vehicle Age at Inception (in years): 6.08
Purchase Price	The Purchase Price will be payable by the Issuer to the Seller in respect of the Purchased Receivables comprised in the Portfolio. The Purchase Price equals the aggregate Initial Purchase Price, being the sum of the Principal Element Purchase Price and the Premium Element Purchase Price, in respect of the Receivables comprised within the Portfolio on the Cut-Off Date. See the section entitled "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS — Receivables Sale and Purchase Agreement*" for more information.
Representations and Warranties	The Seller will make certain representations and warranties (the "**Seller Receivables Warranties**") regarding the Purchased Receivables and the related HP Agreements (including, among other things, that all Purchased Receivables (including, where relevant, their Ancillary Rights) comply with the Eligibility Criteria on the Cut-Off Date) to the Issuer and the Security Trustee on the Closing Date (and, for so long as the Seller is the Servicer, on each date on

	which a Permitted Variation is agreed by the Servicer) with reference to the facts and circumstances subsisting (unless stated to the contrary in the Receivables Sale and Purchase Agreement) as at the Cut-Off Date or, in respect of a Permitted Variation, as at the date of that Permitted Variation (provided that a narrower set of such representations and warranties will be given where any such Permitted Variation is required by law or regulation).
Eligible Receivables	For a Receivable to be an Eligible Receivable, a number of criteria apply, including that such Receivable constitutes the legal, valid, binding and enforceable obligation of the Obligor in respect thereof, subject to any laws or other procedures from time to time in effect relating to bankruptcy, insolvency or liquidation of the Obligor affecting the enforcement of creditors' rights and the effect of principles of equity, if applicable. See the section entitled "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Receivables Sale and Purchase Agreement – Representations and warranties given by the Seller*" for further information.
Repurchase of the Purchased Receivables	Upon discovery by the Servicer or the Issuer of a breach of any Seller Receivables Warranty given by the Seller in respect of a Purchased Receivable that materially and adversely affects the interests of the Issuer in that Purchased Receivable and, if capable of remedy, the Seller does not cure or correct such breach prior to the end of the Calculation Period which includes the 30th day after the date that the Seller became aware or was notified of such breach to cure or correct such breach (the "**Cure Period**") or if the relevant Purchased Receivable never existed or has ceased to exist such that it is not outstanding as at the Repurchase Date (each such affected Receivable being a "**Non-Compliant Receivable**") the party discovering such breach shall give prompt written notice thereof to the other parties to the Receivables Sale and Purchase Agreement. Unless such breach shall have been cured in all material respects, the Seller shall, not later than the end of the Calculation Period immediately following the expiration of the Cure Period, repurchase such Non-Compliant Receivable for an amount, calculated by the Servicer, equal to the sum of (1) the greater of (x) the sum of (a) its Initial Purchase Price, less (b) the sum of all Principal Receipts (multiplied by the sum of (i) 100 per cent. and (ii) the Premium Element Purchase Price Percentage) and Revenue Receipts recovered or received by the Issuer in respect of such Non-Compliant Receivable from the Cut-Off Date to the Repurchase Date and (y) the Outstanding Principal Balance of such Non-Compliant Receivable, plus (2) any accrued and unpaid income in respect of such Non-Compliant Receivable as at the Repurchase Date (the "**Non-Compliant Receivable Repurchase Price**"). In the case of a Purchased Receivable which has never existed, or has ceased to exist, such that it is not outstanding as at the Repurchase Date, the Seller will not be required to repurchase such Purchased Receivable and will instead be required to pay to the Issuer an amount, calculated by the Servicer, equal to the sum of: (a) the Initial Purchase Price of that Purchased Receivable, minus (b)

	the sum of all Principal Receipts (multiplied by the sum of (i) 100 per cent. and (ii) the Premium Element Purchase Price Percentage) and Revenue Receipts recovered or received in respect of such Purchased Receivable from the Cut-Off Date to the date on which the Receivables Indemnity Amount is paid, plus (c) a deemed amount of accrued income on the relevant Purchased Receivable calculated on the basis of the APR stated in the loan level data for such Purchased Receivable and determined as at the date on which the Receivables Indemnity Payment is made (the "**Receivables Indemnity Amount**"). Where Purchased Receivables are determined to be in breach of the Seller Receivables Warranties by reason of a related HP Agreement (or part thereof) being determined to be illegal, invalid, non-binding or unenforceable under the CCA or the FSMA, the Seller may in lieu of repurchasing the relevant Purchased Receivables pay a compensation payment to the Issuer, being an amount, calculated by the Servicer in accordance with the Servicing Agreement, required to compensate the Issuer for any loss caused as a result of such breach (the "**CCA Compensation Amount**") and the payment of such amount cures such illegality, invalidity or unenforceability or the Purchased Receivables being non-binding.
Perfection Events	Transfer of the legal title to the relevant Purchased Receivables will be completed on the occurrence of certain Perfection Events, which include the occurrence of an Insolvency Event in respect of the Seller. See "*Perfection Event*" in the section entitled "*Triggers Tables – Non-rating Triggers Table*". Prior to the completion of the transfer of legal title to the relevant Purchased Receivables, the Issuer will hold only the equitable title to those Purchased Receivables and will therefore be subject to certain risks as set out in the section "*RISK FACTORS – General Legal Considerations – Equitable assignment*".
Defaulted Receivables Call Option	The Seller is entitled to repurchase any Purchased Receivable which has become a Defaulted Receivable following disposal of the Vehicle related to such Receivable and receipt by the Issuer of the related Vehicle Sale Proceeds. The price payable for such Defaulted Receivable shall be equal to the Defaulted Receivables Payment.
Non-Permitted Variation Receivables Call Option	The Seller is entitled to repurchase any Purchased Receivable in respect of which the Servicer has agreed or, prior to the end of the immediately following Calculation Period, will agree to a Non-Permitted Variation (a "**Non-Permitted Variation Receivable**"). The Seller agrees under the Servicing Agreement that where the Servicer agrees to a Non-Permitted Variation it shall exercise the Non-Permitted Variation Receivables Call Option in respect of the relevant Purchased Receivable by no later than the Non-Permitted Variation Receivable Repurchase End Date. The price payable for such Non-Permitted Variation Receivable shall be equal to the Non-Permitted Variation Receivable Repurchase Price.

Clean-Up Call	The Seller is entitled to repurchase all of the Purchased Receivables on any Interest Payment Date on which the Aggregate Outstanding Note Principal Amount of the Collateralised Notes is equal to or less than 10% of the Aggregate Outstanding Note Principal Amount of the Collateralised Notes as at the Closing Date. The price payable for such Purchased Receivables shall be equal to the Final Repurchase Price.
Tax Redemption Receivables Call Option	The Seller is entitled to repurchase all of the Purchased Receivables on any date fixed by the Issuer for redemption of the Notes pursuant to Condition 5(b) (*Redemption for taxation reasons*). The price payable for such Purchased Receivables shall be equal to the Tax Redemption Repurchase Price.
Servicing of the Purchased Receivables	The Servicer will be appointed by the Issuer to service the Purchased Receivables on a day-to-day basis. The Issuer and the Security Trustee will have the right to remove Blue as Servicer upon the occurrence of any of the following events (the "**Servicer Termination Events**"): (a) an Insolvency Event occurs in respect of the Servicer; (b) the Servicer fails to pay any amount due under the Servicing Agreement on the due date or on demand, if so payable, or to direct any movement of collections as required under the Servicing Agreement and the other Transaction Documents, and such failure has continued unremedied for a period of 7 Business Days after written notice of the same has been received by the Servicer or discovery of such failure by the Servicer; (c) the Servicer (i) fails to observe or perform in any respect any of its covenants and obligations under or pursuant to the Servicing Agreement or any other Transaction Document to which it is a party (other than as referred to in paragraph (b) above and paragraph (ii) of this paragraph (c)) and such failure results in a material adverse effect on the Issuer's ability to make payments in respect of the Notes and continues unremedied for a period of 60 calendar days after the earlier of an officer of the Servicer becoming aware of such failure and written notice of such failure being received by the Servicer or (ii) fails to maintain its authorisations and permissions under the FSMA or any other regulatory licence or approval required under the terms of the Servicing Agreement and such failure continues unremedied for a period of 60 calendar days after the earlier of an officer of the Servicer becoming aware of such failure and written notice of such failure being received by the Servicer; or (d) any of the representations or warranties given by the Servicer pursuant to the Servicing Agreement or any other Transaction Document to which it is a party or in any report provided by the Seller or the Servicer prove to be untrue, incomplete or inaccurate and such misrepresentation results in a Material Adverse Effect on the Purchased Receivables and (if capable of remedy) continues unremedied for a period of 60 calendar days after the earlier of an officer of the Servicer becoming aware of such

	misrepresentation and written notice of such misrepresentation being received by the Servicer.
Resignation of Servicer	The Servicer may also resign its appointment on not less than 12 months' written notice to the Issuer, the Seller, the Security Trustee and the Standby Servicer (with a copy being sent to the Cash Manager and the Rating Agencies), provided that such resignation shall not take effect until the Issuer and the Security Trustee consent in writing to such resignation and the Standby Servicer or a replacement servicer has been appointed as Servicer.
Delegation by Servicer	The Servicer may delegate some of its servicing functions to a third party provided that the Servicer remains responsible for the performance of any functions so delegated and subject to certain conditions – see the section of this Prospectus entitled "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Servicing Agreement*".

SUMMARY OF THE CONDITIONS OF THE NOTES AND THE RESIDUAL CERTIFICATES

Please refer to the sections entitled "CONDITIONS OF THE NOTES" and "CONDITIONS OF THE RESIDUAL CERTIFICATES" for further detail in respect of the terms of the Notes and the Residual Certificates.

FULL CAPITAL STRUCTURE OF THE NOTES AND THE RESIDUAL CERTIFICATES

	Class A Notes	**Class B Notes**	**Class C Notes**	**Class D Notes**	**Class E Notes**	**Class F Notes**	**Class X Notes**	**Residual Certificates**
Currency	GBP	GBP	GBP	GBP	GBP	GBP	GBP	GBP
Initial Outstanding Note Principal Amount	181,400,000	27,100,000	18.400,000	9,200,000	6,100,000	3,700,000	17,200,000	N/A
Rating Agencies	Moody's and DBRS	Moody's and DBRS	Moody's and DBRS	Moody's and DBRS	Moody's and DBRS	Moody's and DBRS	Moody's and DBRS	N/A
Anticipated ratings	Aaa by Moody's, AAA by DBRS	Aa3 by Moody's, AA by DBRS	A2 by Moody's, A by DBRS	Baa3 by Moody's, BBB by DBRS	Ba2 by Moody's, BB by DBRS	B1 by Moody's, B(low) by DBRS	Caa1 by Moody's, B(low) by DBRS	N/A
Credit Enhancement	Overcollateralisation funded by the other Collateralised Notes, any excess spread applied through the Principal Deficiency Ledger	Overcollateralisation funded by the other Collateralised Notes (except the Class A Notes), any excess spread applied through the Principal Deficiency Ledger (excluding the Principal Deficiency Sub-ledger (Class A))	Overcollateralisation funded by the other Collateralised Notes (except the Class A Notes and the Class B Notes), any excess spread applied through the Principal Deficiency Ledger (excluding the Principal Deficiency Sub-ledger (Class A) and Principal Deficiency Sub-ledger (Class B))	Overcollateralisation funded by the other Collateralised Notes (except the Class A Notes, the Class B Notes and the Class C Notes), any excess spread applied through the Principal Deficiency Ledger (excluding the Principal Deficiency Sub-ledger (Class A), Principal Deficiency Sub-ledger (Class B) and Principal	Overcollateralisation funded by the other Collateralised Notes (except the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes), any excess spread applied through the Principal Deficiency Ledger (excluding the Principal Deficiency Sub-ledger (Class A), Principal Deficiency Sub-ledger (Class B) Principal	Any excess spread applied through the Principal Deficiency Ledger (excluding the Principal Deficiency Sub-ledger (Class A), Principal Deficiency Sub-ledger (Class B) Principal Deficiency Sub-ledger (Class C), Principal Deficiency Sub-ledger (Class D) and Principal Deficiency Sub-ledger (Class E))	Any excess spread and, following service of a Note Acceleration Notice, the Reserve Funds	N/A

	Class A Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class F Notes	Class X Notes	Residual Certificates
				Deficiency Sub-ledger (Class C))	Deficiency Sub-ledger (Class C) and Principal Deficiency Sub-ledger (Class D))			
Liquidity Support	Subordination in payment of interest on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, interest and principal on the Class X Notes, amounts payable on the Residual Certificates and the availability of amounts credited to the Senior Reserve Fund	Subordination in payment of interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, interest and principal on the Class X Notes and amounts payable on the Residual Certificates and the availability of amounts credited to the Senior Reserve Fund	Subordination in payment of interest on the Class D Notes, the Class E Notes and the Class F Notes, interest and principal on the Class X Notes and amounts payable on the Residual Certificates and the availability of amounts credited to the Junior Reserve Fund	Subordination in payment of interest on the Class E Notes and the Class F Notes, interest and principal on the Class X Notes and amounts payable on the Residual Certificates and the availability of amounts credited to the Junior Reserve Fund	Subordination in payment of interest on the Class F Notes, interest and principal on the Class X Notes and amounts payable on the Residual Certificates and the availability of amounts credited to the Junior Reserve Fund	Subordination in payment of interest and principal on the Class X Notes and amounts payable on the Residual Certificates and the availability of amounts credited to the Junior Reserve Fund	Subordination in payments of the Residual Certificates	N/A
Interest Rate	Compounded Daily SONIA + Relevant Margin, the sum being subject to a floor of zero	Compounded Daily SONIA + Relevant Margin, the sum being subject to a floor of zero	Compounded Daily SONIA + Relevant Margin, the sum being subject to a floor of zero	Compounded Daily SONIA + Relevant Margin, the sum being subject to a floor of zero	Compounded Daily SONIA + Relevant Margin, the sum being subject to a floor of zero	Compounded Daily SONIA + Relevant Margin, the sum being subject to a floor of zero	Compounded Daily SONIA + Relevant Margin, the sum being subject to a floor of zero	N/A
Relevant Margin	0.8%	1.65%	2.75%	3.8%	6.35%	9.5%	7%	N/A
Interest Accrual Method	Actual/365	Actual/365	Actual/365	Actual/365	Actual/365	Actual/365	Actual/365	N/A
Interest Determination Date	The fifth Business Day before the Interest Payment Date for which the relevant Interest Rate and Interest Amount will apply							N/A
Interest Payment Date	Interest will be payable monthly in arrear (or such longer period for the first Interest Period) on the Interest Payment Date falling on the 20th day of each month commencing on the first Interest Payment Date, subject to the Business Day Convention.							

	Class A Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class F Notes	Class X Notes	Residual Certificates
Business Day	London	London	London	London	London	London	London	London
Business Day Convention	Modified following	Modified following	Modified following	Modified following	Modified following	Modified following	Modified following	Modified following
First Interest Payment Date (subject to the Business Day Convention)	22 May 2023	22 May 2023	22 May 2023	22 May 2023	22 May 2023	22 May 2023	22 May 2023	22 May 2023
First Interest Period	The period commencing on (and including) the Closing Date and ending on (but excluding) the first Interest Payment Date							N/A
Pre-Acceleration Principal Priority of Payments	Sequential pass through redemption in accordance with the Pre-Acceleration Principal Priority of Payments. Please refer to Condition 2 (*Status and Security*)						N/A. Class X Notes are redeemed by sequential pass through redemption in accordance with the Pre-Acceleration Revenue Priority of Payments only. Please refer to Condition 2 (*Status and Security*)	N/A
Post-Acceleration Priority of Payments	Sequential pass through redemption in accordance with the Post-Acceleration Priority of Payments. Please refer to Condition 2 (*Status and Security*)							Entitlement to all remaining amounts (after satisfaction of items (a) to (m) (inclusive) of the Post-Acceleration Priority of Payments. Please refer to Residual

	Class A Notes	**Class B Notes**	**Class C Notes**	**Class D Notes**	**Class E Notes**	**Class F Notes**	**Class X Notes**	**Residual Certificates**
								Certificate Condition 2 (*Status and Security*)
Clean-Up Call	On any Interest Payment Date on which the Aggregate Outstanding Note Principal Amount of the Collateralised Notes is equal to or less than 10% of the Aggregate Outstanding Note Principal Amount of the Collateralised Notes as at the Closing Date (see Condition 5(d) (*Clean-Up Call*))							N/A
Other Early Redemption in full Events	Tax Event (see Condition 5(b) (*Redemption for taxation reasons*))							N/A
Final Redemption Date	Legal Maturity Date	Legal Maturity Date	Legal Maturity Date	Legal Maturity Date	Legal Maturity Date	Legal Maturity Date	Legal Maturity Date	N/A
Form	Registered	Registered	Registered	Registered	Registered	Registered	Registered	Registered
Application for Listing	Euronext Dublin	Euronext Dublin	Euronext Dublin	Euronext Dublin	Euronext Dublin	Euronext Dublin	Euronext Dublin	N/A
ISIN	XS2603022059	XS2603023297	XS2603023453	XS2603023883	XS2603025581	XS2603026472	XS2603026712	XS2603027280
Common Code	260302205	260302329	260302345	260302388	260302558	260302647	260302671	260302728
Clearance/ Settlement	Clearstream, Luxembourg and Euroclear The Class A Global Note will be issued under the NSS	Clearstream, Luxembourg and Euroclear The Class B Global Note will be held by a Common Depositary for Clearstream, Luxembourg and Euroclear	Clearstream, Luxembourg and Euroclear The Class C Global Note will be held by a Common Depositary for Clearstream, Luxembourg and Euroclear	Clearstream, Luxembourg and Euroclear The Class D Global Note will be held by a Common Depositary for Clearstream, Luxembourg and Euroclear	Clearstream, Luxembourg and Euroclear The Class E Global Note will be held by a Common Depositary for Clearstream, Luxembourg and Euroclear	Clearstream, Luxembourg and Euroclear The Class F Global Note will be held by a Common Depositary for Clearstream, Luxembourg and Euroclear	Clearstream, Luxembourg and Euroclear The Class X Global Note will be held by a Common Depositary for Clearstream, Luxembourg and Euroclear	Clearstream, Luxembourg and Euroclear The Global Residual Certificate will be held by a Common Depositary for Clearstream, Luxembourg and Euroclear
Regulation	Reg S	Reg S	Reg S	Reg S	Reg S	Reg S	Reg S	Reg S
Minimum Denomination	£100,000	£100,000	£100,000	£100,000	£100,000	£100,000	£100,000	N/A

	Class A Notes	**Class B Notes**	**Class C Notes**	**Class D Notes**	**Class E Notes**	**Class F Notes**	**Class X Notes**	**Residual Certificates**
Retained Amount	5% purchased by Blue	5% purchased by Blue	5% purchased by Blue	5% purchased by Blue	5% purchased by Blue	5% purchased by Blue	N/A	N/A
Significant investor	Blue	Blue	Blue	Blue	Blue	Blue	Potentially Morgan Stanley and, potentially, Blue, pursuant to arrangements to acquire certain Class X Notes from Morgan Stanley	Potentially Blue and, potentially, Morgan Stanley pursuant to arrangements to acquire certain Residual Certificates from Blue

Ranking	The Notes within each Class will rank *pari passu* and rateably without any preference or priority among themselves as to payments of interest and principal at all times. Payments of principal on the Class A Notes will at all times rank in priority to payments of principal on the Class B Notes, payments of principal on the Class B Notes will at all times rank in priority to payments of principal on the Class C Notes, payments of principal on the Class C Notes will at all times rank in priority to payments of principal on the Class D Notes, payments of principal on the Class D Notes will at all times rank in priority to payments of principal on the Class E Notes, payments of principal on the Class E Notes will at all times rank in priority to payments of principal on the Class F Notes, payments of principal on the Class F Notes will at all times rank in priority to payments of principal and interest on the Class X Notes and payments of principal and interest on the Class X Notes will at all times rank in priority to payments on the Residual Certificates, in each case in accordance with the applicable Priority of Payments. Payments of interest on the Class A Notes will at all times rank in priority to payments of interest on the Class B Notes, payments of interest on the Class B Notes will at all times rank in priority to payments of interest on the Class C Notes, payments of interest on the Class C Notes will at all times rank in priority to payments of interest on the Class D Notes, payments of interest on the Class D Notes will at all times rank in priority to payments of interest on the Class E Notes, payments of interest on the Class E Notes will at all times rank in priority to payments of interest on the Class F Notes, payments of interest on the Class F Notes will at all times rank in priority to payments of interest and principal on the Class X Notes and payments of interest and principal on the Class X Notes will at all times rank in priority to payments on the Residual Certificates, in each case in accordance with the applicable Priority of Payments. The Residual Certificates are subordinate to all payments due in respect of the Notes.
Payments on the Collateralised Notes	Prior to the delivery of a Note Acceleration Notice, payments of principal and interest on the Collateralised Notes will be made in accordance with the Pre-Acceleration Principal Priority of Payments and the Pre-Acceleration Revenue Priority of Payments, respectively. Following the delivery of a Note Acceleration Notice, all payments will be made in accordance with the Post-Acceleration Priority of Payments.
Payments on Class X Notes and Residual Certificates	Prior to the delivery of a Note Acceleration Notice, payments of interest and principal on the Class X Notes shall only be made from Available Revenue Receipts that are available for such purpose.

	Prior to the delivery of a Note Acceleration Notice, payments on the Residual Certificates shall only be made from Available Revenue Receipts that are available for such purpose. Following the delivery of a Note Acceleration Notice, all payments on the Class X Notes and the Residual Certificates will be made in accordance with the Post-Acceleration Priority of Payments. Prior to, and following, the delivery of a Note Acceleration Notice, the Residual Certificates shall only represent an entitlement to any amounts of excess spread available after satisfaction by the Issuer of all other amounts payable on an Interest Payment Date in accordance with the applicable Priority of Payments (being, prior to the delivery of a Note Acceleration Notice, the Pre-Acceleration Revenue Priority of Payments).
Security	The Notes and the Residual Certificates are secured and will share the Security with the other Secured Obligations of the Issuer as set out in the Deed of Charge. The Issuer will also execute and deliver to the Security Trustee, and procure the execution and delivery to the Security Trustee by the Seller of, a Scottish Supplemental Charge in respect of the Issuer's beneficial interest in the Vehicle Declaration of Trust. Some of the other Secured Obligations rank senior to the Issuer's obligations under the Notes and the Residual Certificates in respect of the allocation of proceeds as set out in the relevant Priority of Payments.
Use of proceeds of the Collateralised Notes	The net proceeds of issue of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes (the "**Collateralised Notes**") will be used by the Issuer to fund the Principal Element Purchase Price in respect of the Portfolio to be acquired from the Seller on the Closing Date.
Use of proceeds of the Class X Notes	The net proceeds of issue of the Class X Notes will be used by the Issuer to: (a) pay the Premium Element Purchase Price in respect of the Portfolio to be acquired from the Seller on the Closing Date; (b) establish the Senior Reserve Fund through the retention of the Senior Reserve Fund Required Amount (in respect of part of the proceeds of the Class X Notes); (c) retain certain amounts and pay certain estimated fees and expenses of the Issuer incurred in connection with the issue of the Notes and the Residual Certificates on the Closing Date; and

	(d) fund an amount equal to the Swap Premium payable under the Swap Agreement.
Interest Provisions	Please refer to "*Full Capital Structure of the Notes*" as set out above and Condition 4 (*Interest*) for the relevant interest provisions.
Interest Deferral	Interest due and payable on the Most Senior Class of Notes will not be deferred. Interest due and payable on the Notes (other than interest due in respect of the Most Senior Class of Notes) may be deferred in accordance with Condition 6 (*Additional interest and subordination*) on any Interest Payment Date (other than the final Interest Payment Date or any earlier redemption of such Class of Notes in full). For the avoidance of doubt, such deferral shall not result in the occurrence of an Event of Default.
Gross-up	None of the Issuer or any Agent will be obliged to gross-up if there is any withholding or deduction in respect of the Notes or the Residual Certificates on account of taxes.
Redemption	The Notes are subject to the following optional or mandatory redemption events (in whole or in part, as stated below): • mandatory redemption in whole on the Legal Maturity Date, as fully set out in Condition 5(a) (*Final redemption*); • in the case of the Collateralised Notes, mandatory early redemption in part on each Interest Payment Date commencing on the first Interest Payment Date subject to availability of Available Principal Receipts in accordance with the applicable Priority of Payments, as fully set out in Condition 5(c) (*Mandatory early redemption in part*); • in respect of the Class X Notes (until redeemed in full), mandatory early redemption in part on each Interest Payment Date commencing on the first Interest Payment Date subject to availability of Available Revenue Receipts in accordance with the applicable Priority of Payments, as fully set out in Condition 5(c) (*Mandatory early redemption in part*); • optional redemption exercisable by the Issuer in whole for tax reasons as fully set out in Condition 5(b) (*Redemption for taxation reasons*); and • mandatory redemption in whole on any Interest Payment Date if the Seller exercises its Clean-Up Call, as fully set out in Condition 5(d) (*Clean-Up Call*). Any Note redeemed pursuant to the above redemption provisions will be redeemed at an amount equal to the Aggregate Outstanding Note Principal Amount of the relevant Note together with accrued (and unpaid) interest on

	the Aggregate Outstanding Note Principal Amount up to (but excluding) the date of redemption.
Event of Default	As fully set out in Condition 10 (*Events of Default*) and Residual Certificate Condition 8 (*Events of Default*), which comprises (where relevant, subject to the applicable grace period): • a default occurs in the payment of interest on any Interest Payment Date in respect of the Most Senior Class of Notes or, following redemption in full of the Notes, any Residual Certificate Payment due in respect of the Residual Certificates (and such default is not remedied within 14 Business Days of its occurrence); • the Issuer defaults in the payment of principal on the Most Senior Class of Notes when due, and such default continues for a period of 7 Business Days; • the Issuer fails to perform or observe any of its other material obligations under the Conditions, the Residual Certificates or the Transaction Documents and such failure continues for a period of 30 calendar days following written notice from the Note Trustee or any other Secured Creditors; • an Insolvency Event occurs in respect of the Issuer; or • the Deed of Charge (or any security interest purported to be created thereunder) shall, for any reason, cease to be in full force and effect or be declared to be null and void, or the validity or enforceability thereof shall be contested by the Issuer or the Issuer shall deny that it has any or further liability or obligation under the Deed of Charge (or with respect thereto).
Enforcement	If an Event of Default has occurred and is continuing, the Note Trustee at its absolute discretion may, and, (i) if so directed by the holders of at least 25% in aggregate Outstanding Note Principal Amount of the Most Senior Class of Notes or if so directed by an Extraordinary Resolution of the Most Senior Class of Notes at the relevant date; or (ii) following redemption in full of the Notes, if so directed by the holders of at least 25% in number of the Residual Certificates then in issue or if so directed by an Extraordinary Resolution of the Certificateholders (subject, in each case, to the Note Trustee being indemnified and/or secured and/or prefunded to its satisfaction), shall deliver a Note Acceleration Notice to the Issuer, the Security Trustee, the Account Bank, the Cash Manager and the Paying Agent declaring the Notes and any Residual Certificate Payments pursuant to the Residual Certificates due and payable and each Note will accordingly become immediately due and payable, without further action or formality, at its Outstanding Note Principal Amount together with accrued interest.

	Upon any Note Acceleration Notice being delivered by the Note Trustee in accordance with the terms of Condition 10 (*Events of Default*) or Residual Certificate Condition 8 (*Events of Default*), notice to that effect will be given by the Note Trustee to all Noteholders in accordance with Condition 15 (*Notices*) or to all Certificateholders in accordance with Residual Certificate Condition 13 (*Notices*). Following the delivery of a Note Acceleration Notice, the Security Trustee will, subject to being indemnified and/or secured and/or prefunded to its satisfaction, have the right to enforce the Security.
Limited Recourse	The Notes are limited recourse obligations of the Issuer, and, if not repaid in full, amounts outstanding are subject to a final write-off, which is described in more detail in Condition 7(g) (*Limited recourse*). The Certificateholders are only entitled to funds which are available to the Issuer in accordance with the applicable Priority of Payments and therefore the Residual Certificates are limited recourse obligations of the Issuer. If not repaid in full, amounts outstanding are subject to a final write-off, which is described in more detail in Residual Certificate Condition 5(g) (*Limited recourse*).
Non-petition	The Noteholders and the Certificateholders shall not be entitled to take any steps (otherwise than in accordance with the Trust Deed, the Conditions and the Residual Certificate Conditions): • to enforce the Security other than when expressly permitted to do so under Condition 11 (*Enforcement and non-petition*) or Residual Certificate Condition 9 (*Enforcement and non-petition*); or • to take or join in any steps against the Issuer to obtain payment of any amount due from the Issuer to it; or • until the date falling one year and one day after the Final Redemption Date, to initiate or join in initiating any Insolvency Proceedings in relation to the Issuer; or • to take any steps which would result in any of the Priorities of Payments not being observed.
Governing Law	English law.

RIGHTS OF NOTEHOLDERS AND CERTIFICATEHOLDERS AND RELATIONSHIP WITH OTHER SECURED CREDITORS

Please refer to sections entitled "*SUMMARY OF PROVISIONS RELATING TO NOTES IN GLOBAL FORM", "CONDITIONS OF THE NOTES*" and "*CONDITIONS OF THE RESIDUAL CERTIFICATES*" for further detail in respect of the rights of Noteholders and Certificateholders, the conditions for exercising such rights and their relationship with other Secured Creditors.

Prior to an Event of Default	The Issuer or the Note Trustee at any time may (at the cost of the Issuer), and upon a requisition in writing from Noteholders holding at least 10% of the Outstanding Note Principal Amount of the relevant Class of Notes the Issuer shall, convene a Noteholders' meeting for any purpose, including consideration of Extraordinary Resolutions and Ordinary Resolutions or any other matter affecting their interests. If the Issuer makes default for a period of seven days in convening a meeting requisitioned by Noteholders, the same may be convened by the Note Trustee (subject to being indemnified and/or secured and/or prefunded to its satisfaction) or the requisitionists. The Issuer or the Note Trustee may at any time (at the cost of the Issuer), and upon a requisition in writing from Certificateholders holding at least 10% in number of the Residual Certificates then in issue the Issuer shall, convene a Certificateholders' meeting for any purpose, including consideration of Extraordinary Resolutions and Ordinary Resolutions or any other matter affecting their interests. If the Issuer makes default for a period of seven days in convening such a meeting the same may be convened by the Note Trustee (subject to being indemnified and/or secured and/or prefunded to its satisfaction) or the requisitionists. However, the Noteholders and the Certificateholders are not entitled to instruct or direct the Issuer to take any action, either directly or through the Note Trustee, without the consent of the Issuer and, if applicable, certain other Transaction Parties, unless the Issuer has an obligation to take such action under the relevant Transaction Documents.
Following an Event of Default	Following the occurrence of an Event of Default, Noteholders may, if they hold at least 25% in aggregate Outstanding Note Principal Amount of the Most Senior Class of Notes or acting by an Extraordinary Resolution of the Most Senior Class of Notes; or, following redemption in full of the Notes, the Certificateholders may, if they hold at least 25% in number of the Residual Certificates then in issue or acting by an Extraordinary Resolution of the Certificateholders (subject, in each case, to the Note Trustee being indemnified and/or secured and/or prefunded to its satisfaction), direct the Note Trustee to give a Note Acceleration Notice to the Issuer, the Security Trustee, the Account Bank, the Cash Manager and the Paying Agent notifying the Issuer that all classes of the Notes are immediately due and repayable at their respective Outstanding Note Principal Amount together with accrued interest (or, in the case of the Residual Certificates, that all Residual Certificate Payment Amounts are immediately due and payable).

	The Note Trustee may, without the consent of the Noteholders, if it is of the opinion that such determination will not be materially prejudicial to the interests of the Most Senior Class of Notes, determine that an Event of Default or Potential Event of Default shall not, or shall not subject to specified conditions, be treated as such, provided that the Note Trustee shall not exercise any such powers in contravention of any express direction given by an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes or by a direction under Condition 10 (*Events of Default*). See the section entitled "*CONDITIONS OF THE NOTES*" for more information.		
Noteholders and Certificateholders Meeting provisions		*Initial meeting*	*Adjourned meeting*
	Notice period:	At least 21 clear days (but not more than 90 clear days) for the initial meeting	At least 10 clear days for the adjourned meeting (and no more than 42 clear days in the case of an initial adjournment of a meeting at which an Extraordinary Resolution is to be proposed).
	Quorum:	At least 20% of the Outstanding Note Principal Amount of the relevant Class of Notes then outstanding (or, in the case of the Residual Certificates, 20% in number of the Residual Certificates then in issue) for all Ordinary Resolutions; at least 50% of the Outstanding Note Principal Amount of the relevant Class of Notes (or, in the case of the Residual Certificates, 50% in number of the Residual Certificates then in issue) for the initial meeting to pass an Extraordinary Resolution (other than a Basic Terms Modification, which requires at least 66⅔% of the	Any holding (other than an Extraordinary Resolution or a Basic Terms Modification, which requires at least 25% of the Outstanding Note Principal Amount of the relevant Class of Notes or, in the case of the Residual Certificates, 25% in number of the Residual Certificates then in issue).

		Outstanding Note Principal Amount of the relevant Class of Notes or, in the case of the Residual Certificates, 66⅔% in number of the Residual Certificates then in issue).	
	Required majority for an Ordinary Resolution and an Extraordinary Resolution:	More than 50% of votes cast for matters requiring Ordinary Resolution and at least 75% of votes cast for matters requiring Extraordinary Resolution.	
	Required majority for passing a Written Resolution:	Extraordinary Resolution: At least 75% of the Outstanding Note Principal Amount of the relevant Class of Notes then outstanding or, in the case of the Residual Certificates, at least 75% in number of the Residual Certificates then in issue. Ordinary Resolution: More than 50% of the Outstanding Note Principal Amount of the relevant Class of Notes then outstanding or, in the case of the Residual Certificates, more than 50% in number of the Residual Certificates then in issue. A Written Resolution has the same effect as an Ordinary Resolution or an Extraordinary Resolution.	
	Electronic Consent:	Consent may be given by way of electronic consents communicated through the electronic communications systems of the relevant Clearing System(s) to the Paying Agent or another specified agent and/or the Note Trustee in accordance with the operating rules and procedures of the relevant Clearing System(s) by or on behalf of the Noteholders or the Certificateholders with the required majority for an Ordinary Resolution or an Extraordinary Resolution (as applicable).	
	Place:	All meetings of Noteholders and Certificateholders shall be held in the UK.	
Matters requiring Ordinary Resolution	Any matters to be sanctioned by the Noteholders that do not require an Extraordinary Resolution will require an Ordinary Resolution of the Noteholders.		

Rights of Noteholders and Certificateholders and Relationship with other Secured Creditors

Matters requiring Extraordinary Resolution	Broadly speaking, the following matters require an Extraordinary Resolution: • to approve any Basic Terms Modification; • to sanction any compromise or arrangement between the Issuer and any other party to any Transaction Document, the Noteholders or the Certificateholders; • to sanction any modification or compromise in respect of the rights of the Issuer or any other party to any Transaction Document against any other party to a Transaction Document; • to assent to any modification of any Transaction Document (except where the Conditions and the Residual Certificate Conditions provide that the consent of the Noteholders and the Certificateholders is not required); • to give any authority or sanction which under the Transaction Documents is required to be given by Extraordinary Resolution; • to appoint any persons as a committee or committees to represent the interests of the Noteholders or Certificateholders and to confer upon them any powers or discretions which they could themselves exercise by Extraordinary Resolution; • to approve a person to be appointed a trustee and to remove any trustee of the Trust Deed and/or the Deed of Charge; • to discharge or exonerate the Note Trustee and/or the Security Trustee from all Liability in respect of any act or omission for which it may be responsible; • to authorise the Note Trustee and/or the Security Trustee to concur in and do all such things as may be necessary to give effect to any Extraordinary Resolution; • to sanction any scheme or proposal for the exchange or sale of the Notes or the Residual Certificates for or the conversion of the Notes or the Residual Certificates into or the cancellation of the Notes or the Residual Certificates in consideration of shares, stock, notes, bonds, debentures or debenture stock; and • to approve the substitution of any entity for the Issuer as principal debtor under the Trust Deed and the Notes and the Residual Certificates (other than where the Conditions, the Residual Certificate Conditions or the Transaction Documents provide that this may be done without the consent of the Noteholders and the Certificateholders).

Rights of Noteholders and Certificateholders and Relationship with other Secured Creditors

Right of modification without Noteholder or Certificateholder consent	Pursuant to and in accordance with the detailed provisions of Condition 12 (*Meetings of Noteholders, amendments, waiver, substitution and exchange*) and Residual Certificate Condition 10 (*Meetings of Certificateholders and Noteholders, amendments, waiver, substitution and exchange*), the Note Trustee shall be obliged, without any consent or sanction of the Noteholders, the Certificateholders or the other Secured Creditors but subject to the receipt of written consent from each of the Secured Creditors party to the Transaction Document being modified, to concur with the Issuer in making any modification (other than a Basic Terms Modification which, for the avoidance of doubt, shall not include a Benchmark Rate Modification) to the Conditions, the Residual Certificate Conditions and/or any Transaction Document or enter into any new, supplemental or additional documents for the purposes of: (a) complying with, or implementing or reflecting, any change in criteria of the Rating Agencies; (b) enabling the Issuer and/or the Swap Provider to comply with any obligation which applies to it under UK EMIR, EU EMIR, UK MiFID II, UK MiFIR, EU MiFIR, EU MiFID II, UK SFTR, EU SFTR, UK CRR or EU CRR (as applicable); (c) complying with any requirements of (i) Article 6 of the UK Securitisation Regulation, Article 6 of the EU Securitisation Regulation or Section 15G of the Exchange Act, including as a result of the adoption of additional regulatory technical standards or other secondary legislation or regulation in relation to the UK Securitisation Regulation, the EU Securitisation Regulation or Section 15G of the Exchange Act, (ii) any other risk retention legislation or regulations or official guidance in relation thereto in relation to securitisation transactions, or (iii) UK CRR or EU CRR; (d) enabling the Notes to be or remain listed on Euronext Dublin or a replacement recognised stock exchange; (e) enabling the Issuer or any other Transaction Party to comply with FATCA (or any voluntary agreement entered into with a taxing authority in relation thereto); (f) enabling the Issuer to open any custody account for the receipt of any collateral posted by the Swap Provider under the Swap Agreement in the form of securities; (g) opening additional accounts with an additional account bank or moving the Issuer Accounts to be held with an alternative account bank with the Required Ratings;

	(h) for so long as the Class A Notes are intended to be held in a manner which will allow for Eurosystem eligibility, achieving or maintaining such eligibility; (i) complying with any changes in the requirements (including, but not limited to, transparency and/or investor due diligence) of and/or enabling the Issuer or the Seller to comply with an obligation in respect of the direct application of the requirements of the UK Securitisation Regulation and/or the indirect application of the EU Securitisation Regulation, together with any relevant laws, regulations, technical standards rules, other implementing legislation, official guidance or policy statements, in each case as amended, varied or substituted from time to time after the Closing Date (including the appointment of a third party to assist with the Issuer's reporting obligations in relation thereto); (j) complying with the UK CRA Regulation or EU CRA Regulation; and (k) changing the benchmark rate on the Notes from SONIA to an Alternative Benchmark Rate (and such other amendments as are necessary or advisable in the reasonable judgment of the Issuer (or the Servicer on its behalf) to facilitate such changes) to the extent (amongst other things) there has been or there is reasonably expected to be a material disruption or cessation to SONIA or in the event that an alternative means of calculating a SONIA-based rate of interest is introduced and becomes a standard method of calculating interest for similar transactions (including changing the benchmark rate referred to in any interest rate hedging agreement to align such rate with the proposed change to SONIA in respect of such Notes or other such consequential amendments) or where the Issuer and the Swap Provider agree to apply an alternative fallback (and make alternative adjustments, amendments and payments) in respect of the transaction under the Swap Agreement following the occurrence of a Benchmark Trigger Event thereunder. Other than in the case of a modification referred to in paragraph (b), (c), (e) and (g) above, it is a condition of any such modification that (1) the Issuer shall provide written notice of the proposed modification to the Noteholders and the Certificateholders at least 40 calendar days prior to the date on which it is proposed that the modification would take effect and (2) Noteholders holding or representing at least 10% of the Outstanding Note Principal Amount of the Most Senior Class of Notes outstanding (or, if the Notes have been redeemed in full, Certificateholders holding at least 10% in number of the Residual Certificates in issue) have not contacted the Issuer or the Note Trustee within such notification period notifying the Issuer or the Note Trustee that such Noteholders (or Certificateholders, as the case may be) do not consent to the proposed modification. If Noteholders representing at least 10% of the Outstanding Note Principal Amount of the Most Senior Class of Notes outstanding (or, if the Notes have been

	redeemed in full, Certificateholders holding at least 10% in number of the Residual Certificates in issue) have contacted the Issuer or the Note Trustee within the period referred to above that they do not consent to the modification, then such modification will not be made unless passed by an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes then outstanding in accordance with Condition 12(b)(iv)(3) (*Meetings of Noteholders, amendments, waiver, substitution and exchange*) or by an Extraordinary Resolution of the Certificateholders in accordance with Residual Certificate Condition 10(b)(iv)(3) (*Meetings of Certificateholders, amendments, waiver, substitution and exchange*). In addition, the Note Trustee may, without the consent of the Noteholders, the Certificateholders or the other Secured Creditors, concur with the Issuer or any other person in making any modification: (i) to the Conditions, the Residual Certificate Conditions or any Transaction Document (excluding in relation to a Basic Terms Modification) which in the opinion of the Note Trustee will not be materially prejudicial to the interests of the holders of the Collateralised Notes or, if the Collateralised Notes have been redeemed in full, the holders of the Most Senior Class of Notes; or (ii) to the Conditions, the Residual Certificate Conditions or any Transaction Document (including in relation to a Basic Terms Modification) if in the opinion of the Note Trustee such modification is of a formal, minor or technical nature or to correct a manifest error.
Relationship between Classes of Noteholders	Except in respect of certain matters set out in Condition 12 (*Meetings of Noteholders, amendments, waiver, substitution and exchange*) and the Trust Deed and excluding for the avoidance of doubt a Basic Terms Modification, an Extraordinary Resolution or an Ordinary Resolution of Noteholders of the Most Senior Class of Notes shall be binding on all other Classes and the Certificateholders. For further details, see Condition 12 (*Meetings of Noteholders, amendments, waiver, substitution and exchange*). A Basic Terms Modification requires an Extraordinary Resolution of each relevant affected Class of Notes then outstanding and of the Certificateholders (if applicable). In the exercise of its powers, trusts, authorities or discretions, if, in the opinion of the Note Trustee, there is a conflict between the interests of the Most Senior Class of Notes and more junior classes of Noteholders or the Certificateholders, the Note Trustee will only take into consideration the interests of the Most Senior Class of Notes.

	For more details on the priority applicable to the payment of interest and principal of each Class of Notes, please refer to Condition 2 (*Status and Security*).
Seller/Issuer as Noteholder	For each of the following purposes: (i) the determination of how many Notes of a Class are for the time being outstanding for the purposes of any provisions of the Conditions and the Trust Deed requiring calculation of the proportion of Noteholders of such Class requesting or directing the Note 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 Note 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 Note 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 Class of them, those Notes of the relevant Class, if any, which are beneficially held by or for the account of the Issuer or the Seller will be deemed not to remain outstanding unless they are together the sole beneficial holders of that Class of Notes and there are no other Notes outstanding at such time which rank junior or *pari passu* to the Notes held by the Issuer or the Seller.
Relationship between Noteholders and other Secured Creditors	Payments of interest and principal to Noteholders and payments of Residual Certificate Payments to Certificateholders are subject to the Priority of Payments as set out in Condition 2 (*Status and Security*) and Residual Certificate Condition 2 (*Status and Security*). In the exercise of its powers, trusts, authorities and discretions, the Note Trustee will only have regard to the Noteholders and not to the other Secured Creditors for so long as the Notes are outstanding and will only have regard to the Certificateholders and not to the other Secured Creditors once the Notes have been redeemed in full.
Provision of Information to the Noteholders and the Certificateholders	For so long as the Notes are outstanding, the Servicer on behalf of the Issuer will prepare the Monthly Report detailing, among other things, certain aggregated loan file data in relation to the Portfolio. The Monthly Report will be made available to the Cash Manager on or prior to each Reporting Date who will then make it available to the Issuer, the Servicer, the Seller, the Swap Provider, the Noteholders, the Certificateholders and the Rating Agencies by publishing the report on the website at https://sf.citidirect.com/

	in accordance with the provisions of the Cash Management Agreement. The website and its contents do not form part of this Prospectus. For so long as the Notes are outstanding, the Cash Manager on behalf of the Issuer will prepare and publish the Monthly Investor Report detailing, among other things, the Portfolio and cash flows. The Monthly Investor Report will be made available to the Issuer, the Seller, the Servicer, the Swap Provider, the Noteholders, the Certificateholders and the Rating Agencies by publishing the report on the website at https://sf.citidirect.com in accordance with the provisions of the Cash Management Agreement. The website and its contents do not form part of this Prospectus.
Securitisation Regulations Reporting	The Issuer has been designated as the entity responsible for fulfilling the information requirements under Article 7 of the UK Securitisation Regulation pursuant to Article 7(2) of the UK Securitisation Regulation. The Issuer shall also procure the fulfilment of certain of the reporting requirements under Article 7 of the EU Securitisation Regulation as it exists at the Closing Date until such time as (i) a competent EU authority has confirmed that the satisfaction of the relevant reporting requirements under the UK Securitisation Regulation will also satisfy the relevant reporting requirements under the EU Securitisation Regulation due to the application of an equivalency regime or similar analogous concept; or (ii) compliance with the EU Securitisation Regulation prevents full compliance with the UK Securitisation Regulation. The Seller, as the originator, is responsible for compliance with Article 7 of the UK Securitisation Regulation pursuant to Article 22(5) of the UK Securitisation Regulation. The Cash Manager, on behalf of the Issuer, will (subject to receipt of the relevant SR Servicer Data Tape on each Reporting Date, which the Servicer is required to prepare and deliver pursuant to the Servicing Agreement) prepare each SR Investor Report detailing, among other things, certain aggregated loan data in relation to the Portfolio. The Cash Manager will make available each SR Investor Report to the Issuer, the Servicer, the Seller, the Noteholders, the Swap Provider, the Certificateholders, the competent authorities and, upon request, potential Noteholders and potential Certificateholders by emailing such information to the Securitisation Repository (at documentation@euroabs.com or any alternative email address of the Securitisation Repository or a replacement securitisation repository in each case as advised by the Issuer or the Servicer to the Cash Manager) in order for the Securitisation Repository to procure the publication of such information on the Reporting Website on each Interest Payment Date. For the avoidance of doubt, neither the Reporting Website nor the contents thereof forms part of this Prospectus. The Cash Manager does not assume any responsibility for the Issuer's obligations under the UK Securitisation Regulation or under its contractual undertakings relating to the EU Securitisation Regulation.

Rights of Noteholders and Certificateholders and Relationship with other Secured Creditors

Communication with Noteholders and Certificateholders	Any notice shall be deemed to have been duly given to the Noteholders and the Certificateholders if sent to the Clearing Systems for communication by them to the holders of the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes, Class X Notes and Residual Certificates and shall be deemed to be given on the date on which it was so sent to the Clearing Systems. Any notice to the Noteholders shall also be published in accordance with the relevant guidelines of Euronext Dublin by a notification in writing to the Company Announcement Office of Euronext Dublin.

CREDIT STRUCTURE AND CASHFLOW

Please refer to sections entitled "SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS" and "SUMMARY OF THE CONDITIONS OF THE NOTES AND THE RESIDUAL CERTIFICATES" of this Prospectus for further detail in respect of the credit structure and cash flow of the transaction

Available funds of the Issuer	The Issuer will use the Available Principal Receipts and the Available Revenue Receipts for the purposes of making interest and principal payments under the Notes and the Residual Certificate Payments to the Certificateholders, making payments to the Swap Provider and meeting the Issuer's other payment obligations pursuant to the other Transaction Documents.
Available Principal Receipts	The "**Available Principal Receipts**" means, in respect of any Calculation Period and the immediately succeeding Interest Payment Date, an amount equal to the sum of (without double counting): (a) all Principal Receipts received by the Issuer (including, for the avoidance of doubt, into a Collection Account) during such Calculation Period (in each case, excluding any Reconciliation Amounts to be applied as Available Revenue Receipts on that Interest Payment Date), other than those Principal Receipts referred to in (b) below); (b) any Reconciliation Amounts deemed to be Available Principal Receipts in accordance with the Cash Management Agreement; (c) the amount, if any, to be credited to the Principal Deficiency Ledger pursuant to items (f), (i), (k), (m), (o) and (q) of the Pre-Acceleration Revenue Priority of Payments on the relevant Interest Payment Date; (d) any Principal Receipts (other than those Principal Receipts referred to in (a) or (b) above) that have not been applied on the immediately preceding Interest Payment Date; and (e) on a Repurchase Date on which the Clean-Up Call is exercised, all amounts relating to the Calculation Period in which the Clean-Up Call is exercised standing to the credit of the Transaction Account (excluding the balance on the Issuer Profit Ledger) on the date which is two Business Days prior to the Repurchase Date, excluding any payments received by the Issuer in error which have been identified by the Servicer and communicated to the Cash Manager in accordance with the Servicing Agreement.

Available Revenue Receipts	The "**Available Revenue Receipts**" means, in respect of any Calculation Period and the immediately following Interest Payment Date, an amount equal to the sum of (without double counting): (a) all Revenue Receipts received by the Issuer (including, for the avoidance of doubt, into a Collection Account) during such Calculation Period (in each case, excluding any Reconciliation Amounts to be applied as Available Principal Receipts on that Interest Payment Date), other than those Revenue Receipts referred to in (b) below; (b) any Reconciliation Amounts deemed to be Available Revenue Receipts in accordance with the Cash Management Agreement; (c) interest received on any Issuer Account (other than any Swap Collateral Account); (d) amounts received by the Issuer under the Swap Agreement (other than (1) any early termination amount (save to the extent such early termination amount or part thereof is in excess of any premium due to a replacement Swap Provider), (2) any Replacement Swap Premium (save to the extent such Replacement Swap Premium or any part thereof is in excess of any termination payment due to the relevant outgoing Swap Provider), (3) any Swap Collateral, (4) any Swap Tax Credits or (5) any Excess Swap Collateral); (e) the aggregate of all Available Principal Receipts (if any) which are applied as Surplus Available Principal Receipts; (f) any Revenue Receipts (other than those Revenue Receipts referred to in (a) above) that have not been applied on the immediately preceding Interest Payment Date; (g) the Senior Reserve Fund Release Amount, provided that this is only available for payments under items (a) to (e) (inclusive) and (g) of the Pre-Acceleration Revenue Priority of Payments; (h) the Junior Reserve Fund Release Amount, provided that this is only available for payments under items (a) to (d) (inclusive) and (j), (l), (n) and (p) of the Pre-Acceleration Revenue Priority of Payments; (i) on the Interest Payment Date on which the Collateralised Notes are redeemed in full and each Interest Payment Date thereafter, on the Interest Payment Date on which the Clean-Up Call is exercised, and on the Legal Maturity Date, all amounts standing to the credit of the Reserve Funds;

	(j) the Senior Reserve Fund Excess Amount; (k) the Junior Reserve Fund Excess Amount; and (l) any Principal Addition Amount, provided that this is only available to make: (i) payments under items (a) to (e) (inclusive) of the Pre-Acceleration Revenue Priority of Payments; (ii) if on such Interest Payment Date either (1) the Class B Notes are the Most Senior Class or (2) there is not a debit balance on the Principal Deficiency Sub-ledger (Class B), payments under item (g) of the Pre-Acceleration Revenue Priority of Payments; (iii) if on such Interest Payment Date either (1) the Class C Notes are the Most Senior Class or (2) there is not a debit balance on the Principal Deficiency Sub-ledger (Class C), payments under item (j) of the Pre-Acceleration Revenue Priority of Payments; (iv) if on such Interest Payment Date either (1) the Class D Notes are the Most Senior Class or (2) there is not a debit balance on the Principal Deficiency Sub-ledger (Class D), payments under item (l) of the Pre-Acceleration Revenue Priority of Payments; (v) if on such Interest Payment Date either (1) the Class E Notes are the Most Senior Class or (2) there is not a debit balance on the Principal Deficiency Sub-ledger (Class E), payments under item (n) of the Pre-Acceleration Revenue Priority of Payments; and (vi) if on such Interest Payment Date either (1) the Class F Notes are the Most Senior Class or (2) there is not a debit balance on the Principal Deficiency Sub-ledger (Class F), payments under item (p) of the Pre-Acceleration Revenue Priority of Payments, provided that, for the purposes of this paragraph (l), the balance of each sub-ledger of the Principal Deficiency Ledger shall be determined, in respect of an Interest Payment Date, prior to the application of any amounts that are to be applied on such Interest Payment Date pursuant to the Priorities of Payments, but, for the avoidance of doubt, excluding any Issuer Profit Amount retained by the Issuer on any previous Interest Payment Date, (without double counting any amounts excluded from the definition of Revenue Receipts)

<table>
<tr><td></td><td colspan="3">any amounts which have been applied as Permitted Revenue Withdrawals by the Issuer during the immediately preceding Calculation Period and any payments received by the Issuer in error which have been identified by the Servicer and communicated to the Cash Manager in accordance with the Servicing Agreement.</td></tr>
<tr><td rowspan="5">Summary of Priority of Payments</td><td colspan="3">Below is a summary of the relevant payment priorities. Full details of the payment priorities are set out in Condition 2 (Status and Security).</td></tr>
<tr><td>Pre-Acceleration Revenue Priority of Payments</td><td>Pre-Acceleration Principal Priority of Payments</td><td>Post-Acceleration Priority of Payments</td></tr>
<tr><td>On each Interest Payment Date falling prior to the service of a Note Acceleration Notice on the Issuer by the Note Trustee, the Issuer will distribute the Available Revenue Receipts on each Interest Payment Date in accordance with the following Pre-Acceleration Revenue Priority of Payments (in each case only if and to the extent that payments or provisions of higher priority have been paid in full):</td><td>On each Interest Payment Date falling prior to the service of a Note Acceleration Notice on the Issuer by the Note Trustee, the Issuer will distribute the Available Principal Receipts on each Interest Payment Date in accordance with the following Pre-Acceleration Principal Priority of Payments (in each case only if and to the extent that payments or provisions of higher priority have been paid in full):</td><td>The Security Trustee will apply amounts (other than amounts representing any Excess Swap Collateral and Swap Tax Credits which shall be returned directly to the Swap Provider (and, for the avoidance of doubt, such payment shall be without regard to the relevant Priority of Payments)) received or recovered following the service of a Note Acceleration Notice on the Issuer in the following order of priority (in each case only if and to the extent that payments or provisions of higher priority have been paid in full):</td></tr>
<tr><td>(a) first, for the Issuer to retain as profit the Issuer Profit Amount on the Issuer Profit Ledger from which the Issuer will discharge its corporate income or corporation tax liability (if any);</td><td>(a) first, to apply an amount equal to the Principal Addition Amount as Available Revenue Receipts for application towards such items of the Pre-Acceleration Revenue Priority of Payments towards which such amounts may be applied;</td><td>(a) first, for the Issuer to retain as profit the Issuer Profit Amount on the Issuer Profit Ledger from which the Issuer will discharge its corporate income or corporation tax liability (if any);</td></tr>
<tr><td>(b) then, pro rata and pari passu, to pay all amounts due under the Transaction</td><td>(b) then, pro rata and pari passu, to pay the Class A Noteholders, in accordance with the</td><td>(b) then, pro rata and pari passu, to pay all amounts due under the Transaction</td></tr>
</table>

	Documents to the Security Trustee and any Receiver and to the Note Trustee on account of their fees and expenses (including any legal fees and expenses), claims, costs, liabilities or any indemnity payments together with any amount in respect of VAT (if any) on those amounts as provided for under the Transaction Documents;	respective amounts thereof, principal on the Class A Notes;	Documents to the Security Trustee and any Receiver and to the Note Trustee on account of their fees and expenses (including any legal fees and expenses), claims, costs, liabilities or any indemnity payments together with any amount in respect of VAT (if any) on those amounts as provided for under the Transaction Documents;
	(c) then, to pay in the following order of priority: (i) *pro rata* and *pari passu*, the Senior Expenses then due or overdue and payable by the Issuer (excluding any amounts paid under item (b) above); (ii) any amount due from the Issuer to the Securitisation Repository, to the Rating Agencies as surveillance or monitoring fees or to the Irish Listing Agent or Euronext Dublin as fees and expenses in connection with the maintenance of the listing of the Notes, together with any amount in respect of VAT (if any) on those amounts as provided for under the Transaction Documents; (iii) any fees, costs, taxes, expenses, indemnity payments and other amounts properly due and payable to the directors of the Issuer	(c) then, *pro rata* and *pari passu*, to pay the Class B Noteholders, in accordance with the respective amounts thereof, principal on the Class B Notes;	(c) then, to pay in the following order of priority: (i) *pro rata* and *pari passu*, the Senior Expenses then due or overdue and payable by the Issuer (excluding any amounts paid under item (b) above); (ii) any amount due from the Issuer to the Securitisation Repository, to the Rating Agencies as surveillance or monitoring fees or to the Irish Listing Agent or Euronext Dublin as fees and expenses in connection with the maintenance of the listing of the Notes, together with any amount in respect of VAT (if any) on those amounts as provided for under the Transaction Documents; (iii) any fees, costs, taxes, expenses, indemnity payments and other amounts properly due and payable to the directors of the Issuer

	(properly incurred with respect to their duties), legal advisers, tax advisers or auditors of the Issuer, and any other amounts due and payable by the Issuer to third parties in connection with the Issuer's ownership of the Purchased Receivables, the Notes, the Residual Certificates, the establishment, liquidation and/or dissolution of the Issuer, or any annual return, filing, registration and registered office or other company, licence or statutory fees in England (excluding any amounts expressly payable as Senior Expenses); and (iv) any amounts due and payable by the Issuer to the Swap Provider under of the Swap Agreement (save for amounts due and payable by the Issuer to the Swap Provider which are (i) otherwise discharged by the Issuer on such Interest Payment Date, (ii) expressed to be payable to the Swap Provider without regard to the Priority of Payments (iii) Swap Provider Subordinated Amounts, or (iv) Swap Excluded Amounts;		(properly incurred with respect to their duties), legal advisers, tax advisers or auditors of the Issuer, and any other amounts due and payable by the Issuer to third parties in connection with the Issuer's ownership of the Purchased Receivables, the Notes, the Residual Certificates, the establishment, liquidation and/or dissolution of the Issuer, or any annual return, filing, registration and registered office or other company, licence or statutory fees in England (excluding any amounts expressly payable as Senior Expenses); and (iv) any amounts due and payable by the Issuer to the Swap Provider under of the Swap Agreement (save for amounts due and payable by the Issuer to the Swap Provider which are (i) otherwise discharged by the Issuer on such Interest Payment Date, (ii) expressed to be payable to the Swap Provider without regard to the Priority of Payments (iii) Swap Provider Subordinated Amounts, or (iv) Swap Excluded Amounts;
	(d) then, *pro rata* and *pari passu*, to pay the Servicing Expenses then due or overdue and payable by the Issuer;	(d) then, *pro rata* and *pari passu*, to pay the Class C Noteholders, in accordance with the respective amounts thereof, principal on the Class C Notes;	(d) then, *pro rata* and *pari passu*, to pay the Servicing Expenses then due or overdue and payable by the Issuer;
	(e) then, *pro rata* and *pari passu*, to pay the Class A Noteholders	(e) then, *pro rata* and *pari passu*, to pay the Class D Noteholders,	(e) then, *pro rata* and *pari passu*, to pay the Class A Noteholders

	any due and payable Class A Interest Amount on the Class A Notes and any Class A Interest Shortfall;	in accordance with the respective amounts thereof, principal on the Class D Notes;	amounts in respect of interest and principal due and payable on the Class A Notes until the Class A Notes are redeemed in full;
	(f) then, an amount sufficient to eliminate any debit on the Principal Deficiency Sub-ledger (Class A) (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (f)) shall be credited to the Principal Deficiency Sub-ledger (Class A);	(f) then, *pro rata* and *pari passu*, to pay the Class E Noteholders, in accordance with the respective amounts thereof, principal on the Class E Notes;	(f) then, *pro rata* and *pari passu*, to pay the Class B Noteholders amounts in respect of interest and principal due and payable on the Class B Notes until the Class B Notes are redeemed in full;
	(g) then, *pro rata* and *pari passu*, to pay the Class B Noteholders any due and payable Class B Interest Amount on the Class B Notes and any Class B Interest Shortfall;	(g) then, *pro rata* and *pari passu*, to pay the Class F Noteholders, in accordance with the respective amounts thereof, principal on the Class F Notes; and	(g) then, *pro rata* and *pari passu*, to pay the Class C Noteholders amounts in respect of interest and principal due and payable on the Class C Notes until the Class C Notes are redeemed in full;
	(h) then, to the Senior Reserve Fund in an amount up to the amount required to make the balance of the Senior Reserve Fund equal to the Senior Reserve Fund Required Amount (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (h));	(h) then, to apply any remaining amounts as Available Revenue Receipts ("**Surplus Available Principal Receipts**").	(h) then, *pro rata* and *pari passu*, to pay the Class D Noteholders amounts in respect of interest and principal due and payable on the Class D Notes until the Class D Notes are redeemed in full;
	(i) then, an amount sufficient to eliminate any debit on the Principal Deficiency Sub-ledger (Class B) (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (i)) shall be		(i) then, *pro rata* and *pari passu*, to pay the Class E Noteholders amounts in respect of interest and principal due and payable on the Class E Notes until the Class E Notes are redeemed in full;

	credited to the Principal Deficiency Sub-ledger (Class B);		
	(j) then, *pro rata* and *pari passu*, to pay the Class C Noteholders any due and payable Class C Interest Amount on the Class C Notes and any Class C Interest Shortfall;		(j) then, *pro rata* and *pari passu*, to pay the Class F Noteholders amounts in respect of interest and principal due and payable on the Class F Notes until the Class F Notes are redeemed in full;
	(k) then, an amount sufficient to eliminate any debit on the Principal Deficiency Sub-ledger (Class C) (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (k)) shall be credited to the Principal Deficiency Sub-ledger (Class C);		(k) then, *pro rata* and *pari passu*, to pay the Class X Noteholders amounts in respect of interest and principal due and payable on the Class X Notes until the Class X Notes are redeemed in full;
	(l) then, *pro rata* and *pari passu*, to pay the Class D Noteholders any due and payable Class D Interest Amount on the Class D Notes and any Class D Interest Shortfall;		(l) then, in or towards payment of any Swap Provider Subordinated Amounts, if any, due and payable to the Swap Provider in respect of the Swap Agreement;
	(m) then, an amount sufficient to eliminate any debit on the Principal Deficiency Sub-ledger (Class D) (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (m)) shall be credited to the Principal Deficiency Sub-ledger (Class D);		(m) then, to pay any corporate income or corporation tax liability not otherwise able to be paid from the Issuer Profit Ledger; and

	(n) then, *pro rata* and *pari passu*, to pay the Class E Noteholders any due and payable Class E Interest Amount on the Class E Notes and any Class E Interest Shortfall;		(n) then, *pro rata* and *pari passu*, to pay all remaining amounts to the Certificateholders as the Residual Certificate Payments.
	(o) then, an amount sufficient to eliminate any debit on the Principal Deficiency Sub-ledger (Class E) (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (o)) shall be credited to the Principal Deficiency Sub-ledger (Class E);		
	(p) then, *pro rata* and *pari passu*, to pay the Class F Noteholders any due and payable Class F Interest Amount on the Class F Notes and any Class F Interest Shortfall;		
	(q) then, an amount sufficient to eliminate any debit on the Principal Deficiency Sub-ledger (Class F) (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (q)) shall be credited to the Principal Deficiency Sub-ledger (Class F);		
	(r) then, to the Junior Reserve Fund in an amount up to the amount required to make the balance of the Junior Reserve Fund equal to the Junior Reserve Fund Required Amount (or, if there are insufficient amounts available to		

	do so, all amounts remaining for application under this item (r));		
	(s) then, *pro rata* and *pari passu*, to pay the Class X Noteholders any due and payable Class X Interest Amount on the Class X Notes and any Class X Interest Shortfall;		
	(t) then, *pro rata* and *pari passu*, to pay the Class X Noteholders, in accordance with the respective amounts thereof, principal on the Class X Notes until the Class X Notes are redeemed in full;		
	(u) then, in or towards payment of any Swap Provider Subordinated Amounts, if any, due and payable to the Swap Provider in respect of the Swap Agreement;		
	(v) then, to pay any indemnity payments to any party under the Transaction Documents not otherwise payable above; and		
	(w) then, *pro rata* and *pari passu*, to pay all remaining amounts to the Certificateholders as the Residual Certificate Payments.		
Disclosure of modifications to the Priority of Payments	Any events which trigger changes in any of the Priority of Payments and any change in any of the Priority of Payments which will materially adversely affect the repayment of the Notes and/or payments on the Residual Certificates shall be disclosed without undue delay to the extent required under Article 21(9) of the UK Securitisation Regulation.		
	The credit structure of the transaction includes the following elements:		

General Credit Structure	***Senior Reserve Fund*** The amounts standing to the credit of the Senior Reserve Fund from time to time will serve as liquidity support for the Class A Notes and the Class B Notes, and certain senior expenses ranking in priority thereto, throughout the life of the transaction. On any Interest Payment Date where a Senior Expenses Shortfall and/or a Senior Reserve Revenue Receipts Shortfall arises, the Issuer shall withdraw the Senior Reserve Fund Release Amount from the amount standing to the credit of the Senior Reserve Fund and apply such amount as Available Revenue Receipts. Such Available Revenue Receipts will be applied towards certain items of the Pre-Acceleration Revenue Priority of Payments, in respect of, first, the Senior Expenses Shortfall and, second, the Senior Reserve Revenue Receipts Shortfall. The Senior Reserve Fund will be funded on the Closing Date up to the Senior Reserve Fund Required Amount using the proceeds from the sale of the Class X Notes and thereafter replenished in accordance with the Pre-Acceleration Revenue Priority of Payments.
	Junior Reserve Fund The amounts standing to the credit of the Junior Reserve Fund from time to time will serve as liquidity support for the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and certain senior expenses ranking in priority thereto, following the redemption in full of the Class A Notes and the Class B Notes and throughout the remaining life of the transaction. On any Interest Payment Date where a Senior Expenses Shortfall or a Junior Reserve Revenue Receipts Shortfall arises, the Issuer shall withdraw the Junior Reserve Fund Release Amount from the amount standing to the credit of the Junior Reserve Fund and apply such amount as Available Revenue Receipts. Such Available Revenue Receipts will be applied towards certain items of the Pre-Acceleration Revenue Priority of Payments, in respect of, first, the Senior Expenses Shortfall and, second, the Junior Reserve Revenue Receipts Shortfall. The Junior Reserve Fund will be funded on the Interest Payment Date on which the Class B Notes are redeemed in full up to the Junior Reserve Fund Required Amount: (i) first, from the Senior Reserve Fund – Junior Reserve Fund Funding Amount; and

	(ii) then, to the extent sufficient Available Revenue Receipts are available for such purpose in accordance with the Pre-Acceleration Revenue Priority of Payments, and thereafter replenished in accordance with the Pre-Acceleration Revenue Priority of Payments. ***Reserve Funds generally*** On each Interest Payment Date on which there is a Reserve Fund Excess Amount, such amount shall be debited from the relevant Reserve Fund and applied as Available Revenue Receipts in accordance with the Pre-Acceleration Revenue Priority of Payments. Through the Principal Deficiency Ledger, each Class of Collateralised Notes will also benefit from credit enhancement in the form of amounts to be released from the Reserve Funds. On any Interest Payment Date on which the Clean-Up Call is exercised, the entirety of any Reserve Fund balance shall be applied as Available Revenue Receipts in addition to all other Available Revenue Receipts on such Interest Payment Date. ***Principal Addition Amount*** On each Interest Payment Date on which a Senior Expenses Shortfall or a Principal Addition Amount Revenue Receipts Shortfall arises (following application of any Senior Reserve Fund Release Amount or Junior Reserve Fund Release Amount), the Issuer will apply the Principal Addition Amount as Available Revenue Receipts in accordance with the Pre-Acceleration Revenue Priority of Payments and the amount of such Senior Expenses Shortfall or Principal Addition Amount Revenue Receipts Shortfall will be recorded as a debit to the Principal Deficiency Ledger. Principal Addition Amounts are available for application towards certain items of the Pre-Acceleration Revenue Priority of Payments only, as follows: (i) payments under items (a) to (e) (inclusive) of the Pre-Acceleration Revenue Priority of Payments; (ii) if on such Interest Payment Date either (1) the Class B Notes are the Most Senior Class or (2) there is not a debit balance on the Principal Deficiency Sub-ledger (Class B), payments under item (g) of the Pre-Acceleration Revenue Priority of Payments; (iii) if on such Interest Payment Date either (1) the Class C Notes are the Most Senior Class or (2) there is not a debit balance on the

	Principal Deficiency Sub-ledger (Class C), payments under item (j) of the Pre-Acceleration Revenue Priority of Payments; (iv) if on such Interest Payment Date either (1) the Class D Notes are the Most Senior Class or (2) there is not a debit balance on the Principal Deficiency Sub-ledger (Class D), payments under item (l) of the Pre-Acceleration Revenue Priority of Payments; (v) if on such Interest Payment Date either (1) the Class E Notes are the Most Senior Class or (2) there is not a debit balance on the Principal Deficiency Sub-ledger (Class E), payments under item (n) of the Pre-Acceleration Revenue Priority of Payments; and (vi) if on such Interest Payment Date either (1) the Class F Notes are the Most Senior Class or (2) there is not a debit balance on the Principal Deficiency Sub-ledger (Class F), payments under item (p) of the Pre-Acceleration Revenue Priority of Payments, provided that for these purposes the balance of each sub-ledger of the Principal Deficiency Ledger shall be determined, in respect of an Interest Payment Date, prior to the application of any amounts that are to be applied on such Interest Payment Date pursuant to the Priorities of Payments. ***Principal Deficiency Ledger*** • A Principal Deficiency Ledger comprising five sub-ledgers, known as the Principal Deficiency Sub-ledger (Class A), Principal Deficiency Sub-ledger (Class B), Principal Deficiency Sub-ledger (Class C), Principal Deficiency Sub-ledger (Class D), Principal Deficiency Sub-ledger (Class E) and Principal Deficiency Sub-ledger (Class F) will be established to record (a) as a debit, the Outstanding Principal Balance of Defaulted Receivables and Voluntarily Terminated Receivables (determined at the point at which the relevant Purchased Receivable became a Defaulted Receivable or Voluntarily Terminated Receivable) (the "**Gross Loss**") and any Principal Addition Amount applied as Available Revenue Receipts in accordance with the Pre-Acceleration Revenue Priority of Payments, and (b) as a credit, the use of any Available Revenue Receipts applied to correct any Gross Losses and any Principal Addition Amount previously applied as Available Revenue Receipts in accordance with the Pre-Acceleration Revenue Priority of Payments. Available Revenue Receipts will be credited to the Principal Deficiency Ledger prior to payment of any interest or principal on the Class X Notes. ***Interest rate swap*** • An interest rate swap will be provided by the Swap Provider to hedge against the variance between the fixed rates of interest in respect of

	the Purchased Receivables and the floating rate of interest in respect of the Notes. ***Subordination*** • Each Class of Notes will benefit from subordination of the more junior Classes of Notes (if any) to such Class of Notes and subordination of the Residual Certificates to each Class of the Notes, subject to (and in accordance with) the applicable Priority of Payments. • See the sections entitled "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS — Cash Management Agreement", "SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Swap Agreement*", "*CONDITIONS OF THE NOTES*" and "*CONDITIONS OF THE RESIDUAL CERTIFICATES*" in this Prospectus for further information.
Bank Accounts and Cash Management	All Collections in respect of the Purchased Receivables in the Portfolio will, at the Closing Date, be received in the BMF DD Collection Account in the name of the BMF DD Collection Account Holder or the BMFL Collection Account in the name of Blue (or, in the case of prepayments and certain other exceptional payments received from Obligors, the Seller Collection Account in the name of Blue) and/or, from time to time thereafter, any New Collection Account in the name of the relevant New Collection Account Holder. The Servicer is obliged to transfer Collections in respect of the Purchased Receivables in the Portfolio from each such account to the Transaction Account within two Business Days of applying such Collections to an Obligor's account (or, in respect of Collections received on or after the Cut-Off Date but prior to the Closing Date, within five Business Days following the Closing Date (less the Financing Costs incurred between the Cut-Off Date and the Closing Date)), or as otherwise directed by the Issuer or (following the delivery of a Note Acceleration Notice or the enforcement of the Security) the Security Trustee. In addition, the BMF DD Collection Account Holder has declared a trust over all amounts standing to the credit of the BMF DD Collection Account and Blue has declared a trust over all amounts standing to the credit of the BMFL Collection Account and the Seller Collection Account, in each case in favour of the Issuer (in respect of any amounts received in respect of Purchased Receivables in the Portfolio), certain other beneficiaries and itself in accordance with the terms of the Servicing Agreement and the relevant Collection Account Declaration of Trust (as supplemented, in the case of the Seller Collection Account, by the Supplemental Seller Collection Account Declaration of Trust) (as to which see further the section entitled "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Collection Account Declarations of Trust*" in this Prospectus). Blue is in the process of establishing arrangements with Société Générale, London Branch as a New Collection Account Bank to provide additional

	collection accounts in respect of the Purchased Receivables. Blue's collection account arrangements in respect of the Purchased Receivables may be varied from time to time. On each Interest Payment Date, amounts representing Collections for the relevant Calculation Period, together with other items comprising the Available Principal Receipts and Available Revenue Receipts, shall be applied by the Cash Manager in accordance with the applicable Priority of Payments.
Overview of key Swap Agreement terms	The interest rate swap under the Swap Agreement has the following key commercial terms: • Swap Notional Amount: On the first Interest Payment Date, the notional amount of the interest rate swap transaction documented by the Swap Agreement will be equal to £237,142,934. At the commencement of each relevant period in respect of the interest rate swap transaction, the notional amount will reduce in accordance with the fixed amortisation schedule appended to the interest rate swap transaction confirmation. • Frequency of Swap Provider payment: Each Interest Payment Date. • On or about the Closing Date, the Issuer will also pay to the Swap Provider (or there will be paid to the Swap Provider on the Issuer's behalf) the Swap Premium. See the section entitled "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Swap Agreement*" for more details, including the fixed amortisation schedule used for determination of the Swap Notional Amount for each relevant period.

TRIGGERS TABLES

RATING TRIGGERS TABLE

Transaction Party	**Required Ratings/Triggers**	**Possible effects of Trigger being breached include the following**
Account Bank	Required Ratings of: (i) a COR of at least A(high) by DBRS or, if a COR from DBRS is not available, a long-term, senior, unsecured debt rating of at least A by DBRS (either by way of a public rating or, in its absence, by way of a private rating supplied by DBRS) or, if the Account Bank is not rated by DBRS, a DBRS Equivalent Rating at least equal to A by DBRS; and (ii) long-term bank deposit rating of at least A2 by Moody's, or such other rating or ratings as may be agreed by the relevant Rating Agency from time to time (or as are consistent with the then published criteria of the relevant Rating Agency) as would maintain the then current ratings of the Rated Notes.	The consequence of breach is that, within 30 calendar days of the breach, one of the following will occur: (a) any Issuer Account may be closed by, or on behalf of, the Issuer and all amounts standing to the credit thereof shall be transferred by, or on behalf of, the Issuer within 30 calendar days to accounts held with a financial institution which (i) has at least the Required Ratings, (ii) is a bank as defined in Section 991 of the Income Tax Act 2007, and (iii) is an authorised institution under FSMA, or (b) a Rating Agency Confirmation has or will be obtained by (or on behalf of) the Issuer, or the Account Bank will take such other actions as may be reasonably requested by the parties to the Bank Account Agreement (other than the Security Trustee) at the cost, and with the prior consent (not to be unreasonably withheld or delayed), of the Issuer to ensure that the rating of the Most Senior Class of Notes immediately prior to the Account Bank ceasing to have the Required Ratings is not adversely affected by the Account Bank ceasing

		to have the Required Ratings. If the Account Bank fails to comply with the above, the Account Bank's appointment will be terminated by the Issuer (with prior written notice to the Security Trustee) (such termination being effective on a replacement account bank being appointed by the Issuer).
Swap Provider	An Eligible Swap Provider is any entity: (a) having from Moody's (i) a counterparty risk assessment of "Baa1(cr)" or above or, if not available, a long-term, unsecured, unsubordinated debt rating of "Baa1" or above or (ii) a counterparty risk assessment of "Baa3(cr)" or above or, if not available, a long-term, unsecured, unsubordinated debt rating of "Baa3" or above, unless (A) where the Swap Provider does not meet the rating set out in (i), it either posts collateral in the amount and manner set forth in the Swap Agreement or obtains a guarantee from a person having the ratings set forth in (i) or (ii) above or (B) where the Swap Provider does not meet the rating set out in (ii) but wishes to post collateral in the amount and manner set forth in the Swap Agreement, it also obtains a guarantee from a person having the ratings set forth in (ii) above; and	If the Swap Provider ceases to be an Eligible Swap Provider, the Swap Provider shall take action in accordance with the Swap Agreement, including posting eligible collateral into the Swap Collateral Account in accordance with the provisions of the Swap Agreement. Failure of the Swap Provider to maintain its credit rating at certain levels required by the Swap Agreement, which failure may not constitute a termination event if (in the time set forth in the Swap Agreement) the Swap Provider: (a) posts an amount of collateral as calculated in accordance with the credit support annex to the Swap Agreement; or (b) obtains a guarantee from an institution with an acceptable rating; or (c) transfers its rights and obligations under the Swap Agreement to a successor Swap Provider which is an Eligible Swap Provider; or (d) takes other action in order to maintain the then current rating of the Rated Notes, or

	(b) having a Long-Term DBRS Rating of a least "A" by DBRS.	to restore the ratings of the Rated Notes to the levels they were at immediately prior to such downgrade. Failure by the Swap Provider to take the required remedial action in the time required will give rise to a termination event which will give the Issuer the right to terminate the Swap Agreement.

NON-RATING TRIGGERS TABLE

Nature of Trigger	**Description of Trigger**	**Consequence of Trigger**
Servicer Termination Event	The occurrence of any of the following events: (a) an Insolvency Event occurs in respect of the Servicer; (b) the Servicer fails to pay any amount due under the Servicing Agreement on the due date or on demand, if so payable, or to direct any movement of collections as required under the Servicing Agreement and the other Transaction Documents, and such failure has continued unremedied for a period of 7 Business Days after written notice of the same has been received by the Servicer or discovery of such failure by the Servicer; (c) the Servicer (i) fails to observe or perform in any respect any of its covenants and obligations under or pursuant to the Servicing Agreement or any other Transaction Document to which it is a party (other than as referred to in paragraph (b) above and paragraph (ii) of this paragraph (c)) and such failure results in a material adverse effect on the Issuer's ability to make payments in respect of the Notes and continues unremedied for a period of 60 calendar	Termination of the appointment of the Servicer and either: (a) invocation of the Standby Servicer; or (b) if there is no Standby Servicer or the Standby Servicer is unable to assume responsibility for the administration of the Purchased Receivables, use of reasonable endeavours by the Issuer to appoint a replacement Servicer.

		days after the earlier of an officer of the Servicer becoming aware of such failure and written notice of such failure being received by the Servicer or (ii) fails to maintain its authorisations and permissions under the FSMA or any other regulatory licence or approval required under the terms of the Servicing Agreement and such failure continues unremedied for a period of 60 calendar days after the earlier of an officer of the Servicer becoming aware of such failure and written notice of such failure being received by the Servicer; or	
	(d)	any of the representations or warranties given by the Servicer pursuant to the Servicing Agreement or any other Transaction Document to which it is a party or in any report provided by the Seller or the Servicer prove to be untrue, incomplete or inaccurate and such misrepresentation results in a Material Adverse Effect on the Purchased Receivables and (if capable of remedy) continues unremedied for a period of 60 calendar days after the earlier of an officer of the Servicer becoming aware of such misrepresentation and written notice of such	

	misrepresentation being received by the Servicer.	
Perfection Event	Following the occurrence of any of the following events, the Issuer may request the Servicer to notify the obligors in respect of the assignment of the Purchased Receivables to the Issuer: (a) the Seller being required to perfect the Issuer's legal title to the Purchased Receivables (or procure the perfection of the Issuer's legal title to the Purchased Receivables) by an order of a court of competent jurisdiction or by any regulatory authority with which the Seller is required to comply or any organisation with whose instructions it is customary for the Seller to comply; (b) it becoming necessary by law to perfect the Issuer's legal title to the Purchased Receivables (or procure the perfection of the Issuer's legal title to the Purchased Receivables); (c) unless otherwise agreed by the Security Trustee, the occurrence of a Servicer Termination Event; (d) the Seller calling for perfection by serving notice in writing to that effect on the Issuer, the Note Trustee and the Security Trustee; (e) the Seller is in breach of any of its obligations	The Servicer shall deliver a Perfection Event Notice promptly upon request by the Issuer or (following service of a Note Acceleration Notice) the Security Trustee, and in any event within 3 Business Days from the occurrence of a Perfection Event. Should the Servicer fail to notify the Obligors within 3 Business Days, the Issuer (or an agent appointed on its behalf and subject to Data Protection Laws) shall promptly notify the relevant Obligors within 5 Business Days.

	under the Receivables Sale and Purchase Agreement, provided that there shall be no Perfection Event hereunder if (1) the breach (if capable of remedy) has been remedied within 90 calendar days, or (2) the relevant Rating Agency has confirmed that the then current ratings of the Most Senior Class of Notes will not be withdrawn, downgraded or qualified as a result of such breach, provided further that: (A) the Perfection Event in this provision (e) shall not apply if the Seller has delivered a certificate to the Security Trustee (upon which the Security Trustee shall rely absolutely without liability or enquiry) that the occurrence of such event does not impact the designation as a 'simple, transparent and standardised' securitisation (within the meaning of the UK Securitisation Regulation) in respect of the Notes; and (B) this Perfection Event (e) shall be subject to such amendment as the Seller may require, so long as the Seller delivers a certificate to the Security Trustee (upon which the Security Trustee shall rely absolutely without liability or enquiry) that the amendment of such event does not impact the designation as a 'simple, transparent and	

	standardised' securitisation (within the meaning of the UK Securitisation Regulation) in respect of the Notes; and (f) the occurrence of an Insolvency Event in respect of the Seller.	
Event of Default	The occurrence of any of the following events: (a) a default occurs in the payment of interest on any Interest Payment Date in respect of the Most Senior Class of Notes or, following redemption in full of the Notes, any Residual Certificate Payment due in respect of the Residual Certificates (and such default is not remedied within 14 Business Days of its occurrence); (b) the Issuer defaults in the payment of principal on the Most Senior Class of Notes when due, and such default continues for a period of 7 Business Days; the Issuer (c) fails to perform or observe any of its other material obligations under the Conditions, the Residual Certificates or the Transaction Documents and such failure continues for a period of 30 calendar days following written notice from the Note Trustee or any other Secured Creditors;	If an Event of Default has occurred and is continuing, the Note Trustee at its absolute discretion may, and, if so directed by the (i) holders of at least 25% in aggregate Outstanding Note Principal Amount of the Most Senior Class of Notes or if so directed by an Extraordinary Resolution of the Most Senior Class of Notes at the relevant date; or (ii) following redemption in full of the Notes, holders of at least 25% in number of the Residual Certificates then in issue or if so directed by an Extraordinary Resolution of the Certificateholders (subject, in each case, to the Note Trustee being indemnified and/or secured and/or prefunded to its satisfaction), will give a Note Acceleration Notice to the Issuer, the Security Trustee, the Account Bank, the Cash Manager and the Paying Agent declaring the Notes and any Residual Certificate Payments pursuant to the Residual Certificates due and payable and each Note will accordingly become immediately due and payable, without further action or formality, at its Outstanding Note Principal Amount together with accrued interest (in the case of the Notes).

	(c) an Insolvency Event occurs in respect of the Issuer; or (d) the Deed of Charge (or any security interest purported to be created thereunder) shall, for any reason, cease to be in full force and effect or be declared to be null and void, or the validity or enforceability thereof shall be contested by the Issuer or the Issuer shall deny that it has any or further liability or obligation under the Deed of Charge (or with respect thereto).	Following the delivery of a Note Acceleration Notice, the Notes will be automatically declared to be immediately due and payable and the Security Trustee shall, subject to being indemnified and/or secured and/or prefunded to its satisfaction, have the right to enforce the Security.
Cash Manager Termination Events	The occurrence of any of the following in relation to the Cash Manager: (a) the Cash Manager fails to instruct a deposit or payment, when such instruction is required to be made by it under the Cash Management Agreement, and such failure remains unremedied for three Business Days (where capable of remedy) following the Cash Manager having actual knowledge of, or being notified in writing of, such failure; or (b) a default is made by the Cash Manager in the performance or observance of any of its other covenants and obligations under the Cash Management Agreement, which in the	Following the occurrence of a Cash Manager Termination Event, the Issuer may terminate the appointment of the Cash Manager under the Cash Management Agreement provided that a Replacement Cash Manager is appointed in its place.

		opinion of the Note Trustee as notified to the Security Trustee is materially prejudicial to the interests of the Noteholders of the Most Senior Class and, where capable of remedy, such default continues unremedied for a period of 30 Business Days after the earlier of the Cash Manager having actual knowledge of such default and receipt by the Cash Manager of written notice from the Issuer or the Security Trustee, as applicable, requiring the same to be remedied; or	
	(c)	it is or will become unlawful for the Cash Manager to perform or comply with any of its obligations under the Cash Management Agreement; or	
	(d)	an Insolvency Event occurs in respect of the Cash Manager.	

LEGAL AND REGULATORY CONSIDERATIONS

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

Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories, known as the European Market Infrastructure Regulation (together with any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators and as amended, including by Regulation (EU) 2019/834 ("**EMIR REFIT**")) ("**EU EMIR**") came into force on 16 August 2012. Much of the detail in respect of the obligations under EU EMIR is specified further in Regulatory Technical Standards ("**RTS**") and Implementing Technical Standards ("**ITS**"), which have come into effect since August 2012 on a rolling basis (together, the "**Adopted Technical Standards**"). EU EMIR (including the Adopted Technical Standards) forms part of UK domestic law by virtue of the EUWA and a number of statutory instruments, which also made amendments to the UK version of EU EMIR ("**UK EMIR**").

UK EMIR prescribes a number of regulatory requirements in respect of OTC derivative contracts including (i) a mandatory clearing obligation for certain classes of OTC derivatives contracts (the "**Clearing Obligation**") through an authorised central counterparty (a "**CCP**"), (ii) the reporting of all derivative contracts to a trade repository (the "**Reporting Obligation**") and (iii) certain risk mitigation requirements in relation to OTC derivative contracts that are not centrally cleared, including the requirement to post initial and variation margin.

For the purposes of satisfying the Clearing Obligation, UK EMIR requires derivative counterparties to become a clearing member of a CCP or a client of a clearing member or to otherwise establish indirect clearing arrangements with a clearing member. Each derivative counterparty will be required to post both initial and variation margin to the clearing member (which in turn will itself be required to post margin to the CCP). UK EMIR requires CCPs to only accept highly liquid collateral with minimal credit and market risk, which is defined in the Adopted Technical Standards to include cash in certain currencies, gold and highly rated government bonds.

The extent to which the Clearing Obligation, the Reporting Obligation and the risk mitigation requirements apply to counterparties to derivatives trades depends on the type of counterparty. On the basis of the Adopted Technical Standards, which set out the clearing thresholds, and UK EMIR, the Issuer should be treated as a non-financial counterparty whose trading is below the specified thresholds (an "**NFC-**") for the purposes of UK EMIR. The Issuer is therefore not subject to the Clearing Obligation and is subject to fewer risk mitigation techniques under the risk mitigation requirements. The Issuer will still be subject to the Reporting Obligation, but such obligations will, in respect of the Swap, be fulfilled on its behalf by the Swap Provider.

The regulatory framework relating to derivatives is set not only by EU EMIR and UK EMIR but also by Directive 2014/65/EU on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (as amended) (together known as "**EU MiFID II**") and Regulation (EU) No 600/2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 ("**EU MiFIR**" and, together with EU MiFiD II, "**EU MiFID II / MiFIR**"), which entered into force on 2 July 2014. EU MiFiD II / MiFIR applied from 3 January 2018. The EU MiFID II framework was transposed and implemented in the UK by a combination of HM Treasury legislation and FCA and PRA Handbook rules, and EU MiFIR as applicable in the UK before IP Completion Time now forms part of UK domestic law by virtue of the EUWA

("**UK MiFID II / MiFIR**"). Amongst other requirements, UK MiFIR requires certain sufficiently liquid and standardised derivatives that have been declared subject to the Clearing Obligation to be traded on a regulated market, multilateral trading facility, organised trading facility or third country trading venue granted equivalence status by the European Commission (the "**Trading Obligation**"). On the basis that it is unlikely that the swap transaction under the Swap Agreement will be sufficiently standardised and liquid, it should not be subject to the Trading Obligation.

Basel Capital Accord and regulatory capital requirements

A regulatory capital framework was published by the Basel Committee on Banking Supervision (the "**Basel Committee**") in 2006 ("**The Basel II framework**") and the implementation of the framework and subsequent changes to the framework in relevant jurisdictions may affect the risk-weighting of the Notes and the Residual Certificates for investors who are or may become subject to capital adequacy requirements that follow the framework.

The Basel Committee has 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 Basel III framework has been incorporated 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 Directives 2006/48/EC and 2006/49/EC (Capital Requirements Directive – "**CRD**") and the EU CRR (known as the "**CRD IV-Package**") which generally entered into force in the EU on 1 January 2014.

On 1 October 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 the Council (the "**LCR Regulation**") entered into force. 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 shall 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, although in the UK the PRA has provided some guidance as to its expectations for firms managing liquidity and funding risks, given the lack of EU-level guidance on the interpretation of the LCR Regulation, no assurance can be given as to whether the Notes or the Residual Certificates qualify as high quality liquid assets in each participating EU Member State and the Issuer makes no representation as to whether such criteria are met by the Notes or the Residual Certificates.

On 27 June 2019, a new Regulation amending the EU CRR ("**EU CRR II**") and a new Directive amending the CRD ("**CRD V**") (together, the "**Banking Package**") entered into force, although the various provisions of the Banking Package (referred to below) entered, or will enter, into application in stages between June 2019 and 2023. The Banking Package includes, inter alia, the

following key measures: a leverage ratio requirement for all institutions as well as a leverage ratio buffer for all global systemically important institutions, a net stable funding requirement and revised rules on capital requirements for counterparty credit risk and for exposures to central counterparties. The changes under the Banking Package may have an impact on the capital requirements in respect of the Notes and the Residual Certificates and/or on incentives to hold the Notes and the Residual Certificates 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 or the Residual Certificates.

Some but not all of the EU law referred to above has been implemented in the UK. The initial aim of the UK regulators was to implement the remaining Basel III standards on 1 January 2023. However, on 30 November 2022 each of HM Treasury and the PRA published a consultation on these reforms. In October 2021, the PRA published a policy statement on its final rules implementing Basel standards that were implemented in the EU through EU CRR II. The Financial Services Act 2021 (Prudential Regulation of Credit Institutions and Investment Firms) (Consequential Amendments and Miscellaneous Provisions) Regulations 2021 (the "**FSA Regulations 2021**") were published in December 2021 and entered into force on or before 1 January 2022. The FSA Regulations 2021 made consequential amendments to primary and secondary legislation, as well as to retained EU legislation, relating to the UK implementation of certain standards developed by the BCBS that were implemented in the EU through CRR II and the introduction of the Investment Firms Prudential Regime (IFPR) for FCA investment firms. Further consequential amendments have since been introduced by the Financial Services Act 2021 (Prudential Regulation of Credit Institutions and Investment Firms) (Consequential Amendments and Miscellaneous Provisions) Regulations 2022, which came into force on 17 August 2022.

Delegated Regulation (EU) 2018/1620 amending the LCR Regulation (the "**Delegated Regulation**") entered into force on 19 November 2018 and applied directly from 30 April 2020. The Delegated Regulation provides for (i) alignment of the calculation of the expected liquidity outflows and inflows on repurchase agreements, reverse repurchase agreements and collateral swaps with the international liquidity standard developed by the Basel Committee; (ii) an amended treatment of certain reserves held with third-country central banks and (iii) qualification of exposures to securitisations which qualify as simple, transparent and standardised securitisations in accordance with the EU Securitisation Regulation as Level 2B high quality liquid assets, if they additionally fulfil the conditions laid down in Article 13 of the LCR Regulation.

The BCBS also approved changes after 7 December 2017, referred to as Basel IV. The implementation date of most of the Basel IV reforms has been postponed until January 2025 and full implementation is expected from 1 January 2030. National implementation of the Basel IV reforms may vary those reforms and/or their timing. The Basel IV reforms, which include revisions to the credit risk framework in general and the securitisation framework in particular, have not yet been legislated for in the UK. The European Commission published legislative proposals implementing the Basel IV reforms on 27 October 2021. The UK authorities have stated that they will work towards a UK implementation timetable of the Basel IV reforms consistent with the 1 January 2025 implementation date.

The BCBS continues to work on new policy initiatives. The implementation of the Basel III and Basel IV reforms, and any new policy initiatives, may result in increased regulatory capital and/or other prudential requirements in respect of securitisation positions. It should also be noted that other types of investor, in addition to banks, may be subject to regulatory rules that impose

requirements in respect of an investment in the Notes or the Residual Certificates, and those rules may be derived from a framework other than Basel. Which rules apply will depend on the jurisdiction in which an investor operates and the type of activities for which it is regulated. For example insurance and reinsurance undertakings incorporated in the European Economic Area and (by virtue of the EUWA) in the UK are subject to the Solvency II regulatory framework. Changes to any prudential requirements may be implemented during the life of the Notes and the Residual Certificates. In particular, it should be noted that the UK authorities have announced that the Solvency II framework in the UK will be reformed. On 20 July 2021, the PRA launched a qualitative impact study to assist its analysis of potential reform options and on 7 November 2022 published a consultation paper to consult on a package of reforms. Investors should consider the requirements imposed by any such regulatory rules as part of their assessment of whether to invest in the Notes or the Residual Certificates.

In general, investors should consult their own advisers as to the regulatory capital requirements in respect of an investment in the Notes or the Residual Certificates and as to the consequences to and effect on them of any changes to the relevant regulatory framework (including the changes described above). No predictions can be made as to the precise effects of such matters on any investor or otherwise.

Transparency requirements

The originator, the sponsor and any securitisation special purpose entity of a securitisation are required to designate one of them as the "reporting entity" to fulfil the UK Securitisation Regulation and/or EU Securitisation Regulation's reporting requirements in Article 7. Pursuant to the Cash Management Agreement, Blue and the Issuer have designated the Issuer as the reporting entity for the purposes of the Transaction. The Issuer has appointed the Servicer to perform all of the Issuer's obligations under Article 7 of the UK Securitisation Regulation and under its contractual undertakings in respect of Article 7 of the EU Securitisation Regulation. The Seller, as the originator, is responsible for compliance with Article 7 of the UK Securitisation Regulation pursuant to Article 22(5) of the UK Securitisation Regulation.

Under Article 7 and (because the Transaction is intended to qualify as an STS Securitisation under the UK Securitisation Regulation) Article 22 of the UK Securitisation Regulation and under Article 7 of the EU Securitisation Regulation, if the EU Securitisation Regulation applied to the Transaction, certain Transaction Documents and the Prospectus are (or would be) required to be made available to investors before pricing (and, under Article 5(1)(e) of the UK Securitisation Regulation, institutional investors which are subject to the UK Securitisation Regulation are required to verify that the originator or issuer has, where applicable, made available the information required by Article 7 of the UK Securitisation Regulation; the same requirements apply under Article 5(1)(e) of the EU Securitisation Regulation). It is not possible to make final documentation available before pricing and so Blue as Servicer (acting on behalf of the Seller) has made draft documentation available in substantially final form (which may be subject to change following pricing) by way of the Reporting Website. Such Transaction Documents in final form will be available on and after the Closing Date. The Reporting Website and its contents do not form part of this Prospectus.

Article 7 and Article 22 of the UK Securitisation Regulation and Article 7 of the EU Securitisation Regulation also include ongoing reporting obligations to holders of a securitisation position, to the relevant competent authorities and, upon request, to potential investors, which include quarterly loan level disclosure, quarterly investor reports, any inside information relating to the

securitisation that the reporting entity is obliged to make public under (as applicable) the Market Abuse Regulation (Regulation (EU) No 596/2014) ("**EU MAR**") or the Market Abuse Regulation (Regulation (EU) No 596/2014) as it forms part of UK domestic law by virtue of the EUWA ("**UK MAR**"), and, where applicable, information on "significant events". The loan reports and the investor reports are to be made available simultaneously on a quarterly basis and at the latest one month after each interest payment date. Disclosures relating to any inside information or significant events are required to be made available "without delay".

Certain disclosure regulatory technical standards relating to the EU Securitisation Regulation were adopted and published by the European Commission on 16 October 2019 and came into force on 23 September 2020. These have been incorporated into UK domestic law by virtue of the EUWA.

Any failure by the Issuer, as the reporting entity, or by Blue (to the extent either of them is required to provide the relevant information) to fulfil the transparency requirements under the UK Securitisation Regulation applicable to them or covenants relating thereto may cause the transaction to be non-compliant with the UK Securitisation Regulation. Any failure by the Issuer or Blue to fulfil its contractual undertakings in relation to certain transparency requirements under the EU Securitisation Regulation may cause the transaction reporting to be inconsistent with those requirements of the EU Securitisation Regulation.

Simple, transparent and standardised securitisation

Although the Transaction has been structured to comply with the requirements for simple, transparent and standardised securitisations transactions as set out in Articles 20, 21 and 22 of the UK Securitisation Regulation and is expected to be assessed as such by PCS on the Closing Date, no guarantee can be given that it achieves that status or maintains that status throughout its lifetime. Please refer to the section entitled "*RISK FACTORS – General Legal Considerations – Simple, transparent and standardised securitisation*" for further details.

Article 243 of the UK CRR

For the purposes of Article 243 of the UK CRR, at the time of inclusion in the Transaction, under the "Standardised Approach" and taking into account any eligible credit risk mitigation, to the best of the Issuer and Blue's knowledge, each Receivable has a risk weight equal to or smaller than 75 per cent. on an individual exposure basis for the Portfolio as determined in accordance with the rules of the UK CRR.

Consumer Credit Act 1974

The regulatory framework for consumer credit activities in the UK consists of FSMA and its secondary legislation, including the Financial Services and Markets Act (Regulated Activities) Order 2001 (the "**RAO**"), retained provisions in the CCA, and rules and guidance in the FCA Handbook, including the Consumer Credit sourcebook. Article 60B of the RAO defines a regulated credit agreement as an agreement between an individual (which includes certain small partnerships and certain unincorporated associations) ("**A**") and any other person ("**B**") under which B provides A with credit of any amount and which is not an exempt agreement under articles 60C to 60HA of the RAO.

The application of the consumer credit regime to the HP Agreements (which are all regulated credit agreements) will have several consequences, including the following:

(a) **Authorisation and Origination**

Blue has to comply with authorisation and permission requirements and each HP Agreement must comply with origination requirements. If they do not comply with those requirements and the HP Agreement was made on or after 6 April 2007, then it is unenforceable against the Obligor: (a) without an order of the FCA or the court (depending on the facts), if Blue or any credit broker (such as a Dealer) did not hold the required licence or authorisation and permission at the relevant time; or (b) without a court order, if other origination requirements as to pre-contract disclosure, documentation and procedures are not complied with and, in exercising its discretion whether to make the order, the court will have regard to any prejudice suffered by the Obligor and any culpability by the lender.

(b) **Right to Withdraw**

The Obligor has a right to withdraw from the relevant HP Agreement (subject to certain exceptions). The Obligor may send notice to withdraw at any time during the 14 days starting with the day after the relevant day according to the origination procedures (i.e. the relevant day is the day on which the Obligor receives notice that the agreement has been executed in accordance with sections 66A(3)(c) and 61A(3) of the CCA). If the Obligor withdraws, then: (a) the Obligor is liable to repay to Blue any credit provided and the interest accrued on it; and (b) the Obligor is not liable to pay Blue any compensation, fees or charges except any non-returnable charges paid by Blue to a public administrative body.

(c) **Variation and Provision of Information**

Blue or any successor Servicer (as applicable) must comply with specific requirements regarding variation of the relevant HP Agreement and the provision of certain information in relation to the relevant HP Agreement. Failure to comply with such requirements could result in the HP Agreement being unenforceable against the Obligor in certain circumstances.

(d) **Voluntary Terminations**

At any time before the last payment falls due in respect of the relevant HP Agreement, the Obligor may terminate the agreement by giving notice, where they wish to return the Vehicle. Obligors do not have to state a reason for exercising their rights. Generally Obligors 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. On notification, the Obligor must return the Vehicle, at their own expense, to an address as reasonably required by Blue, together with everything supplied with the Vehicle.

In such a case Blue is entitled to:

(i) all arrears of payments due and damages incurred for any breach of the HP Agreement by the Obligor prior to such termination;

(ii) the amount (if any) required to bring the sum of all payments made and to be made by the Obligor for the Vehicle up to one-half of the total amount payable for the Vehicle (including any deposit);

(iii) possession of the relevant Vehicle; and

(iv) any other sums due but unpaid by the Obligor under the HP Agreement.

Following the Voluntary Termination of an HP Agreement, Blue will take possession of the relevant Vehicle and will sell such Vehicle in accordance with the Credit and Collection Procedures. The proceeds from the sale of the Vehicle do not change the amounts owed by the Obligor under paragraphs (i) and (ii) above. Blue will apply any proceeds from the sale of the Vehicle (net of the sale costs) to reduce the difference between the Obligor's liability under paragraphs (i) and (ii) above and the total amount payable under the HP Agreement. Any shortfall thereafter will be written off (and any surplus will be for the benefit of Blue).

(e) **Early Settlement of HP Agreements**

Each Obligor is entitled to terminate the relevant HP Agreement, and to keep the Vehicle, by giving notice and paying Blue the amount payable on early settlement. The amount payable by the Obligor on early settlement of the HP Agreement (whether on such termination by the Obligor, or on termination by Blue for repudiatory breach by the Obligor (see sub-paragraph (f) below), or otherwise) is restricted under the CCA. Further, the Consumer Credit (Early Settlement) Regulations 2004 (the "**Early Settlement Regulations**") provide for an Obligor to be entitled to a rebate from Blue in certain circumstances on early settlement. Obligors may also make partial early repayments at any time, subject to taking certain steps outlined in section 94 of the CCA. The provisions in relation to partial early settlement are largely the same as for full early settlement.

(f) **Termination of HP Agreements**

Blue has the right to terminate the HP Agreement in the event of an unremedied material breach of the agreement by the Obligor. In such case Blue is entitled to repossess the Vehicle and recover either:

(i) all arrears of payments due and damages incurred for any breach of the HP Agreement by the Obligor prior to such termination;

(ii) all Blue's expenses of recovering or trying to recover the Vehicle, storing it and tracing the Obligor and any shortfall relating to the sale or other disposal of the Vehicle (including all expenses of sale); and

(iii) any other sums due but unpaid by the Obligor under the HP Agreement less a rebate calculated pursuant to the provisions of the Early Settlement Regulations (see sub-paragraph (d) above),

or such lesser amount as a court considers will compensate Blue for its loss.

However, where the Obligor 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.

Court decisions have conflicted on whether the amount payable by an obligor on termination by the lender (for example, for repudiatory breach by the obligor) is restricted to the amount calculated by the one-half formula for termination by the obligor. The HP Agreements provide that the amount payable by the Obligor on termination by Blue is the outstanding balance of the total amount payable under the HP Agreement less any statutory rebate for early settlement, and (unless Blue elects to transfer ownership of the Vehicle to the Obligor under certain HP Agreements) less any net proceeds of sale of the Vehicle.

(g) **Power to grant relief**

The court has power to give relief to the Obligor. For example, the court may: (a) make a time order, giving the Obligor time to pay arrears or to remedy any other breach; (b) impose conditions on, or suspend, any order made by the court in relation to the HP Agreement; and (c) amend the HP Agreement in consequence of a term of an order made by the court under the CCA.

(h) **Bona fide purchaser**

A disposition of the Vehicle by the Obligor to a bona fide private purchaser without notice of the HP Agreement will transfer to the purchaser Blue's title to the Vehicle.

(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 customer. If the court makes the determination, then it may make an order, among other things, requiring the lender, or any assignee of the lender's rights (such as, in the case of the HP Agreements, the Issuer), to repay any sum paid by the obligor. In deciding whether to make the determination, 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. The Supreme Court gave general guidance in respect of unfair relationships in Plevin v Paragon Personal Finance Ltd [2014] 1 WLR 4222, but explained that it is not possible to state a precise or universal test for an unfair relationship, which must depend on the court's judgment of all the relevant facts. The Supreme Court acknowledged that what must be unfair is the relationship between the customer and the lender, not, for example, the terms of the contract between them (although allegations of an unfair term may also form the basis of a claim that the relationship between the lender and customer is unfair). Whilst the court is concerned with hardship to the customer, there may be features which operate harshly against the customer but do not necessarily make the relationship unfair because the features in question may be required in order to protect a legitimate interest of the lender. The

Supreme Court also clarified that mere compliance with the relevant regulatory rules by a creditor (or a person acting on behalf of a creditor) does not necessarily preclude a finding of an unfair relationship, 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 legal and regulatory requirements. Once an obligor alleges that an unfair relationship exists, the burden of proof is on the lender to prove the contrary.

(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 other things, 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 other things, 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 Obligors, which may adversely affect the value at which the HP Agreements in the Purchased Receivables could be realised and accordingly the ability of the Issuer to meet its obligations under the Notes and the Residual Certificates. In a policy statement released in March 2019 (PS 19/8), the FCA introduced rules increasing the maximum level of compensation which can be awarded by the Financial Ombudsman Service. Taking into account the annual adjustment for inflation, from 1 April 2023, the maximum amount of compensation which can be awarded by the Financial Ombudsman Service is (i) £415,000 for complaints about acts or omissions by firms which took place on or after 1 April 2019 and (ii) £190,000 for complaints about acts or omissions by firms which took place before 1 April 2019. For any complaints referred to the Financial Ombudsman Service between 1 April 2022 and 31 March 2023, the award limit will remain at £375,000 and £170,000, respectively. It is not possible to predict how any future decision(s) of the Financial Ombudsman Service would affect the Issuer's ability to make payments in full when due on the Notes.

(k) **Private rights of action under the FSMA**

An Obligor who is a private person may be entitled to claim damages for loss suffered as a result of any contravention by an FCA authorised person of a rule under the FSMA including rules in CONC, which transposed certain requirements previously made under the CCA and in the Office of Fair Training (the "**OFT**") guidance. The Obligor may set off the amount of the claim for contravention of CONC rules (under the HP Agreement or any other credit agreement they have taken out with Blue) against the amount owing under the HP Agreement (or exercise analogous rights in Scotland).

(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 under Section 382 of FSMA and to implement consumer redress schemes under Section 404 of FSMA.

(m) **Servicing requirements**

Blue, or any subsequent Servicer (as applicable), has to comply with certain post-contractual information requirements, including those under the CCA. Failure by a lender to comply with these requirements can 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 notices (although any such unenforceability may be cured prospectively by the lender complying with requirements as to periodic statements, arrears notices and default 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).

(n) **Interpretation of technical rules**

Blue 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 HP Agreement may be unenforceable, as described above. 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 simply enforceable, until such time as those defects were raised by the obligor 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 sections 77 and 78 of the CCA, steps which fell short of obtaining a court judgment against the obligor were not “enforcement” within the meaning of the CCA.

Liability for misrepresentations and breach of contract – HP Agreements

Blue is liable to an Obligor for pre-contractual statements to the Obligor by a credit-broker, such as a Dealer, in relation to the Vehicle which is the subject-matter of the HP Agreement. This liability applies for example, to the Dealer’s promise to the Obligor 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 any such pre-contractual statement is a misrepresentation or implied condition in the HP Agreement, then the Obligor is entitled to, amongst other things, rescind the contract and return the Vehicle, and to treat the contract as repudiated by Blue and accept such repudiation by notice, and is not liable to make any further payments, and may claim repayment of the amounts paid by the Obligor under the contract and damages such as the cost of hiring an alternative vehicle. The Obligor may set-off the amount of any such money claim (under the HP Agreement or any other credit agreement they have taken

out with Blue) against the amount owing by the Obligor under the HP Agreement (or exercise analogous rights in Scotland). In such event, Blue would normally have a claim against the Dealer for breach of its operating agreement with Blue.

Obligors acting for purposes that are wholly or mainly outside that Obligor's trade, business, craft or profession are protected under the Consumer Rights Act 2015 (the "**CRA15**"). This includes a statutory right that the goods should be of satisfactory quality, fit for their intended purpose and as described.

Under the Dealer's operating agreement and offer and warranty with Blue, the Dealer has given a corresponding warranty to Blue that the Vehicle is of satisfactory quality and in the above circumstances Blue would normally have a claim against the Dealer for any losses incurred by Blue as a result of a breach of such warranty.

Protected Goods

If, under an HP Agreement, the Obligor has paid Blue one-third or more of the total amount payable under the relevant HP Agreement, the Vehicle becomes "protected" pursuant to section 90 of the CCA and Blue is not entitled to repossess it, unless Blue first obtains an order from the court to this effect. If, however, the Obligor terminates the HP Agreement, the Vehicle ceases to be "protected" and Blue may effect repossession unless the court grants the Obligor a "time order" rescheduling the Obligor's outstanding liabilities under the HP Agreement, or otherwise exercises any other discretion which it may have under the CCA.

Consumer Protection Legislation Framework

(a) **The Consumer Rights Act 2015**

The CRA15 applies in relation to the HP Agreements involving consumers (meaning an individual acting for purposes that are wholly or mainly outside that individual's trade, business, craft or profession). An Obligor who is a consumer may challenge a term in an HP Agreement on the basis that it is "unfair" within the meaning of the CRA15 and therefore not binding on the Obligor. It is also generally the duty of the court to consider the fairness of any given term in proceedings before that court even if neither of the parties to the proceedings have raised the issue of fairness.

A term shall be regarded as unfair under the CRA15 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. The CRA15 also applies substantially the same test of fairness to consumer notices and generally refers to terms and notices interchangeably. It should be noted that there is no strict definition as to what will constitute an "unfair" term, although Schedule 2 to the CRA15 provides a (non-exhaustive) "grey list" of terms that may potentially be deemed to be unfair. In determining whether a term is fair it is necessary to: (i) take into account the nature of the subject matter of the contract; (ii) refer to all the circumstances existing when the term was agreed; and (iii) refer to all of the other terms of the contract or any other contract on which it depends.

A term of a consumer contract may not be assessed for fairness to the extent that (i) it specifies the main subject matter of the contract; and/or (ii) the assessment is of the

appropriateness of the price payable under the contract by comparison with the goods, digital content or services supplied under it, unless the term appears on the "grey list" referenced above. A trader must ensure that a written term of a consumer contract, or a consumer notice in writing, is transparent i.e. that it is expressed in plain and intelligible language and is legible. A trader must also ensure that the term is sufficiently prominent. The Competition and Markets Authority (the "**CMA**") considers this to be fully consistent with an interpretation of 'the core exemption' as intended to ensure that only those 'principal obligations' or price terms which are subject to the correcting forces of competition and genuine decision-making are fully assessable for fairness.

Where a term of a consumer contract is "unfair", it will not bind the consumer (although a consumer may rely on the term if the consumer chooses to do so). However, the remainder of the contract will, so far as practicable, continue to have effect. Where a term in a consumer contract is susceptible of different meanings, the meaning most favourable to the consumer will prevail.

The CMA is the UK's national competition and consumer authority and therefore the principal enforcer of the CRA15. However, the CMA and FCA concurrently supervise unfair terms under the CRA15. There is a Memorandum of Understanding dated July 2019 that outlines the nature of this arrangement. Importantly, the Memorandum of Understanding clarifies that it is the FCA's responsibility to consider fairness within the meaning of the CRA15 in financial services contracts entered into by authorised firms or appointed representatives and take action where appropriate.

Ultimately, only a court can decide whether a term is fair; however, it will take into account any relevant guidance published by the CMA or the FCA. The FCA has published guidance (FG18/7 "Fairness of variation terms in financial services consumer contracts under the Consumer Rights Act 2015") on how it interprets the CRA15 in respect of variation clauses. This guidance places significant emphasis on transparency, and the need for consumers to be able to foresee the nature of possible changes and the reasons for making them. It also provides a list of factors that the FCA considers relevant to any assessment of fairness. The FCA will also consider the terms of agreements, and how the terms are applied in light of its "Treating Customers Fairly" principle. In particular, it will look at whether satisfactory outcomes have been achieved for customers.

CRA15 contains protections for conditional sale and hire purchase agreements, whereby a customer may in certain circumstances rescind the contract and return goods for certain breaches (including of terms implied by the CRA as to title, description and quality or fitness of goods).

BEIS consultation on reforming competition and consumer policy

On 20 July 2021, the department for Business, Energy & Industrial Strategy ("**BEIS**") published a consultation entitled "*Reforming Competition and Consumer Policy: Driving growth and delivering competitive markets that work for consumers*". This contained a number of proposals for changes to consumer protection law, not all of which will be relevant to the consumer credit regime. However, the consultation sought views on what changes could be made to existing consumer protection legislation – including the CRA15 – to remove red tape for businesses while maintaining consumer protection (without making any specific suggestions in the consultation as to what might be changed). BEIS

published its response in April 2022 and intends to take forward some amendments to the existing consumer protection regime and also strengthen the enforcement regime. As many of these reforms require legislation, the timing of implementation is uncertain.

(b) **Consumer Protection from Unfair Trading Regulations**

The Consumer Protection from Unfair Trading Regulations 2008 (the "**Consumer Protection Regulations**") prohibit unfair, aggressive and misleading business-to-consumer commercial practices before, during and after a consumer contract is made. Breach of the Consumer Protection Regulations does not (of itself) render an agreement void or unenforceable, but the possible liabilities for misrepresentation or breach of contract in relation to agreements may result in irrecoverable losses on amounts to which such agreements apply. The Consumer Protection (Amendment) Regulations 2014 amended the Consumer Protection Regulations (with effect from 1 October 2014) so as to give consumers a right to redress for certain prohibited practices, including a right to unwind agreements.

The Consumer Protection Regulations require the CMA 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 addresses unfair practices in its regulation of consumer finance.

(c) **Breathing Space Regulations and SDRP**

On 17 November 2020, the Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020 (the "**Breathing Space Regulations**") were implemented, creating a new breathing space moratorium from 4 May 2021. The scheme allows individuals in England and Wales struggling with problem debt an extra 60 days to get their finances under control, while they receive debt advice via professional debt advice providers in order to enter an appropriate debt solution. An individual will be able to access a breathing space moratorium once in each 12 month period. The Breathing Space Regulations also provide for an alternative means to access the protections of a moratorium where individuals are receiving mental health crisis treatment. In that case, individuals will be entitled to the protections of the mental health crisis moratorium for the duration of their crisis treatment plus 30 days.

No interest and fees on moratorium debts can be charged and almost all enforcement action will be paused during the moratorium period. However, individuals will not be protected from enforcement action on any debts arising from a failure to pay ongoing household liabilities such as rent or mortgage payments. The scheme will include almost all personal debts except for secured debts. However, arrears owed under secured agreements, such as the HP Agreements, are eligible for inclusion in a moratorium.

In Scotland, eligible individuals are afforded similar legal protection under the Bankruptcy (Scotland) Act 2016 although the moratorium period of 6 months is longer than in England and Wales and does not make any accommodation for mental health crisis.

In addition to the breathing space and mental health crisis moratoria, on 13 May 2022 HM Treasury published a consultation and draft regulations (the Debt Respite Scheme (Statutory Debt Repayment Plan etc) (England and Wales) Regulations 2022) (the "**Draft**

DRS Regulations") to implement a statutory debt repayment plan (the "**SDRP**"). The SDRP would give those with unmanageable debts the ability to enter a statutory plan to repay their debts to a more manageable timeframe (up to ten years) with protections from creditors for the duration of the plan. SDRPs will only be accessible through the debt advice function of a local authority or from private debt advice providers authorised by the FCA. Any debt or liability owed by the debtor when applying for the SDRP will be a "qualifying debt" unless it is a "non-eligible debt". Some types of non-eligible debts are mandatorily excluded from an SDRP but this is not expected to include motor finance agreements as the scope is likely to be the same as the Breathing Space Regulations. While an SDRP is in effect, creditors cannot take enforcement steps in respect of a qualifying debt. HM Treasury published its consultation response in November 2022. The original intention of the UK government was to lay the SDRP regulations by the end of 2022. However, having reflected on feedback, the government has determined to delay the implementation of the Draft DRS Regulations and explained that no decision on reform has been made at this stage. The government has explained that it will base further decisions on the future of the SDRP on the outcomes of the government's review of the personal insolvency framework, led by the Insolvency Service.

FCA ongoing work in the motor finance sector

The FCA published a "Dear CEO" letter on 20 January 2020 entitled "*Portfolio Strategy: Motor Finance Providers*" setting out its supervisory strategy for the period to August 2021. Among other things, the FCA mentioned its review of the motor finance sector in the UK, the final findings of which were published in March 2019. The FCA found that commission models allowing broker discretion on interest rates had the potential for significant customer harm in terms of higher interest charges. The FCA referred in particular to 'increasing difference in charges', 'reducing difference in charges' and 'scaled' commission models, which provide strong incentives for brokers to arrange finance at higher interest rates. With such models, brokers were paid a fee which was linked to the interest rate payable by the customer. In the 'difference in charges' models, 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 was a proportion of the difference in interest charges between the actual interest rate and the minimum/maximum interest rate. The FCA's rule changes and new rules introduced a ban on such discretionary commission models. The FCA has also introduced new disclosure rules relating to commission paid by customers, which took effect on 28 January 2021.

The FCA launched its Credit Information Market Study in 2019 and an interim report and discussion paper were published in November 2022. The report on the credit information market analysed the purpose, quality and accessibility of credit information as well as the market structure, business models, competition, consumer engagement and consumer understanding of credit information. A final report is expected to be published in the third quarter of 2023. Credit information is particularly important in retail lending as it is used for assessment of credit risk and affordability as well as fraud prevention.

In May 2021, the FCA published a policy statement on FCA Handbook changes to improve competition and protect home and motor insurance customers from loyalty penalties (PS21/5). This was followed in August 2021 by a second policy statement making minor amendments to the FCA's rules (PS21/11). The policy statement also summarises the feedback received on the FCA's consultation paper (CP20/19) and its final report on its market study on general insurance pricing practices, both published in September 2020.

The amended rules consist of a package of measures, including:

(a) a requirement that, when a firm offers a renewal price to an existing customer, that price should be no greater than the equivalent new business price for a new customer;

(b) changes to the FCA's existing product governance rules to ensure firms have in place processes to provide products that offer fair value to customers;

(c) rules requiring firms to offer a range of accessible and easy options for consumers who want to cancel auto-renewal on their contracts; and

(d) reporting requirements to help ongoing supervision of the home and motor insurance markets and to help the FCA monitor firms.

The rules on systems and controls, retail premium finance and product governance came into effect on 1 October 2021. The rules on pricing, auto-renewal and reporting came into effect on 1 January 2022, though a transitional provision for the rules on pricing and auto-renewal disclosure gave firms until 17 January 2022 to put their processes in place, provided they backdated benefits to customers to 1 January 2022. The new rules superseded the FCA's guidance on the general insurance distribution chain, which was withdrawn when the new rules came into effect.

Motor finance agreements and COVID-19; FCA Tailored Support Guidance and BiFID Project

Like other regulators, the FCA introduced a wide range of measures to deal with the impact of the SARS-CoV-2 pandemic (the "**COVID-19 Pandemic**") and the impact of the laws and regulations introduced to address the COVID Pandemic. These measures included guidance for, inter alia, regulated firms that issue regulated motor finance agreements entitled "*Motor finance agreements and coronavirus: temporary guidance for firms*" (the "**FCA Payment Deferral Guidance**"). Most provisions of the FCA Payment Deferral Guidance expired on 31 July 2021, though it, and similar guidance or measures, could be re-introduced in future.

On 30 September 2020, the FCA published additional guidance for firms, including motor finance providers, on what should happen at the end of existing payment deferral granted under the FCA Payment Deferral Guidance. An updated version of this additional guidance came into force on 25 November 2020 (the "**Additional FCA Tailored Support Guidance**"). The Additional FCA Tailored Support Guidance set out the FCA's expectations on additional tailored forbearance being granted to those who remained in financial difficulties or those who were not eligible for a payment deferral under the FCA Payment Deferral Guidance.

On 27 January 2021, the FCA published finalised guidance to update paragraph 1.2 and section 6 of the Additional FCA Tailored Support Guidance to set out the FCA's expectations and proposed approach to the repossession of goods and vehicles (the Additional FCA Tailored Support Guidance, as updated, the "**FCA Tailored Support Guidance**". The FCA Tailored Support Guidance provides that firms can repossess such goods and vehicles from 31 January 2021, but this should only be done as a last resort and in accordance with all relevant government public health guidelines. The FCA Tailored Support Guidance requires firms to be able to evidence that all relevant forbearance options have been appropriately considered before commencing repossession action. Where a customer has an agreed forbearance plan in place (including a payment deferral), repossession action should not be commenced or continued. The FCA also

expects firms to exercise particular care when dealing with vulnerable customers and should carefully consider the potential impacts of repossession action on such customers.

The FCA published findings from a multi-firm review of firms' implementation of the Tailored Support Guidance on 25 March 2021, and noted that all lenders should review the FCA's findings and assure themselves that they have embedded and implemented this guidance within their firm. Although the FCA Tailored Support Guidance is expressed to apply only in the exceptional circumstances arising out of the COVID-19 Pandemic and its impact on the financial situation of consumers, it remains in force. Firms are expected to continue to use the FCA Tailored Support Guidance to support customers who are struggling financially for reasons other than the COVID-19 Pandemic. In light of the cost of living crisis, the FCA is considering consulting further on the future of the FCA Tailored Support Guidance, which may include proposals to make changes to the FCA Handbook. The FCA is proposing a consultation on the future of the FCA Tailored Support Guidance during the first half of 2023.

The FCA launched the Borrowers in Financial Difficulty Project (the "**BiFD Project**") in March 2021 to ensure firms continue to support customers in financial difficulty. As part of the BiFD Project, the FCA is monitoring, gathering insight and acting where the FCA identifies concerns at individual firms. The FCA's project work includes a series of short surveys of 500 firms which took place in July, September and November 2021 as well as deeper dives into specific areas with a smaller number of firms. Following an interim update which was published in January 2022, and also a "Dear CEO" letter which was published in June 2022 entitled "The rising cost of living – acting now to support customers" in which the FCA reminded firms of the requirement to treat borrowers fairly in accordance with existing principles, rules and guidance, in November 2022 the FCA published key findings from its review of firms' treatment of borrowers in financial difficulty. The FCA's findings can be divided into four key focus areas for lenders: (1) engaging with customers, both before they miss a payment and afterwards; (2) effectiveness of conversations with customers; (3) helping customers to consider and access money guidance and not-for-profit debt advice; and (4) fees and charges applied where customers are in arrears or payment shortfall. The FCA will continue to engage with firms to monitor how they are implementing the changes the FCA has requested and to improve outcomes for borrowers in financial difficulty. The FCA has stated that, as the cost of living rises, it expects more customers will need support from lenders.

The Woolard Review

In September 2020, the FCA's Board asked Christopher Woolard to conduct a review into change and innovation in the unsecured consumer credit market (the "**Woolard Review**"). The FCA published the findings from the Woolard Review on 2 February 2021, which include a number of recommendations including:

- the need to address issues relating to debt advice, including by working with government and other agencies to ensure there is a long-term strategy to meet expected increased demand for debt advice, to ensure that suitable debt solutions are available to people in financial difficulty and to actively support efforts to ensure sustainable funding for free debt advice; and

- in the context of credit information, the need to assess if the credit information market is enabling consumers to use credit responsibly to build their credit score and access more options, to consider introducing a mandatory reporting requirement, to consider

introducing rules requiring creditors to report to courts upon full or partial satisfaction of county court judgements, and to identify and address barriers to use of open banking data.

The FCA launched its Credit Information Market Study in 2019 and an interim report and discussion paper were published in November 2022, which took into account the recommendations of the Woolard Review. The report on the credit information market analysed the purpose, quality and accessibility of credit information as well as the market structure, business models, competition, consumer engagement and consumer understanding of credit information. A final report is expected to be published in the third quarter of 2023. Credit information is particularly important in retail lending as it is used for assessment of credit risk and affordability as well as fraud prevention.

In December 2022, HM Treasury published a consultation paper in relation to reform of the CCA which, amongst other things, considers whether the expansion of FCA rule-making powers is possible or desirable to enable the transfer of the remaining provisions out of the CCA. HM Treasury expects to publish a consultation response document in the second quarter of 2023, with the FCA expected to consult on its approach to any new rules in due course. The proposals outlined in the consultation build upon recommendations made by the FCA in its final report to HM Treasury dated March 2019 entitled "Review of Retained Provisions of the Consumer Credit Act: Final Report" as well as those addressed in the Woolard Review, which both made recommendations for a reformed regime. The Financial Services and Markets Bill ("**FSMB**") was introduced on 20 July 2022 and is currently before Parliament. If enacted, the FSMB provides for HM Treasury to implement changes to give effect to the outcomes of its Future Regulatory Framework Review, and also powers to implement the changes regarding the CCA.

FCA finalised guidance on vulnerable consumers

On 23 February 2021, the FCA published finalised guidance for firms on the fair treatment of vulnerable consumers (FG 21/1). The guidance outlines the FCA's expectations on how firms can comply with the FCA's Principles for Businesses and the overarching requirement to treat vulnerable customers fairly. In particular, the finalised guidance sets out the FCA's expectations on the following:

- Understanding the nature and scale of characteristics of vulnerability in target markets and customer base and the impact of vulnerability on consumers' needs.

- Embedding the fair treatment of vulnerable consumers across the workforce and ensuring that frontline staff have the necessary skills and capability to recognise vulnerability.

- Meeting customers' needs through the design of products and services, customer services and communications.

- Implementing processes to evaluate where vulnerable consumers' needs are not met.

All FCA firms dealing with consumers are expected to comply with this guidance and firms can expect to be asked to demonstrate to the FCA how they have complied with the guidance, including in enforcement scenarios.

In June 2022 the FCA provided an update on the progress that firms have made towards embedding the guidance and the areas where it expects to see improvement. The FCA noted that its findings will be particularly relevant to firms in how they support customers who are affected by the rising cost of living.

Consumer Duty

The FCA has published new FCA Handbook rules and guidance, together with separate non-Handbook guidance, for a "consumer duty" (the "**Consumer Duty**"), which aims to set clear and higher expectations for firms' standards of care towards "retail customers", which includes all customers other than professional clients (such as large corporates and government bodies) and eligible counterparties.

The Consumer Duty has three key elements: (1) a 'consumer principle', that 'a firm must act to deliver good outcomes for retail customers'; (2) 'cross-cutting rules', which develop and clarify the consumer principle's overarching expectations of firm conduct and set out how it should apply in practice; and (3) the 'four outcomes', a suite of rules and guidance that set more detailed expectations for firm conduct in relation to four specific outcomes for the key elements of the firm-customer relationship – 'products and services', 'price and value', 'consumer understanding' and 'consumer support'. The FCA has been clear that it sees the introduction of this Consumer Duty as a paradigm shift in the expectations of firms.

Firms will need to review their products and services during the implementation period and may need to update terms and conditions before products can continue to be sold or renewed. The relevant implementation deadline for Blue will be on 31 July 2023 (this being the implementation deadline for any existing products or services that are open for sale or renewal). Furthermore, firms' boards (or equivalent management bodies) were expected to have agreed implementation plans by the end of October 2022 and to appoint a Consumer Duty champion to ensure that the duty is discussed regularly and raised in all relevant discussions. Following implementation, firms will need to comply with the Consumer Duty on a forward-looking basis for all retail customers with existing contracts, such as the HP Agreements. The FCA has stated that it expects all firms with retail customers to fully embed the Consumer Duty into their processes and will use its regulatory tools to make this happen.

The FCA has previously considered the potential merits and unintended consequences of introducing a private right of action for breaches of the Consumer Duty. While the FCA recognised the potential benefits of a private right of action, it has decided not to provide such a right at this time; in its policy statement (PS22/9) the FCA stated that any decision to attach a private right of action to the Consumer Duty would be subject to further consultation.

On 1 March 2023, the FCA published a "Dear CEO" letter to firms providing motor finance entitled "*Implementing the Consumer Duty in the Motor Finance Providers Portfolio*", which focuses on the implementation of the Consumer Duty, setting out how it applies to motor finance providers and key issues for such providers to consider set against the four outcomes of the Consumer Duty.

For the risks associated with the above regulatory considerations, please refer to the section entitled "*RISK FACTORS – General Legal Considerations – Consumer Credit Act 1974", "RISK FACTORS – General Legal Considerations – Changes to the UK regulatory structure", "RISK FACTORS – General Legal Considerations – FCA ongoing work in the motor finance sector", and*

"RISK FACTORS – General Legal Considerations – Risks relating to other current and future regulatory developments".

RISK RETENTION AND SECURITISATION REGULATION REPORTING

Retention statement

The Seller, as originator, will, for as long as the Collateralised Notes are outstanding, (a) retain a material net economic interest of not less than 5% in the securitisation described in this Prospectus as required by Article 6(1) of the UK Securitisation Regulation (the "**UK Retention Requirement**") and (b) retain a material net economic interest of not less than 5% in the securitisation described in this Prospectus in accordance with its contractual undertaking to comply with Article 6(1) of the EU Securitisation Regulation as it exists at the Closing Date (which undertaking may fall away in certain circumstances, as noted below) (the "**EU Retention Requirement**" and, together with the UK Retention Requirement, the "**Retention Requirements**"). As at the Closing Date and while any of the Collateralised Notes remain outstanding, such interest will be comprised of an interest of no less than 5% of the nominal value of each Class of the Collateralised Notes (the "**Retained Interest**") sold or transferred to Investors on the Closing Date, in accordance with Article 6(3)(a) of the UK Securitisation Regulation and Article 6(3)(a) of the EU Securitisation Regulation as it exists at the Closing Date. Prospective investors should note that the obligation of the Seller to comply with the EU Retention Requirement is strictly contractual (and subject to certain qualifications, as noted below) and the Seller has elected to comply with such requirement in its discretion. The Seller's holding of the Retained Interest will be confirmed through disclosure in the SR Investor Report. The Seller has provided an undertaking with respect to the interest to be retained by it to the Joint Lead Managers and the Arranger in the Subscription Agreement.

Receivables have not been selected to be sold to the Issuer with the aim of rendering losses on the Receivables sold to the Issuer, measured over a period of four years, higher than the losses over the same period on comparable assets held on the balance sheet of the Seller.

The Seller has applied to the Receivables which will be transferred by it to the Issuer the same sound and well-defined criteria for credit-granting, in accordance with Article 9(1) of the UK Securitisation Regulation and in accordance with Article 9(1) of the EU Securitisation Regulation as it exists at the Closing Date, which it applies to non-securitised Receivables. In particular, the Seller has:

(a) applied the same clearly established processes for approving and, where relevant, amending, renewing and refinancing the Receivables; and

(b) effective systems in place to apply those criteria and processes in order to ensure that credit-granting is based on a thorough assessment of each Obligor's creditworthiness, taking appropriate account of factors relevant to verifying the prospect of the Obligor meeting his obligations under the related HP Agreement.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above and in this Prospectus generally for the purposes of complying with Article 5 of the UK Securitisation Regulation and/or Article 5 of the EU Securitisation Regulation and any national measures which may be relevant and none of the Issuer, Blue (in its capacity as the Seller or the Servicer), the Arranger or the Joint Lead Managers makes any representation that the information described above or elsewhere in this Prospectus is sufficient in all circumstances for such purposes.

On or after the Closing Date, Blue expects to obtain financing for the acquisition of the Retention Notes. See "*RISK FACTORS – General Legal Considerations – Certain risks in respect of the retention financing*".

Retention under the EU Securitisation Regulation

Although the EU Securitisation Regulation is not applicable to it, the Seller, as originator, undertakes (on a contractual basis) to retain a material net economic interest of not less than 5 per cent. in the securitisation in accordance with Article 6(1) of the EU Securitisation Regulation as it exists at the Closing Date (not taking into account any national measures) as if it were applicable to it, unless and until such time as:

(a) compliance with the EU Retention Requirement prevents full compliance with the UK Retention Requirement; or

(b) a competent EU authority has confirmed that the satisfaction of the UK Retention Requirement will also satisfy the EU Retention Requirement through the application of an equivalence regime or similar concept.

Reporting entity

The Issuer, as the SSPE, has been designated as the entity responsible for fulfilling the information requirements under Article 7 of the UK Securitisation Regulation pursuant to Article 7(2) of the UK Securitisation Regulation. The Issuer shall also procure the fulfilment of certain of the reporting requirements under Article 7 of the EU Securitisation Regulation as it exists at the Closing Date until such time as (i) a competent EU authority has confirmed that the satisfaction of the relevant reporting requirements under the UK Securitisation Regulation will also satisfy the relevant reporting requirements under the EU Securitisation Regulation due to the application of an equivalency regime or similar analogous concept; or (ii) compliance with the EU Securitisation Regulation prevents full compliance with the UK Securitisation Regulation. The Issuer has appointed the Servicer to perform all of the Issuer's obligations in respect of Article 7 of the UK Securitisation Regulation and Article 7 of the EU Securitisation Regulation. The Seller, as the originator, is responsible for compliance with Article 7 of the UK Securitisation Regulation pursuant to Article 22(5) of the UK Securitisation Regulation. As to the information made available to prospective investors by the Issuer, reference is made to the information set out herein and forming part of this Prospectus and to the Monthly Investor Reports that are prepared pursuant to the Servicing Agreement and the Cash Management Agreement.

For further information in relation to the provision of information, see the section entitled "*General Information*".

Reporting under the UK Securitisation Regulation

The Issuer (in its capacity as reporting entity for the purposes of Article 7(2) of the UK Securitisation Regulation) will procure the preparation of:

(a) the SR Servicer Data Tape, which shall be in, or a part of which shall be in, the form of the template set out in Annex V (*Underlying Exposures Information – Automobile*) of the UKSR RTS Delegated Regulation;

(b) the SR Investor Report in respect of the immediately preceding Calculation Period, which shall contain the information required by and in the form of Annex XII (*Investor report information – Non-ABCP securitisation*) of the UKSR RTS Delegated Regulation; and

(c) without delay, if an event occurs which constitutes inside information that the Issuer would be obliged to make public in accordance with Article 17 of UK MAR or that is a significant event (for the purposes of Article 7(1)(g) of the UK Securitisation Regulation), the SR Inside Information Report setting out details of such inside information or significant event in the form of the template set out in Annex XIV *(Inside Information or Significant Event Information – Non-Asset Backed Commercial Paper Securitisation)* of the UKSR RTS Delegated Regulation pursuant to Articles 7(1)(f) or 7(1)(g) (as applicable) of the UK Securitisation Regulation.

The Issuer will procure that the Servicer will make the information set out in paragraph (a) above available on each Interest Payment Date, and the information set out in paragraph (c) above available without delay, in each case, to (i) the Issuer, the Seller and the Swap Provider and (ii) the Noteholders, the Certificateholders, the competent authorities and, upon request, potential Noteholders and potential Certificateholders, which obligation shall be satisfied by the Servicer emailing such information to the Securitisation Repository for the Securitisation Repository to procure the publication of such information on the Reporting Website.

The Issuer will procure that the Cash Manager shall make the information set out in paragraph (b) above available to the Noteholders, the Certificateholders, the competent authorities and, upon request, potential Noteholders and potential Certificateholders by emailing such information to the Securitisation Repository for the Securitisation Repository to procure the publication of such information on the Reporting Website on each Interest Payment Date.

The Reporting Website conforms to the requirements set out in Article 7(2) of the UK Securitisation Regulation. For the avoidance of doubt, the website and its contents do not form part of this Prospectus.

Reporting under the EU Securitisation Regulation

In addition to its reporting obligations under the UK Securitisation Regulation, the Seller, as originator, undertakes (on a contractual basis and with the understanding that the EU Securitisation Regulation does not generally apply to it) to procure the preparation of:

(a) the SR Servicer Data Tape, which shall be in, or a part of which shall be in, the form of the template set out in Annex V (*Underlying Exposures Information – Automobile*) of the EUSR RTS Delegated Regulation as it exists at the Closing Date;

(b) the SR Investor Report in respect of the immediately preceding Calculation Period, which shall contain the information required by and in the form of Annex XII (*Investor report information – Non-ABCP securitisation*) of the EUSR RTS Delegated Regulation as it exists at the Closing Date; and

(c) without delay, if an event occurs which constitutes inside information that the Issuer would be obliged to make public in accordance with Article 17 of EU MAR or that is a significant event (for the purposes of Article 7(1)(g) of the EU Securitisation Regulation as it exists

at the Closing Date) the SR Inside Information Report setting out details of such inside information or significant event in the form of the template set out in Annex XIV *(Inside Information or Significant Event Information – Non-Asset Backed Commercial Paper Securitisation)* of the EUSR RTS Delegated Regulation as it exists at the Closing Date pursuant to Articles 7(1)(f) or 7(1)(g) (as applicable) of the EU Securitisation Regulation as it exists at the Closing Date.

provided that each of the foregoing reporting requirements shall only apply until such time as:

(i) compliance with such reporting requirements under the EU Securitisation Regulation prevents full compliance with the reporting requirements under the UK Securitisation Regulation; or

(ii) a competent EU authority has confirmed that compliance with the reporting requirements under the UK Securitisation Regulation will also satisfy such reporting requirements under the EU Securitisation Regulation.

The Issuer will procure that the Servicer will make the information set out in paragraph (a) above available on each Interest Payment Date, and the information set out in paragraph (c) above available without delay, in each case, to (i) the Issuer, the Seller and the Swap Provider; and (ii) the Noteholders, the Certificateholders, the competent authorities and, upon request, potential Noteholders and potential Certificateholders, which obligation shall be satisfied by the Servicer emailing such information to the Securitisation Repository for the Securitisation Repository to procure the publication of such information on the Reporting Website.

The Issuer will procure that the Cash Manager shall make the information set out in paragraph (b) above available to the Noteholders, the Certificateholders, the competent authorities and, upon request, potential Noteholders and potential Certificateholders by emailing such information to the Securitisation Repository for the Securitisation Repository to procure the publication of such information on the Reporting Website on each Interest Payment Date.

The Reporting Website conforms to the requirements set out in Article 7(2) of the EU Securitisation Regulation as it exists at the Closing Date. For the avoidance of doubt, the website and its contents do not form part of this Prospectus.

Article 7 and Article 22 of the UK Securitisation Regulation

For the purposes of Article 7 and Article 22 of the UK Securitisation Regulation, the Servicer (on behalf of the Seller as the originator for the purposes of the UK Securitisation Regulation) confirms and (where applicable) will make available the following information:

(a) Before pricing of the Notes, for the purpose of compliance with Article 22(1) of the UK Securitisation Regulation, the Servicer will make available to investors and potential investors information on static and historical default and loss performance, for a period of at least 5 years. In this regard, see the section "*PROVISIONAL PORTFOLIO CHARACTERISTICS AND HISTORICAL DATA*" of this Prospectus.

(b) Article 22(2) of the UK 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 12 December 2018, the European Banking Authority issued final guidelines on the STS criteria for non-ABCP securitisation stating that, for the purposes of Article 22(2) of the EU 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. These guidelines existed prior to IP Completion Time, and UK regulators have indicated that they expect firms to comply with such existing EU guidelines.

(c) Accordingly, an independent third party has performed agreed upon procedures on a sample of HP Agreements. For these purposes, a confidence level of 99% was applied. The procedures tested certain eligibility criteria as well as the consistency of data as recorded in the systems of Blue with the data as provided for in the underlying HP Agreements. The agreed upon procedures included the review of 456 loans. The characteristics of the loans which were tested included but were not limited to: Agreement Reference, Borrower Type, Borrower Post Code, Origination Date, Origination Term, Expected Maturity, Opening Balance, Loan Deposit, Interest Rate, Vehicle Make and Model, Current Outstanding Balance, Arrears Balance and Scheduled Payment Date. The independent third party has also performed agreed upon procedures on the data included in the stratification tables disclosed in respect of the underlying exposures in the section "*PROVISIONAL PORTFOLIO CHARACTERISTICS AND HISTORICAL DATA*" in order to verify that such stratification tables are accurate, as well as an agreed upon procedures review of the conformity of all the HP Agreements in the Provisional Portfolio with certain of the eligibility criteria.

(d) The independent third party undertaking the review has reported the factual findings to the parties to its engagement letters. The Seller has reviewed the reports of such independent third party and is of the view that no significant adverse findings have been found by such third party and that the data disclosed in respect of the underlying exposures is accurate. The third party undertaking the review only accepts a duty of care to the parties to its engagement letter(s) 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.

(e) Before pricing of the Notes, for the purpose of compliance with Article 22(3) of the UK Securitisation Regulation, the Servicer will make available a cashflow liability model of the transaction on the Reporting Website which precisely represents the contractual relationship between the underlying exposures and the payments flowing between the originator, investors, other third parties and the Issuer. Such cashflow model will be available after the Closing Date to investors on an ongoing basis and to potential investors on request.

(f) For the purpose of compliance with Article 22(4) of the UK Securitisation Regulation, the Seller confirms that, so far as it is aware, information on environmental performance of the Vehicles relating to the Purchased Receivables is not available to be reported

pursuant to Article 22(4). The Servicer confirms that, once information on environmental performance of the Vehicles relating to the Purchased Receivables is available and able to be reported, it will make such information available to investors on an ongoing basis in order to comply with the requirements of Article 22(4) of the UK Securitisation Regulation.

(g) For the purposes of compliance with Article 22(5), Article 7(1)(b) and Article 7(1)(c) of the UK Securitisation Regulation, the Seller will make available all underlying documents required under those sections (including this Prospectus), in draft or substantially final form before pricing of the Notes on the Reporting Website. Such underlying documents in final form will be available no later than 15 days after the Closing Date to investors on an ongoing basis and to potential investors on request.

(h) Before pricing of the Notes, in initial form, and on or around the Closing Date, in final form, for the purposes of compliance with Article 7(1)(d) of the UK Securitisation Regulation, Blue will make available the STS notification referred to in Article 27 of the UK Securitisation Regulation on the Reporting Website.

(i) In accordance with Article 7(1)(a) and (e) of the UK Securitisation Regulation, information on the Receivables that will comprise the Portfolio will be made available before pricing of the Notes and the Residual Certificates and on a monthly basis the Servicer will make available simultaneously information on the Purchased Receivables and the SR Investor Report in accordance with the relevant regulatory technical standards (which were onshored in the UK and have been, and may continue to be amended from time to time).

(j) For the purposes of Article 7(1)(f) and/or Article 7(1)(g) (as applicable) of the UK Securitisation Regulation and the disclosure obligations thereunder, the Servicer will, without delay, publish inside information or information in respect of any significant event such as (i) a material breach of the obligations laid down in the Transaction Documents, (ii) a change in the structural features that can materially impact the performance of the securitisation, (iii) a change in the risk characteristics of the transaction or the Purchased Receivables that can materially impact the performance of the securitisation, (iv) if the transaction ceases to meet the STS requirements or if competent authorities have taken remedial or administrative actions and (v) any material amendments to the Transaction Documents.

The Servicer (on behalf of the Seller as the originator for the purposes of the UK Securitisation Regulation) will make the information referred to above available to the holders of any of the Notes or the Residual Certificates, relevant competent authorities and, upon request, to potential investors in the Notes and the Residual Certificates. Any documents provided in draft form are subject to amendment and completion without notice.

Simple, transparent and standardised securitisation

Although the Transaction has been structured to comply with the requirements for simple, transparent and standardised securitisations transactions as set out in Articles 20, 21 and 22 of the UK Securitisation Regulation and is expected to be assessed as such by PCS on the Closing Date, no guarantee can be given that it achieves this status or maintains this status throughout its lifetime. Non-compliance with such status may result in higher capital requirements for investors subject to the UK CRR, as an investment in the Notes or the Residual Certificates would

not benefit from Articles 260, 262 and 264 of the UK CRR. Furthermore, such non-compliance could result in various administrative sanctions and/or remedial measures being imposed on the Issuer which may be payable or reimbursable by the Issuer. As the Priorities of Payments do not foresee a reimbursement of the Issuer for the payment of any of such administrative sanctions and/or remedial measures, the payments on the Notes and the Residual Certificates may be adversely affected.

To ensure that this Transaction will comply with future changes or requirements of any subordinate legislation which enters into force after the Closing Date, the Issuer and the Servicer will be entitled to change the Transaction Documents as well as the Conditions and the Residual Certificate Conditions, in accordance with amendment provisions in the Transaction Documents and the Conditions and the Residual Certificate Conditions, to comply with such requirements.

Information regarding policies and procedures of the Seller

The Seller has internal policies and procedures in relation to the granting of credit, administration of credit-risk bearing portfolios and risk mitigation. The policies and procedures of the Seller in this regard broadly include the following:

(a) criteria for the granting of credit and the process for approving, amending, renewing and re-financing credit, as to which please see further the section of this Prospectus headed "*THE SELLER AND THE SERVICER*";

(b) systems in place to administer and monitor the various credit-risk bearing portfolios and exposures, as to which it should be noted that the Portfolio will be serviced in line with the usual servicing procedures of the Seller – please see further the section of this Prospectus headed "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS – Servicing Agreement*";

(c) diversification of credit portfolios given the Seller's target market and overall credit strategy, as to which, in relation to the Portfolio, please see the section of this Prospectus headed "*DESCRIPTION OF THE PURCHASED RECEIVABLES*"; and

(d) policies and procedures in relation to risk mitigation techniques, as to which please see further the section of this Prospectus headed "*THE SELLER AND THE SERVICER*".

USE OF PROCEEDS

The net proceeds of the issue of the Collateralised Notes are expected to amount to GBP 245,900,000 and will be used by the Issuer to fund the Principal Element Purchase Price in respect of the Portfolio to be acquired from the Seller on the Closing Date.

The net proceeds of the issue of the Class X Notes will be used by the Issuer to:

(a) pay for the Premium Element Purchase Price in respect of the Portfolio to be acquired from the Seller on the Closing Date;

(b) fund an amount equal to the Swap Premium payable under the Swap Agreement;

(c) establish the Senior Reserve Fund through the retention of the Senior Reserve Fund Required Amount; and

(d) retain certain amounts and pay certain estimated fees and expenses of the Issuer incurred in connection with the issue of the Notes and the Residual Certificates on the Closing Date.

DESCRIPTION OF THE PURCHASED RECEIVABLES

The following is a description of the Portfolio as at the Cut-Off Date.

1. THE RECEIVABLES

The Purchased Receivables comprise claims against borrowers (and any guarantors) ("**Obligors**") in respect of payments due under HP Agreements (excluding Excluded Amounts) for the provision of credit for the purchase of new and used motor vehicles. The HP Agreements are governed by English law.

HP Agreements are a traditional method of financing a vehicle whereby the Obligor pays for the use of a Vehicle over an agreed period of time for agreed regular payments. In some cases the Obligor may pay a deposit in respect of the Vehicle but this is not necessarily a requirement. Although the Obligor is the registered keeper of the Vehicle during the hire period, Blue retains ownership (title) to the Vehicle. The HP Agreements contain provisions entitling, but not obliging, the Obligor to purchase the Vehicle at the end of the hire period upon payment of certain administrative fees; if the Obligor exercises such right, they will gain title to the Vehicle. Interest is calculated on the amount financed after any deposit has been paid. Since origination, each of the Receivables in the Portfolio has been held in a special purpose vehicle used for warehousing purposes by the Seller or a special purpose vehicle used by a third party for the purchase of receivables.

The repayment of the holders of the securitisation positions has not been structured to depend predominantly on the sale of assets securing the underlying exposures. On the Closing Date, the residual value exposure to the Portfolio will be less than 50% of the principal amount on contractual maturity, as all of the HP Agreements are fully amortising with no balloon payments.

2. THE PURCHASE PRICE

The Purchase Price will be paid by the Issuer to the Seller on the Closing Date as total consideration in respect of the Purchased Receivables comprised in the Portfolio. The Purchase Price equals the aggregate Initial Purchase Price, being the sum of the Principal Element Purchase Price and the Premium Element Purchase Price, in respect of the Receivables comprised within the Portfolio on the Cut-Off Date.

The Principal Element Purchase Price and the Premium Element Purchase Price shall be as specified in the Sale Notice dated the Closing Date but, for the purposes of determining any Final Repurchase Price, Non-Compliant Receivable Repurchase Price, Non-Permitted Variation Receivable Repurchase Price, Tax Redemption Repurchase Price or Receivables Indemnity Amount in respect of any Receivable in the Portfolio, the Principal Element Purchase Price shall be the Outstanding Principal Balance of that Receivable on the Cut-Off Date and the Premium Element Purchase Price shall be the Outstanding Principal Balance of that Receivable on the Cut-Off Date multiplied by the Premium Element Purchase Price Percentage.

The Premium Element Purchase Price will represent a premium over par for the purchase of the Portfolio and will be equal to the aggregate gross issue proceeds of the Class X

Notes to the extent that such proceeds are not otherwise applied or retained in accordance with the section of this Prospectus headed "*USE OF PROCEEDS*".

The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes issued by the Issuer are 100% collateralised by the Portfolio of Purchased Receivables and the Principal Element Purchase Price will equal the aggregate gross issue price of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes.

3. ELIGIBILITY CRITERIA

The Seller will represent and warrant to the Issuer and the Security Trustee that each Receivable to be transferred to the Issuer on the Closing Date complied with the Eligibility Criteria as at the Cut-Off Date. For the avoidance of doubt, when applying the conditions below, the Receivables have been selected randomly and not with the intention to prejudice Noteholders or Certificateholders.

"**Eligibility Criteria**" means, in respect of any Receivable (including, where relevant its Ancillary Rights) or, as the case may be, the related HP Agreement from which it is derived:

(a) The related HP Agreement was originated by Blue in the ordinary course of its business at the point of sale by a Dealer or a Broker or through a direct consumer channel in accordance with its Credit and Collection Procedures;

(b) The related HP Agreement had an original term of not less than 12 months and not more than 85 months;

(c) The trading address of the Dealer was an address in England, Wales or Scotland;

(d) The Obligor is an individual who has provided his or her most recent billing address as an address in England, Wales or Scotland;

(e) The related HP Agreement was originated using Standard Documentation;

(f) The Receivable is not an exposure in default within the meaning of Article 178(1) of the UK CRR; and, to the best of the Seller's knowledge, the Obligor related thereto is not a "credit-impaired debtor or guarantor" falling within Articles 20(11)(a), (b) or (c) of the UK Securitisation Regulation;

(g) The Receivable is not a Defaulted Receivable or a Voluntarily Terminated Receivable;

(h) The related HP Agreement provides for fixed monthly payments from the Obligor and a final payment which is not greater than the amount of any Monthly Payment preceding it, disregarding any option to purchase fees or other fees (provided the total of such fees does not exceed £250);

(i) The Receivable is denominated and payable in Sterling;

(j) As at the relevant origination date and as at the Cut-Off Date in respect of the Receivable, the Obligor is not an employee of Blue having taken out the related HP Agreement under any staff scheme or, if a corporate entity, as Affiliate of Blue;

(k) The related HP Agreement is not subject to a "modifying agreement" (as such term is defined in the CCA);

(l) Upon the execution of the Transaction Documents, no one other than the Issuer and the Secured Creditors has any beneficial entitlement to the Receivable;

(m) The related HP Agreement is freely transferable by the Seller and there is no restriction on the Seller declaring a trust over the relevant Vehicle Trust Property and the disclosure of information relating to the relevant Obligor as contemplated by, and for the purposes envisaged by, the Receivables Sale and Purchase Agreement is not contrary to relevant Data Protection Laws;

(n) Payments on the Receivable are not more than one monthly payment in arrears;

(o) The express terms of the related HP Agreement do not provide for it to be the subject of or connected with collateral protection insurance or any other ancillary insurance product (including guaranteed asset protection insurance);

(p) The Receivable has an Outstanding Principal Balance not less than £100 and not greater than £100,000;

(q) No withholding taxes are applicable to any payments made under the related HP Agreement;

(r) No stamp duty or stamp duty reserve tax is payable in connection with the transfer of the Receivable or its Ancillary Rights to the Issuer;

(s) Neither the Receivable nor any of the Ancillary Rights relating thereto is or includes stock or a marketable security (as such terms are defined for the purposes of section 122 of the Stamp Act 1891), a chargeable security (as such term is defined for the purposes of section 99 of the Finance Act 1986) or a chargeable interest (as such term is defined for the purposes of section 48 of the Finance Act 2003, section 4 of the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017 or section 4 of the Land and Buildings Transaction Tax (Scotland) Act 2013);

(t) The related HP Agreement is governed by the laws of England and Wales;

(u) As at the relevant origination date, the Obligor had executed a valid direct debit mandate in relation to the Monthly Payments and, as at the Closing Date, such direct debit arrangement will (if necessary, by way of a transfer of such direct debit arrangement by the Seller) be directed towards a Collection Account;

(v) The related HP Agreement in respect of which the Receivable arises includes the benefit of retention of title by the Seller over the related Vehicle;

(w) A fixed rate of interest is payable under the related HP Agreement;

(x) The sole purpose of the related HP Agreement was the financing of a single Vehicle;

(y) As at the relevant origination date, the Loan-to-Value Ratio of the related HP Agreement was not greater than 125%;

(z) The Seller is not required to provide any maintenance in respect of the Vehicle;

(aa) Since the origination date there has been no waiver, variation or amendment in respect of the original terms of the related HP Agreement which was a Non-Permitted Variation;

(bb) The related HP Agreement is a Risk Tier 1 HP Agreement, a Risk Tier 2 HP Agreement, a Risk Tier 3 HP Agreement, a Risk Tier 4 HP Agreement, a Risk Tier 5 HP Agreement, a Risk Tier 6 HP Agreement, a Risk Tier 7 HP Agreement or a Risk Tier 8 HP Agreement;

(cc) The Obligor is not a governmental authority or organisation or other public body;

(dd) No right of cancellation has arisen under the Receivable;

(ee) The related HP Agreement relates to a new Vehicle or a used Vehicle which will, on the maturity of the related HP Agreement, be 170 months old or less;

(ff) To the best of the Seller's knowledge, as at the relevant origination date and as at the Cut-Off Date in respect of the Receivable, the Obligor does not have more than two live HP Agreements with Blue;

(gg) As at the Cut-Off Date, the Seller's interest in relation to the related Vehicle is registered with the Car Data Register or another nationally recognised agency that records interests in vehicles;

(hh) The terms of the related HP Agreement require the Obligor thereunder to insure the Vehicle which is the subject thereof comprehensively against all normally insurable risks (subject to all normal excesses and deductibles);

(ii) The related HP Agreement (i) has been duly executed by or on behalf of the Obligor and (ii) is a legal, valid and binding obligation of the relevant Obligor, subject to any laws or other procedures from time to time in effect relating to bankruptcy, insolvency or liquidation of the Obligor affecting the enforcement of creditors' rights and the effect of principles of equity, if applicable, is in all material respects enforceable in accordance with its terms and is non-cancellable and freely assignable;

(jj) Neither the Receivable nor the related HP Agreement are subject to any claim, counterclaim, right of revocation, equity, defence, right of retention or set-off by the Obligor except rights arising by virtue of sections 56, 75 or 75A of the CCA;

(kk) The related HP Agreement is not capable of giving rise to (and is not linked in any way to any collateral contract in respect of, or including, the insurance of the Vehicle the subject of the related HP Agreement or in respect of the Obligor thereunder, or the maintenance or servicing of such Vehicle, between the Seller and the relevant Obligor which may give rise to) any liability on the part of the Seller to pay money or perform any other onerous act (other than with respect to any claims the Obligor may have against the Seller as a result of the CRA15 or sections 56, 75, 75A or 140A of the CCA (as applicable)); and

(ll) The Vehicle has not been repossessed by the Seller and the Seller has not given any notice, nor applied for any court order, under the CCA, in order to repossess the Vehicle as at the Cut-Off Date.

The Seller will give representations and warranties as to the compliance of the Purchased Receivables with the Eligibility Criteria, and shall be required to repurchase any Purchased Receivable in respect of which there is a breach of such representations and warranties, as described in the section "Seller Receivables Warranties" below.

4. SELLER RECEIVABLES WARRANTIES

On the Closing Date (and, for so long as the Seller is the Servicer, on each date on which a Permitted Variation is agreed by the Servicer), the Seller will represent and warrant to the Issuer and the Security Trustee in respect of each Receivable to be transferred to the Issuer on such date (or, in the case of a Receivable subject to Permitted Variation, on the date of that Permitted Variation in respect of that Receivable, as applicable) and the related HP Agreement, and with reference to the facts and circumstances subsisting (unless stated to the contrary in the Receivables Sale and Purchase Agreement) as at the Cut-Off Date or, in respect of a Permitted Variation, as at the date of that Permitted Variation, as follows:

(a) **Compliance with Eligibility Criteria**: Each Receivable and each related HP Agreement complies in all respects with the Eligibility Criteria;

(b) **Status**: Each related HP Agreement was entered into on the terms of one of the Standard Documents without alteration or addition to the form (other than the form being completed in accordance with the Seller's policies) and no related HP Agreement is a "modifying agreement" as defined in section 82(2) of the CCA or a novated agreement;

(c) **Legal and beneficial ownership**: Immediately prior to the Closing Date, the Seller is the sole legal and beneficial owner of each Receivable and the Ancillary Rights relating thereto and is selling each Receivable and the Ancillary Rights relating thereto free from any Adverse Claim (including rights of attaching creditors and trust interests) and, save as provided for in the Transaction Documents and save for the rights of the Obligor under the relevant related HP Agreement, there is no option or right to acquire or create any Adverse Claim, on, over or affecting the Receivable or the Ancillary Rights relating thereto;

(d) **No default**: So far as the Seller is aware, there is no default, material breach or violation under any related HP Agreement which has not been remedied nor any

event which, with the giving of notice and/or the making of any determination and/or the expiration of any applicable grace period, would constitute such default, material breach or violation, provided that any default, breach or violation shall be material if it in any way affects the amount or the collectability of the Receivables arising under the related HP Agreement and provided further that any default, breach or violation relating to non-payment shall not be material (and a default relating to non-payment will not constitute a default for the purposes of this provision) unless it would be such as would cause the relevant Receivable not to comply with the Eligibility Criteria;

(e) **Option to purchase and return of goods**: No related HP Agreement provides for (i) an option to purchase fee greater than £250 or (ii) an option to return the Vehicle instead of paying the final repayment due under the HP Agreement (excluding any options fees, the right of the Obligor to voluntarily terminate an HP Agreement pursuant to section 99 of the CCA and where an Obligor returns the related Vehicle rather than paying the relevant final option to purchase fee);

(f) **The Seller's records**: The Seller (or the Seller's agents on the Seller's behalf) has maintained records relating to each Receivable and related HP Agreement which are accurate and complete in all material respects and which, to the best of the knowledge, information and belief of the Seller, are sufficient to enable such related HP Agreement to be enforced against the relevant Obligor and such records are held by or to the order of the Seller;

(g) **Credit and Collection Procedures**: Each related HP Agreement was originated and is serviced in accordance with the Credit and Collection Procedures;

(h) **Consumer credit**:

(i) each related HP Agreement was originated by the Seller, as sole principal, and without any agent lender;

(ii) the Seller has all necessary permissions pursuant to the FSMA; and

(iii) (1) each Dealer, (2) each Broker and (3) each other person who carried on in relation to a related HP Agreement the regulated activity of "credit broking" as defined in Article 36A(1) of the FSMA (Regulated Activities) Order 2001, has at all material times held the relevant permission under the FSMA;

(i) **Ownership**: The Seller is the legal and beneficial owner of the Vehicle to which each Receivable relates and no other person has any right or claim thereto (other than the Obligor under the related HP Agreement);

(j) **Unfair relationship**: So far as the Seller is aware, no related HP Agreement, whether alone or with any related agreement, gives rise to any "unfair relationship" between the creditor and the debtor for the purposes of sections 140A to 140C of the CCA;

(k) **Distance marketing**: If the related HP Agreement qualifies as a "distance contract" (as defined in the Financial Services (Distance Marketing) Regulations 2004), the provisions of such regulations have been complied with in respect of such related HP Agreement;

(l) **Fraud**: So far as the Seller is aware (which qualification will not apply to fraud on its own part), each related HP Agreement under which a Receivable arises has not been entered into fraudulently;

(m) **Terms implied by statute**: Each Dealer Contract provides that all terms implied by statute relating to the sale of the Vehicles to the Seller will apply in relation to the Vehicles;

(n) **Obligor obligations**: Each related HP Agreement includes obligations on the Obligor (i) to keep the Vehicle in good condition and repair except for fair wear and tear and (ii) to have the Vehicle serviced in accordance with the manufacturer's recommendations and any applicable warranty;

(o) **Set-off Receivables**: The Receivable is not a Set-off Receivable;

(p) **CRA15**: To the extent that the related HP Agreement is a "consumer contract" for the purposes of the CRA15:

(i) none of the terms contained in such related HP Agreement are unfair terms within the meaning of the CRA15; and

(ii) no injunction, interdict or other order has been granted by the court pursuant to section 70 and Schedule 3 of the CRA15 which might prevent or restrict the use in a related HP Agreement of any particular term or the enforcement of any such term, except, in each case, with respect to any provision or provisions of such related HP 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;

(q) **Origination and administration**: Each Receivable and related HP Agreement has been administered and originated in compliance with all applicable English and Scots laws, rules and regulations (including the Data Protection Laws, the CCA and subordinate legislation made pursuant to that Act, FSMA and the Consumer Credit sourcebook within the FCA Handbook) except in each case as such non-compliance would not reasonably be expected to have a material adverse effect on the Seller's ability to perform its obligations under any related HP Agreement or the validity or enforceability of any related HP Agreement or the collectability of all or a significant proportion of the Receivables;

(r) **Receivables Listing**: The Receivables Listing correctly specifies the Receivables which are to be transferred to the Issuer on the Closing Date;

(s) **Date of origination**: Each related HP Agreement was entered into after 15 July 2016;

(t) **Commission disclosure**: For each HP Agreement in respect of which Blue paid to the Dealer or Broker a broker or finder's fee or commission, where necessary, Blue has, or has required that the Dealer or Broker has, disclosed the existence and, upon request, the amount or (where the precise amount was not known) the likely amount of such payment to the customer before the HP Agreement was made;

(u) **Underwriting standards**: The Purchased Receivables are originated in the ordinary course of the business of Blue pursuant to underwriting standards which are no less stringent than those which also apply to HP Agreements which will not be securitised;

(v) **Effective systems**: Blue has in place (i) effective systems to apply its standard criteria for granting the Purchased Receivables and (ii) processes for approving and, where relevant, amending, renewing and re-financing the Purchased Receivables, in order to ensure that granting of the Purchased Receivables is based on a thorough assessment of each Obligor's creditworthiness taking appropriate account of factors relevant to verifying the prospect of the Obligor meeting its obligations under the relevant HP Agreement; and

(w) **One payment:** As at the Closing Date, the relevant Obligor under each related HP Agreement has made at least one full payment to the Seller,

provided that, where any such Permitted Variation is required by law or regulation, the Seller will only represent and warrant:

(i) in the terms set out in paragraphs (a), (f), (g), (h), (i), (j), (o) and (q) above;

(ii) in the terms set out in paragraph (b) above (but only that no related HP Agreement is a "modifying agreement" as defined in section 82(2) of the CCA or a novated agreement);

(iii) in the terms set out in paragraph (c) above (but only that there is no option to acquire or create any Adverse Claim, on, over or affecting the Receivable or the Ancillary Rights relating thereto); and

(iv) that the Permitted Variation is required by law or regulation.

If one or more Seller Receivables Warranties proves to have been incorrect on the date on which such Seller Receivables Warranty was made and, if applicable, the relevant breach cannot be remedied, the Seller will be required to repurchase the relevant Purchased Receivable on the next Interest Payment Date as more fully described in the section "*OVERVIEW OF PRINCIPAL TRANSACTION DOCUMENTS – Receivables Sale and Purchase Agreement*".

5. CHANGES TO UNDERWRITING STANDARDS

Blue as Seller agrees that if it makes any material changes from its prior underwriting standards it will promptly notify such changes to the Issuer and the Security Trustee in writing, and to investors in accordance with Condition 15 (*Notices*), in each case without

undue delay and to the extent required under Article 20(10) of the UK Securitisation Regulation.

6. HOMOGENEITY

For the purposes of Article 20(8) of the UK Securitisation Regulation and Articles 1(a) to (d) of the HRTS, the Purchased Receivables: (i) have been underwritten according to similar underwriting standards, (ii) are serviced according to similar servicing procedures, (iii) fall within the same category of auto loans and leases and (iv) in accordance with the homogeneity factors set forth in Article 20(8) of the UK Securitisation Regulation and Article 2(4)(b) of the HRTS, the Obligors are all resident in one jurisdiction, being the United Kingdom.

7. NOTIFICATION OF ASSIGNMENT TO OBLIGORS

The Obligors will only be notified by the Servicer in respect of the assignment of the Purchased Receivables upon request by the Issuer following the occurrence of a Perfection Event. Should the Servicer fail to notify the Obligors within 3 Business Days of a Perfection Event, the Issuer (or an agent appointed on its behalf and subject to Data Protection Laws) shall promptly give notice in its own name (and/or on behalf of the Seller pursuant to the Seller Power of Attorney) of the sale, assignment and assignation of all or any of the Purchased Receivables by delivering a Perfection Event Notice within 5 Business Days of a Perfection Event. Furthermore, at any time after the occurrence of a Perfection Event, the Issuer (or an agent on its behalf) will, or (after the service of a Note Acceleration Notice) the Security Trustee, on behalf of the Issuer, may:

(a) direct (and/or require the Servicer to direct) all or any of the Obligors to pay amounts outstanding in respect of Purchased Receivables directly to the Issuer, the Transaction Account or any other account which is specified by the Issuer or the Security Trustee; and/or

(b) take such other action and enter into such documents as it reasonably considers to be necessary, appropriate or desirable in order to recover any amount outstanding in respect of the Purchased Receivables or to perfect, improve, protect, preserve or enforce their rights against the Obligors in respect of the Purchased Receivables (including, without limitation, entering into supplemental transfer documents).

8. CAPACITY OF RECEIVABLES TO PRODUCE FUNDS TO SERVICE PAYMENTS

The Purchased Receivables acquired and transferred by assignment or held in trust under the Receivables Sale and Purchase Agreement have characteristics that demonstrate capacity to produce funds to service payments due and payable on the Notes; however, Blue does not warrant the credit standing of the relevant Obligors.

SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS

The description of certain of the Transaction Documents set out below is a summary of certain features of those agreements and is qualified by reference to the detailed provisions of the terms and conditions of those agreements. Prospective Noteholders or Certificateholders may inspect a copy of each of the Transaction Documents upon request at the specified office of the Paying Agent and on the Reporting Website. The structure of the Prospectus, the structure of the Trust Deed, the Deed of Charge, the Receivables Sale and Purchase Agreement and the other Transaction Documents and the issue of the Notes and the Residual Certificates, as well as the ratings which are to be assigned to the Rated Notes, are based on English law and Scots law and United Kingdom tax, regulatory and administrative practice in effect as at the date of this Prospectus as they affect the parties to the transaction and the Portfolio, and having due regard to the expected tax treatment of the Issuer under such law and practice. No assurance can be given as to the impact of any possible change to English law and Scots law and United Kingdom tax, regulatory or administrative practice after the date of this Prospectus.

1. RECEIVABLES SALE AND PURCHASE AGREEMENT

On the Closing Date, the Seller, the Issuer, the Servicer, the Note Trustee and the Security Trustee will enter into the Receivables Sale and Purchase Agreement.

Pursuant to the Receivables Sale and Purchase Agreement, the Seller will sell on the Closing Date to the Issuer and the Issuer will purchase from the Seller all right, title and interest of the Seller in the Receivables and the Ancillary Rights comprised in the Portfolio. Such sale is made by way of absolute assignment and, accordingly, the Seller with full title guarantee will assign to the Issuer all of its rights, title, interest and benefit in and to each Receivable included in the Portfolio, including, to the fullest extent possible under applicable law, all Ancillary Rights related to such Receivable but excluding the Excluded Amounts.

Assignment by the Seller to the Issuer of the benefit of the Receivables included in the Portfolio and the Ancillary Rights will take effect in equity only because no notice of the assignment will be given to Obligors. The assignment will be perfected following the occurrence of a Perfection Event.

The actual pool of Purchased Receivables sold to the Issuer on the Closing Date (which will be randomly selected from the Provisional Portfolio which the Seller determines comply with the Eligibility Criteria on the Cut-Off Date) will vary from those included in the Provisional Portfolio. See also "*THE SELLER AND THE SERVICER – Other characteristics of the Purchased Receivables*".

Pursuant to the Receivables Sale and Purchase Agreement, the Seller may charge the Issuer a financing cost fee for the costs incurred by the Seller in financing the Purchased Receivables between the Cut-Off Date and the Closing Date in an amount equal to 5.46% divided by 365 and multiplied by the Aggregate Outstanding Principal Balance on the Cut-Off Date charged daily for the period between the Cut-Off Date and the Closing Date (the "**Financing Costs**").

Representations and warranties given by the Seller

Pursuant to the Receivables Sale and Purchase Agreement, the Seller will make certain representations and warranties set out in the section of this Prospectus headed "*DESCRIPTION OF THE PURCHASED RECEIVABLES – Seller Receivables Warranties*" (the "**Seller Receivables Warranties**") regarding the Purchased Receivables and the related HP Agreements (including, among other things, that all Purchased Receivables (including, where relevant their Ancillary Rights) comply with the Eligibility Criteria on the Cut-Off Date) to the Issuer and the Security Trustee on the Closing Date (and, for so long as the Seller is the Servicer, on each date on which a Permitted Variation is agreed by the Servicer) with reference to the facts and circumstances subsisting (unless stated to the contrary in the Receivables Sale and Purchase Agreement) as at the Cut-Off Date or, in respect of a Permitted Variation, as at the date of that Permitted Variation (provided that a narrower set of such representations and warranties will be given where any such Permitted Variation is required by law or regulation).

In the event of a breach of any Seller Receivables Warranty given by the Seller in respect of a Purchased Receivable that materially and adversely effects the interests of the Issuer in any Purchased Receivable (other than by reason of a related HP Agreement being determined to be illegal, invalid, non-binding or unenforceable under the CCA or the FSMA) and, if capable of remedy, the Seller does not cure or correct such breach prior to the end of the Calculation Period which includes the 30th day after the date that the Seller became aware or was notified of such breach to cure or correct such breach (the "**Cure Period**"), or if the relevant Purchased Receivable never existed or has ceased to exist such that it is not outstanding as at the Repurchase Date (each such affected Receivable being a "**Non-Compliant Receivable**"):

(a) the Seller will be required to repurchase such Purchased Receivable for an amount, calculated by the Servicer, equal to the sum of (1) the greater of (x) the sum of (i) its Initial Purchase Price, less (ii) the sum of all Principal Receipts (multiplied by the sum of (i) 100 per cent. and (ii) the Premium Element Purchase Price Percentage) and Revenue Receipts recovered or received by the Issuer in respect of such Non-Compliant Receivable from the Cut-Off Date to the Repurchase Date and (y) the Outstanding Principal Balance of such Non-Compliant Receivable, plus (2) any accrued and unpaid income in respect of such Non-Compliance Receivable as at the Repurchase Date (the "**Non-Compliant Receivable Repurchase Price**"), or

(b) in the case of a Purchased Receivable which never existed, or has ceased to exist, such that it is not outstanding as at the Repurchase Date, the Seller will not be required to repurchase such Purchased Receivable and will instead be required to pay to the Issuer an amount, calculated by the Servicer, equal to the sum of: (i) the Initial Purchase Price of that Purchased Receivable, minus (ii) the sum of all Principal Receipts (multiplied by the sum of (i) 100 per cent. and (ii) the Premium Element Purchase Price Percentage) and Revenue Receipts recovered or received in respect of such Purchased Receivable from the Cut-Off Date to the date on which the Receivables Indemnity Amount is paid, plus (iii) a deemed amount of accrued income on the relevant Purchased Receivable calculated on

the basis of the APR stated in the loan level data for such Purchased Receivable and determined as at the date on which the Receivables Indemnity Payment is made (the "**Receivables Indemnity Amount**").

Where Purchased Receivables are determined to be in breach of the Seller Receivables Warranties by reason of a related HP Agreement (or part thereof) being determined illegal, invalid, non-binding or unenforceable under the CCA or the FSMA, the Seller may in lieu of repurchasing the relevant Purchased Receivables pay a compensation payment to the Issuer, being an amount, calculated by the Servicer in accordance with the Servicing Agreement, required to compensate the Issuer for any loss caused as a result of such breach (the "**CCA Compensation Amount**") and the payment of such amount cures such illegality, invalidity or unenforceability or the Purchased Receivables being non-binding.

The Seller shall repurchase the relevant Non-Compliant Receivables and pay the relevant Non-Compliant Receivable Repurchase Price or pay the CCA Compensation Amount (as the case may be) by no later than the end of the Calculation Period immediately following the expiration of the Cure Period, or, in the case of a Purchased Receivable which never existed, or has ceased to exist, shall pay the Receivables Indemnity Amount by no later than the end of the Calculation Period immediately following the Calculation Period in which the relevant breach was discovered.

In the event of any such repurchase, the relevant Purchased Receivable (unless it is extinguished) will be re-assigned by the Issuer to the Seller on the Repurchase Date on a non-recourse or guarantee basis on the part of the Issuer. The costs of such assignment will be borne solely by the Seller.

The Sale Notice to be delivered by the Seller for the purchase of Receivables under the Receivables Sale and Purchase Agreement contains certain relevant information for the purpose of identification of the Purchased Receivables. In the Sale Notice, the Seller represents that the representations and warranties with respect to the Purchased Receivables referred to above are true and correct as of the Closing Date by reference to the facts and circumstances subsisting as at the Cut-Off Date. See "*DESCRIPTION OF THE PURCHASED RECEIVABLES — Seller Receivables Warranties*".

The Seller, upon receipt of the Purchase Price, is obliged from time to time to promptly execute and deliver and/or file all documents, and take all further action that the Issuer or the Security Trustee may reasonably request, in order to perfect, protect or maintain the validity of or evidence the Issuer's and the Security Trustee's rights and interests in and to the Purchased Receivables. The Seller is also obliged to indemnify the Issuer, the Note Trustee and the Security Trustee against any loss or expense suffered or incurred by the Issuer, the Note Trustee or the Security Trustee as a direct result of any failure by the Seller to complete any sale and purchase constituted under the Receivables Sale and Purchase Agreement, except where such loss or expense arose as a direct consequence of any gross negligence, wilful default or fraud of the Issuer, the Note Trustee or the Security Trustee or any of their agents.

A sale and assignment of the Receivables pursuant to the Receivables Sale and Purchase Agreement constitutes a sale without recourse. This means that the Seller will not bear the risk of the inability of any Obligor to pay the relevant Purchased Receivables.

However, in the event of any breach of the Eligibility Criteria and/or Seller Receivables Warranties, the Seller owes the payment of the Non-Compliant Receivable Repurchase Price or the Receivables Indemnity Amount (as applicable) regardless of the respective Obligor's credit strength.

In addition to the Seller Receivables Warranties, the Seller will on the Closing Date make various corporate representations in respect of itself, including that its "centre of main interests" for the purposes of the EU Insolvency Regulation, the UK Insolvency Regulation and the UNCITRAL Implementing Regulations is in England and it does not have any "establishment" (as defined in the EU Insolvency Regulation, the UK Insolvency Regulation and the UNCITRAL Implementing Regulations) other than in the United Kingdom.

Title to Vehicles

Title to the Vehicles financed by HP Agreements included in the Portfolio will remain with Blue until it is transferred to the relevant Obligor under the terms of the relevant HP Agreement or is sold by Blue following repossession of the Vehicle from the relevant Obligor. Under the Vehicle Declaration of Trust to be entered into by Blue and the Issuer on or about the Closing Date, Blue will hold title to such Vehicles and any Vehicle Sale Proceeds arising from sale of any such Vehicles on trust for the Issuer.

Repossession and disposal of Vehicles, Vehicle Sale Proceeds

Pursuant to the Receivables Sale and Purchase Agreement, the Seller undertakes:

(a) if any Receivable becomes a Defaulted Receivable or a Voluntarily Terminated Receivable, to exercise its right of repossession (in the case of Defaulted Receivables) and dispose of the related Vehicle, in each case in accordance with the Credit and Collection Procedures and within a reasonable time thereafter;

(b) not to impair in any material respect the rights of the Issuer in the Vehicle Sale Proceeds; and

(c) not to knowingly take any steps to hinder or unduly delay or prevent the repossession and disposition of any related Vehicle in accordance with paragraph (a) above or the Issuer validly acting under the Seller Power of Attorney.

The Vehicle Sale Proceeds will be paid into the BMF DD Collection Account, the BMFL Collection Account, the Seller Collection Account or a New Collection Account (as applicable) net of associated costs, charges, fees, expenses and, if applicable, the Incentive Fee in respect of the related Vehicle.

Following the appointment of the Seller's Insolvency Official, the Issuer will pay to the Seller (or, as the case may be, the Seller may retain) from, and to the extent of, the relevant Vehicle Sale Proceeds the Incentive Fee in respect of each related Vehicle resold by the Seller.

Defaulted Receivables Call Option

If a Purchased Receivable becomes a Defaulted Receivable, and following disposal of the Vehicle related to such Purchased Receivable and receipt by the Issuer of the related Vehicle Sale Proceeds as described above, the Seller will have the option under the Receivables Sale and Purchase Agreement, prior to an Insolvency Event occurring in respect of the Seller, to repurchase such Defaulted Receivable. The purchase price payable by the Seller to the Issuer in consideration for the repurchase of such Defaulted Receivable shall be equal to the amount recoverable from a third party debt collection agency in respect of such Defaulted Receivable (such amount to be evidenced in the notice of repurchase, being the amount such a third party is willing to pay as the market value of such claims), net of transaction costs, but in any event up to a maximum amount equal to the Outstanding Principal Balance of the relevant Receivable on the date of the repurchase plus any interest accrued but unpaid thereon (the "**Defaulted Receivables Payment**").

Non-Permitted Variation Receivables Call Option

If the Servicer has agreed or, prior to the end of the immediately following Calculation Period, will agree to a Non-Permitted Variation in respect of a Purchased Receivable (a "**Non-Permitted Variation Receivable**"), the Seller will have the option under the Receivables Sale and Purchase Agreement, prior to an Insolvency Event occurring in respect of the Seller, to repurchase such Non-Permitted Variation Receivable. The Seller agrees under the Servicing Agreement that where the Servicer agrees to a Non-Permitted Variation it shall exercise the Non-Permitted Variation Receivables Call Option in respect of the relevant Non-Permitted Variation Receivable by no later than the Non-Permitted Variation Receivable Repurchase End Date. The purchase price payable by the Seller to the Issuer in consideration for the repurchase of such Non-Permitted Variation Receivable shall be equal to the sum of (1) the greater of (x) the sum of (i) its Initial Purchase Price, less (ii) the sum of all Principal Receipts (multiplied by the sum of (i) 100 per cent. and (ii) the Premium Element Purchase Price Percentage) and Revenue Receipts recovered or received by the Issuer in respect of such Non-Permitted Variation Receivable from the Cut-Off Date to the Repurchase Date and (y) the Outstanding Principal Balance of such Non-Permitted Variation Receivable, plus (2) any accrued and unpaid income in respect of such Non-Permitted Variation Receivable as at the date of the repurchase (the "**Non-Permitted Variation Receivable Repurchase Price**").

Taxes and increased costs

All payments to be made by the Seller to the Issuer pursuant to the Receivables Sale and Purchase Agreement will be made free and clear of, and without withholding or deduction for or on account of, any tax, unless such withholding or deduction is required by law. If the Seller is required to withhold or deduct for or on account of tax (other than any FATCA Deduction), it will increase the amount of the payment due to the Issuer to an amount which (after making the withholding or deduction) leaves an amount equal to the payment which would have been due if no withholding or deduction had been required. The Seller will have the opportunity and authorisation to raise defences against the relevant payment at the Seller's own cost.

Where the Issuer has received a credit against a relief or remission for, or repayment of, any tax, then, if and to the extent that the Issuer determines that such credit, relief,

remission or repayment is in respect of the deduction or withholding giving rise to such additional payment or with reference to the liability, expense or Loss which caused such additional payments, the Issuer will, to the extent that it can do so without prejudice to the retention of the amount of such credit, relief, remission or repayment, pay to the Seller such amount as the Issuer will have concluded to be attributable to such deduction or withholding or, as the case may be, such liability, expense or Loss, provided that the Issuer will not be obliged to make any such payment until it is, in its sole opinion, satisfied that its tax affairs for its tax year in respect of which such credit, relief, remission or repayment was obtained have been finally settled.

Notification of assignment

The Obligors will only be notified by the Servicer in respect of the assignment of the Purchased Receivables promptly upon request by the Issuer or (following service of a Note Acceleration Notice) the Security Trustee, in each case, following the occurrence of a Perfection Event.

Should the Servicer fail to notify the Obligors within 3 Business Days of a Perfection Event, the Issuer (or an agent appointed on its behalf and subject to Data Protection Laws) shall promptly give notice in its own name (and/or on behalf of the Seller pursuant to the Seller Power of Attorney) of the sale, assignment and assignation of all or any of the Purchased Receivables by delivering a Perfection Event Notice within 5 Business Days of a Perfection Event. Furthermore, at any time after the occurrence of a Perfection Event, the Issuer (or an agent on its behalf) will, or (after the service of a Note Acceleration Notice) the Security Trustee, on behalf of the Issuer, may:

(a) direct (and/or require the Servicer to direct) all or any of the Obligors to pay amounts outstanding in respect of Purchased Receivables directly to the Issuer, the Transaction Account or any other account which is specified by the Issuer or the Security Trustee; and/or

(b) take such other action and enter into such documents as it reasonably considers to be necessary, appropriate or desirable in order to recover any amount outstanding in respect of the Purchased Receivables or to perfect, improve, protect, preserve or enforce their rights against the Obligors in respect of the Purchased Receivables (including, without limitation, entering into supplemental transfer documents).

Clean-Up Call

On any Interest Payment Date on which the Aggregate Outstanding Note Principal Amount of the Collateralised Notes is equal to or less than 10% of the Aggregate Outstanding Note Principal Amount of the Collateralised Notes as at the Closing Date, the Seller will (provided that on the relevant Interest Payment Date no Note Acceleration Notice has been served on the Issuer) have the option under the Receivables Sale and Purchase Agreement to repurchase all outstanding Purchased Receivables then owned by the Issuer against payment of the Final Repurchase Price subject to the following requirements:

(a) the Final Repurchase Price must be an amount as described in Condition 5(d)(i)(1) (*Clean-Up Call*); and

(b) the Seller shall have notified the Issuer of its intention to exercise the Clean-Up Call at least 10 calendar days prior to the contemplated settlement date of the Clean-Up Call.

Following the exercise of the Clean-Up Call and the payment of the Final Repurchase Price, the Final Repurchase Price will be applied pursuant to the Priorities of Payments in order to effect the redemption of the Notes, payment of accrued interest thereon, and the payment of claims of any creditors of the Issuer ranking prior to the claims of the Noteholders.

Following the redemption of the Notes in full after the exercise of the Clean-Up Call, Available Principal Receipts and Available Revenue Receipts (including all amounts standing to the credit of the Reserve Funds) will be applied pursuant to the Priorities of Payments, including by way of payment, ultimately, to the holders of the Certificateholders by way of the Residual Certificate Payments, to the extent available for such application in accordance with the Priorities of Payments.

Tax Redemption Receivables Call Option

If the Issuer fixes a date for redemption of the Notes pursuant to Condition 5(b) (*Redemption for taxation reasons*) (which must be an Interest Payment Date), the Seller will, on such date, have the option under the Receivables Sale and Purchase Agreement to repurchase all outstanding Purchased Receivables then owned by the Issuer against payment of the Tax Redemption Repurchase Price.

Governing law

The Receivables Sale and Purchase Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law but any term particular to the law of Scotland will be construed in accordance with the laws of Scotland. The Vehicle Declaration of Trust will be governed by the laws of Scotland.

2. SERVICING AGREEMENT

On the Closing Date, pursuant to the Servicing Agreement between the Servicer, the Seller, the Note Trustee, the Security Trustee and the Issuer, the Servicer will be appointed by the Issuer to administer, collect and, if necessary, enforce the Purchased Receivables in accordance with the Servicing Agreement (the "**Services**").

Obligations of the Servicer

Under the terms of the Servicing Agreement, the Servicer has, among other things, undertaken to perform its duties in accordance with all applicable laws and regulations and pursuant to specific instructions that, on certain conditions, it may be given by the Issuer or (following delivery of a Note Acceleration Notice or enforcement of the Security) the Security Trustee, from time to time.

The Servicer has undertaken that it will devote to the performance of its obligations and the exercise of its discretions under the Servicing Agreement and its exercise of the rights of the Issuer in respect of contracts and arrangements giving rise to payment obligations in respect of the Purchased Receivables at least the same amount of time and attention and exercise the higher of: (i) the level of skill, care and diligence it would exercise if it were administering receivables in respect of which it held the entire benefit (both legally and beneficially); and (ii) the level of skill, care and diligence of a reasonably prudent servicer of automotive consumer loans in the United Kingdom, and, in any event, will devote all due skill, care and diligence to the performance of its obligations and the exercise of its discretions and will devote all operational resources reasonably necessary (including, without limitation, office space, facilities, equipment and staff) to fulfil its obligations under the Servicing Agreement and the other Transaction Documents to which it is a party (together, the "**Servicer Standard of Care**").

General administration obligations in relation to the Portfolio

The Servicer shall use all reasonable endeavours to:

(a) collect all Collections (including any Vehicle Sale Proceeds) and ensure payment of all sums due under or in connection with the relevant HP Agreements and related Purchased Receivables;

(b) recover amounts due from the Obligors in respect of Defaulted Receivables;

(c) enforce all obligations of the Obligors under the related HP Agreements; and

(d) enforce all Ancillary Rights arising in respect of the Receivables (including, but not limited to, any claims against any third parties (including Dealers) in relation to any claims or set-off exercised by an Obligor),

in each case on behalf of and at the expense of the Issuer in accordance with the provisions of the relevant HP Agreements and the Credit and Collection Procedures.

The Servicer shall also:

(a) assist the Issuer's auditors and upon request provide, subject to the Data Protection Laws, such information as is in the Servicer's possession or control or reasonably capable of being obtained by it;

(b) if requested to do so, promptly notify all Obligors of the assignment of the Purchased Receivables following the occurrence of a Perfection Event (and, if the Servicer fails to deliver a Perfection Event Notice within 3 Business Days after the Perfection Event, the Issuer shall have the right to instruct the Standby Servicer or a replacement Servicer or an agent of the Issuer to deliver on its behalf the Perfection Event Notice);

(c) use reasonable endeavours, at the expense of the Issuer, to seek Recovery Collections due from Obligors in accordance with the Credit and Collection Procedures; and

(d) notify the Issuer, the Security Trustee and the Standby Servicer as soon as reasonably practicable (but in any case within 5 Business Days) of becoming aware of the occurrence of any Perfection Event or Servicer Termination Event.

The Servicer will administer the Portfolio in accordance with its respective standard procedures, set out in its Credit and Collection Procedures, for the administration and enforcement of its own hire purchase agreements, subject to the provisions of the Servicing Agreement and the Receivables Sale and Purchase Agreement.

For the purpose of compliance with the requirements stemming from Article 21(9) of the UK Securitisation Regulation, remedies and actions relating to delinquency and default of debtors, debt restructuring, debt forgiveness, forbearance, losses, charge offs, recoveries, payment deferrals and other asset performance remedies are applied (if applicable) by the Servicer in accordance with the Credit and Collection Procedures.

The Servicer will maintain all appropriate registrations, licences, permissions and authorities required to enable it to perform its obligations under the Transaction Documents.

Cash collection arrangements

The Servicer shall use reasonable endeavours to procure that:

(a) all amounts received by the Servicer in respect of any Purchased Receivable deriving from the related HP Agreement or Ancillary Rights from the Obligor or a third party including any amounts representing the Vehicle Sale Proceeds are paid by the Obligor directly into the BMF DD Collection Account, the BMFL Collection Account, the Seller Collection Account or a New Collection Account (as applicable); and

(b) all sums so collected are transferred into the Transaction Account in accordance with the Servicing Agreement and the relevant Collection Account Declaration of Trust (as supplemented, in the case of the Seller Collection Account, by the Supplemental Seller Collection Account Declaration of Trust) and, in particular, shall procure, as agent for the Issuer, that in relation to each relevant Purchased Receivable, all Collections in respect of each Calculation Period (other than any Excess Amounts, Excluded Amounts or, if relevant, Excess Recoveries Amounts and, in respect of Collections received on or after the Cut-Off Date but prior to the Closing Date, less the Financing Costs between the Cut-Off Date and the Closing Date) are remitted to the Transaction Account within 2 Business Days of the Servicer applying such Collections to an Obligor's account (or, in respect of Collections received on or after the Cut-Off Date but prior to the Closing Date, within 5 Business Days following the Closing Date), or as otherwise directed by the Issuer or (following delivery of a Note Acceleration Notice or enforcement of the Security) the Security Trustee.

Records

The Servicer shall:

(a) keep and maintain an Obligor Ledger with respect to each HP Agreement for the purposes of identifying amounts paid by each Obligor, any amount due from an Obligor and the balance from time to time outstanding on each HP Agreement and provide such information to the Issuer, the Note Trustee and the Security Trustee on written request, subject to the provisions of the Data Protection Laws or other applicable legislation current from time to time;

(b) maintain records in respect of amounts recognised as having been lost or become irrecoverable in relation to Defaulted Receivables and Voluntarily Terminated Receivables, as well as amounts subsequently recovered;

(c) ensure that the Purchased Receivable Records in respect of the Purchased Receivables and the relevant HP Agreements are held to the order of the Issuer and the Security Trustee;

(d) maintain adequate back-ups of such Purchased Receivable Records in accordance with its usual procedures;

(e) keep the Purchased Receivable Records in such manner so that they are identifiable and distinguishable from the records and other documents which relate to other hire purchase agreements, and other agreements which are held by or on behalf of the Servicer or any other person and so that the relevant contracts and Purchased Receivables Records are uniquely identifiable from data contained in the Receivables Listing or the Sale Notice (as applicable);

(f) keep records in relation to the Purchased Receivables for all Tax (including, for the avoidance of doubt, VAT) purposes; and

(g) co-operate with the Security Trustee or any other party to the Transaction Documents to the extent required under or in connection with any of the Transaction Documents.

Reporting

(a) The Servicer will prepare a monthly loan-by-loan information report in relation to the Portfolio in respect of the immediately preceding Calculation Period as required by and in accordance with Article 7(1)(a) of the UK Securitisation Regulation, which shall be in, or a part of which shall be in, the form of the template set out in Annex V (*Underlying Exposures Information – Automobile*) of the UKSR RTS Delegated Regulation.

(b) The Servicer will prepare a monthly loan-by-loan information report in relation to the Portfolio in respect of the immediately preceding Calculation Period as required by and in accordance with Article 7(1)(a) of the EU Securitisation Regulation as it exists at the Closing Date (such report, together with the report referred to in paragraph (a) above, being the "**SR Servicer Data Tape**"), which shall be in, or a part of which shall be in, the form of the template set out in Annex V (*Underlying Exposures Information – Automobile*) of the EUSR RTS Delegated Regulation as it exists at the Closing Date.

(c) If the Servicer becomes aware of any event relating to the Purchased Receivables, the Seller or the Servicer that, in the opinion of the Servicer, constitutes inside information that the Issuer would be obliged to make public in accordance with Article 17 of UK MAR or that is a significant event (for the purposes of Article 7(1)(g) of the UK Securitisation Regulation), it will, as soon as reasonably practicable, prepare a report setting out details of such inside information in the form of the template set out in Annex XIV (*Inside Information or Significant Event Information – Non-Asset Backed Commercial Paper Securitisation*) of the UKSR RTS Delegated Regulation, pursuant to Articles 7(1)(f) or 7(1)(g) (as applicable) of the UK Securitisation Regulation and shall deliver a copy of such report to the Issuer and the Security Trustee.

(d) If the Servicer becomes aware of any event relating to the Purchased Receivables, the Seller or the Servicer that, in the opinion of the Servicer, constitutes inside information that the Issuer would be obliged to make public in accordance with Article 17 of EU MAR or that is a significant event (for the purposes of Article 7(1)(g) of the EU Securitisation Regulation as it exists at the Closing Date), it will, as soon as reasonably practicable, prepare a report (such report, together with the report referred to in paragraph (c) above, being the "**SR Inside Information Report**") setting out details of such inside information in the form of the template set out in Annex XIV *(Inside Information or Significant Event Information – Non-Asset Backed Commercial Paper Securitisation)* of the EUSR RTS Delegated Regulation as it exists at the Closing Date, pursuant to Articles 7(1)(f) or 7(1)(g) (as applicable) of the EU Securitisation Regulation as it exists at the Closing Date and shall deliver a copy of such report to the Issuer and the Security Trustee.

(e) The Servicer will make the information set out in paragraph (a) and (b) above available on each Interest Payment Date and the information set out in paragraph (c) and (d) above available without delay, in each case, to:

(i) the Issuer, the Cash Manager, the Seller and the Swap Provider; and

(ii) the Noteholders, the Certificateholders, the competent authorities and, upon request, potential Noteholders and potential Certificateholders,

which obligation shall be satisfied by the Servicer emailing such information to the Securitisation Repository for the Securitisation Repository to procure the publication of such information on the Reporting Website.

(f) The Servicer will prepare and, on or prior to each Reporting Date, will deliver via email or any other agreed electronic means to the Issuer, the Cash Manager, the Corporate Services Provider, the Rating Agencies and the Security Trustee, the Monthly Report applicable to the Calculation Period immediately preceding such Reporting Date.

(g) The Servicer will prepare and, on or prior to each Reporting Date, will deliver via email or any other agreed electronic means to the Cash Manager the SR Data

Tape applicable to the Calculation Period immediately preceding such Reporting Date.

(h) For the purposes of Article 7 and 22 of the UK Securitisation Regulation, the Servicer (on behalf of the Seller as the originator for the purposes of the UK Securitisation Regulation) will, to the extent it has not already done so, also make available the following information via the Securitisation Repository:

(i) the STS notification referred to in Article 27 of the UK Securitisation Regulation on the Reporting Website in accordance with the relevant timing requirements (including Article 22(5) of the UK Securitisation Regulation);

(ii) all underlying documentation required pursuant to Article 7(1)(b) of the UK Securitisation Regulation in accordance with the relevant timing requirements (including Article 22(5) of the UK Securitisation Regulation) to be published on the Reporting Website; and

(iii) once information on the environmental performance of the Vehicles relating to the Purchased Receivables is available and able to be reported, such information on an ongoing basis in order to comply with the requirements of Article 22(4) of the UK Securitisation Regulation.

(i) The Servicer (on behalf of the Seller as the originator for the purposes of the UK Securitisation Regulation) shall disclose any events which trigger changes in any of the Priorities of Payments and any change in any of the Priorities of Payments which will materially adversely affect the repayment of the Notes and/or payments on the Residual Certificates without undue delay to the extent required under Article 21(9) of the UK Securitisation Regulation via the Reporting Website.

The requirement for the Servicer to prepare the reports pursuant to paragraphs (b) and (d) above shall only apply until such time as:

(i) compliance with such reporting requirements under the EU Securitisation Regulation prevents full compliance with the reporting requirements under the UK Securitisation Regulation; or

(ii) a competent EU authority has confirmed that compliance with such reporting requirements under the UK Securitisation Regulation will also satisfy the reporting requirements under the EU Securitisation Regulation.

Loan Level Data

In addition, under the Servicing Agreement, subject to the provisions of the Data Protection Laws, the Servicer shall, for as long as the Class A Notes or (if possible in accordance with the Bank of England eligibility criteria in force from time to time) any other Class of Notes otherwise satisfy the Bank of England eligibility criteria, make loan level data available in such a manner as is required to comply with the Bank of England

eligibility criteria and transparency criteria for asset backed securities (as set out in the Detailed Information Transparency for Asset-Backed Securities for Auto-loan ABS of 11 October 2019 as amended and applicable from time to time).

Credit and Collection Procedures

Pursuant to the Servicing Agreement, the Servicer shall be authorised to modify the terms of a Purchased Receivable in accordance with the terms of the relevant HP Agreement and its Credit and Collection Procedures, provided that, where any such modification constitutes a Non-Permitted Variation, the Seller is required to exercise the Non-Permitted Variation Receivables Call Option in respect of, and repurchase, the relevant Purchased Receivable by no later than the Non-Permitted Variation Receivable Repurchase End Date in accordance with and subject to the Receivables Sale and Purchase Agreement.

A "**Non-Permitted Variation**" is any modification which has the effect of any of the following:

(a) reducing the Outstanding Principal Balance of the Purchased Receivable;

(b) sanctioning any kind of payment deferral;

(c) reducing the rate of interest payable by the Obligor or the total interest payable by the Obligor over the term of the Purchased Receivable;

(d) extending the term of the Purchased Receivable;

(e) reducing the total number of Monthly Payments; or

(f) providing for a final payment greater than the amount of any Monthly Payment preceding it, disregarding any option to purchase fees or other fees,

but a Non-Permitted Variation shall not, for the avoidance of doubt, include any action taken with respect to the Servicer's arrears management process in accordance with its Credit and Collection Procedures or any action taken pursuant to applicable law or regulation and/or the request of any competent regulatory authority.

The Servicer agrees in the Servicing Agreement that no changes to the Credit and Collection Procedures shall be made and no additional and/or alternative policies or procedures may be adopted in relation to the Credit and Collection Procedures unless such a change or adoption (i) is made in accordance with the Servicer Standard of Care; and (ii) will not have a material adverse effect on the interests of the Issuer.

Any material change in the Credit and Collection Procedures or any of the Servicer's other processes and procedures which relate to the servicing or collection of the Purchased Receivables shall be notified in writing to the Issuer, the Security Trustee, the Standby Servicer and the Rating Agencies as soon as practicable after such change provided that, in determining whether a change is "material", regard shall be had to all changes made to the Credit and Collection Procedures of the Servicer since the Closing Date.

Based on the Seller's, the Servicer's and the Issuer's understanding of the spirit of Article 20(7) of the UK Securitisation Regulation and the EBA STS Guidelines applicable to Non-ABCP Securitisations as they apply in respect of the UK Securitisation Regulation:

(a) the Seller, the Servicer and the Issuer agree not to undertake active portfolio management of the Purchased Receivables included in the Portfolio on a discretionary basis; and

(b) the Seller's rights and obligations to sell Receivables to the Issuer and/or repurchase Receivables from the Issuer pursuant to the Receivables Sale and Purchase Agreement do not constitute active portfolio management of the Purchased Receivables included in the Portfolio on a discretionary basis for the purposes of such Article.

Termination of HP Agreements, enforcement and administration of Insurance Claims

If an Obligor defaults on a Purchased Receivable, the Servicer will, in relation to such Defaulted Receivable and the enforcement of the relevant HP Agreement, comply in all material respects with the applicable Credit and Collection Procedures.

In relation to (i) any termination of an HP Agreement following default by the Obligor; (ii) any sale of a Vehicle following such termination; (iii) any early payment of all amounts outstanding under an HP Agreement by the relevant Obligor prior to the original maturity of the relevant HP Agreement; or (iv) any voluntary surrender by an Obligor of the Vehicle to which such HP Agreement relates prior to the scheduled maturity of the relevant HP Agreement, the Servicer will at all times materially comply with the relevant provisions of the applicable Credit and Collection Procedures.

The Servicer is authorised (until revocation of such authority by the Issuer and/or the Security Trustee) to bring or assert against the relevant insurance companies all Insurance Claims assigned to the Issuer pursuant to the Receivables Sale and Purchase Agreement, and is obliged to do so except to the extent inconsistent with its Credit and Collection Procedures. The Servicer shall not have any liability for the obligations of an Obligor under or pursuant to any Obligor Insurance.

Use of third parties

The Servicer may sub-contract or delegate any or all of its powers and obligations under the Servicing Agreement, provided that, inter alia, such third party has and shall maintain all requisite licences, approvals, authorisations and consents, including without limitation any necessary notifications under the Data Protection Laws and permissions under the FSMA or any other regulatory licence or approval required to enable it to fulfil its obligations under or in connection with any such sub-contracting or delegation arrangement.

Servicing expenses and reimbursement of enforcement expenses

As consideration for the performance of the Services pursuant to the Servicing Agreement, the Servicer is entitled to a servicing fee of 1.00% per annum of the Aggregate Outstanding Principal Balance, calculated in accordance with the Servicing Agreement (the "**Servicing Fee**") in respect of the period from and including the Cut-Off Date. The Servicing Fee will be inclusive of any amounts in respect of VAT. The Servicing Fee will be paid by the Issuer in accordance with the applicable Priority of Payments in monthly instalments (or such longer period for the first instalment) on each Interest Payment Date with respect to the immediately preceding Calculation Period in arrear.

In addition, the Issuer will on each Interest Payment Date reimburse, in accordance with the applicable Priority of Payments, the Servicer for all reasonable out-of-pocket costs, expenses and charges (including any Irrecoverable VAT but excluding any amounts paid by the Servicer to any delegate or sub-contractor, other than out-of-pocket costs, expenses and charges incurred by any such delegate or sub-contractor which the Servicer would have been entitled to reimbursement of had it incurred such out-of-pocket costs, expenses and charges directly itself) properly incurred by the Servicer in the performance of the Services and which would not be recoverable (or which the Servicer has not been able to recover) under the terms of the applicable Receivables from the Obligor in respect of which such costs, expenses and charges are incurred.

Remittance of Collections

Under the terms of the Servicing Agreement, the Collections received by the Servicer (for the avoidance of doubt excluding any Excess Amounts or Excluded Amounts and, in respect of Collections received on or after the Cut-Off Date but prior to the Closing Date, less the Financing Costs between the Cut-Off Date and the Closing Date) in respect of a Calculation Period standing to the credit of a Collection Account will be remitted to the Transaction Account within 2 Business Days of the Servicer applying such Collections to an Obligor's account (or, in respect of Collections received on or after the Cut-Off Date but prior to the Closing Date, within 5 Business Days following the Closing Date), or as otherwise directed by the Issuer or (following delivery of a Note Acceleration Notice or enforcement of the Security) the Security Trustee. Until such transfer, the Servicer will hold the Collections and any other amount received in respect of the Purchased Receivables (excluding any Excess Amounts or Excluded Amounts) to be so transferred on trust for the Issuer.

Termination of appointment and resignation of the Servicer

Upon the occurrence of any Servicer Termination Event, the Issuer and the Security Trustee will have the right to remove Blue as Servicer. If the appointment of Blue is terminated, the Issuer will (i) deliver a notice to invoke the Standby Servicer, which, upon completion of the procedures contemplated by the Standby Servicer Agreement, is expected to assume responsibility for the administration of the Purchased Receivables on the terms of the Replacement Servicing Agreement, or (ii) if there is no Standby Servicer or the Standby Servicer is for any reason unable to assume responsibility for the administration of the Purchased Receivables, subject to there being sufficient funds available for the Issuer to obtain expert assistance, use all reasonable endeavours to

appoint a replacement Servicer to perform the obligations which Blue agrees to provide under the Servicing Agreement.

The appointment of the Servicer may be terminated without the occurrence of a Servicer Termination Event upon at least 6 months' prior written notice given to the Servicer by (i) (prior to the delivery of a Note Acceleration Notice or notice that the Security Trustee has taken any action to enforce the Security only) the Issuer and the Security Trustee or (ii) (after delivery of a Note Acceleration Notice or notice that the Security Trustee has taken any action to enforce the Security) the Security Trustee, provided that such notice may not be given prior to the date falling three calendar months after the Closing Date.

The Servicer may also resign its appointment on not less than 12 months' written notice to the Issuer, the Seller, the Security Trustee and the Standby Servicer (with a copy being sent to the Cash Manager and the Rating Agencies), provided that such resignation shall not take effect until the Issuer and the Security Trustee consent in writing to such resignation and the Standby Servicer or a replacement servicer has been appointed as Servicer.

Other than the Standby Servicer, an entity may only be appointed as replacement servicer if certain conditions are fulfilled, including:

(a) it has experience of administering receivables reasonably similar to the Purchased Receivables being administered by the Servicer in England, Wales and Scotland or is able to demonstrate that it has the capability to administer receivables reasonably similar to the Purchased Receivables being administered by the Servicer in England, Wales and Scotland;

(b) it is willing to enter into an agreement with the parties to the Servicing Agreement (other than Blue in its capacity as Servicer) which provides for the replacement servicer to be remunerated at such a rate as is agreed by the Issuer but which does not exceed the rate then commonly charged by providers of services of the kind described in the Servicing Agreement and required by the Servicing Agreement to be provided by the Servicer and is otherwise on substantially the same terms as those of the Servicing Agreement; and

(c) the Rating Agencies are notified of such intended appointment and have indicated that such appointment would not result in the reduction, qualification or withdrawal of the then current ratings of the Rated Notes.

According to the Servicing Agreement, the appointment of the Servicer is, inter alia, automatically terminated in the event that an Insolvency Event occurs in respect of the Servicer and such event shall constitute a Perfection Event.

The outgoing Servicer and the Issuer will execute such documents and take such actions as the Issuer may require for the purpose of transferring to the Standby Servicer or the replacement Servicer (as applicable) the rights and obligations of the outgoing Servicer, assumption by the Standby Servicer of responsibility for performance of the services contemplated by the Replacement Servicing Agreement or by any replacement Servicer of the specific obligations of a replacement Servicer under the Servicing Agreement and

releasing the outgoing Servicer from its future obligations under the Servicing Agreement. Upon termination of the Servicing Agreement with respect to the Servicer or resignation of the Servicer thereunder and the invocation of the Standby Servicer or the appointment of a replacement Servicer (as applicable), the Servicer will transfer to the Standby Servicer or the replacement Servicer (as applicable) all Purchased Receivable Records and any and all related material, documentation and information.

Any termination or resignation of the appointment of the Servicer or of the Standby Servicer or a replacement Servicer will be notified by the Issuer to the Servicer or Standby Servicer (as applicable), the Rating Agencies, the Security Trustee, the Paying Agent, the Interest Determination Agent, the Account Bank, the Cash Manager and the Swap Provider.

Governing law

The Servicing Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law but any term particular to the law of Scotland will be construed in accordance with the laws of Scotland.

3. STANDBY SERVICER AGREEMENT

On the Closing Date, pursuant to the Standby Servicer Agreement between, among others, the Issuer, the Servicer, the Standby Servicer and the Security Trustee, the Standby Servicer will be appointed by the Issuer and the Security Trustee to provide certain standby services in respect of the Purchased Receivables.

Within 30 days of entering into the Standby Servicer Agreement, the Standby Servicer shall, among other things, ensure that it has established the required programmes and loaded the data supplied into such programmes. The Standby Servicer will also review and complete any procedures required in order to produce the servicing report in the form prescribed by the Standby Servicer Agreement (the "**Servicing Report**") and be able to replicate the Servicing Report, if requested by the Issuer or the Security Trustee, within 15 calendar days of such request.

Invocation

If, following a Servicer Termination Event, the Issuer or the Security Trustee terminates the Servicer's appointment under the Servicing Agreement by notice in writing or if, in the case of an Insolvency Event occurring in respect of the Servicer, the Servicer's appointment is terminated automatically (the "**Replacement Trigger**"), the Issuer shall deliver written notice to the Standby Servicer (a "**Standby Servicer Notice**") requesting that the Standby Servicer assume responsibility for servicing the Purchased Receivables, on and subject to the terms of a replacement Servicing Agreement, the form of which is set out in Schedule 2 (*Replacement Servicing Agreement*) to the Standby Servicer Agreement.

The Standby Servicer agrees to carry out the Invocation Plan which forms part of the Standby Servicer Agreement and, upon completion of the relevant activities referred to therein, assume responsibility for servicing the Purchased Receivables, complete the

testing of amendments to the direct debit instructions and confirm that, if required by the Issuer or Security Trustee, it will be capable of instructing each Obligor to make payments directly to the Transaction Account in each case within 30 days of the date of the Standby Servicer Notice (the "**Standby Servicer Succession Date**").

Following the occurrence of a Replacement Trigger until the Standby Servicer Succession Date, the Servicer agrees to provide at its own cost all such assistance, and access to all such hardware, software, processes, staff and facilities of the Servicer, as the Standby Servicer may reasonably require to facilitate the assumption of responsibility for servicing the Purchased Receivables by the Standby Servicer. The Standby Servicer will conduct an annual review of the Invocation Plan and update such Invocation Plan as necessary.

So long as the Servicer remains appointed under the Servicing Agreement, the Servicer undertakes:

(a) to ensure that at any time between annual reviews it is able, upon reasonable notice, to provide its data to the Standby Servicer in an agreed format as the same may have been modified at the immediately preceding annual review; and

(b) to provide, upon execution of the Standby Servicer Agreement and monthly thereafter, reports to the Standby Servicer (in such form as may be agreed between the Servicer and the Standby Servicer) containing such data relating to the Obligors of the Purchased Receivables and their Ancillary Rights as is required to enable the Standby Servicer to notify the Obligors of the assignment of the Purchased Receivables following the occurrence of a Perfection Event.

Limitation of liability of the Standby Servicer

Subject to the general exclusions of liability of the Standby Servicer as set out in the Standby Servicer Agreement, the Standby Servicer's entire liability in contract, negligence, tort, statute, restitution or otherwise arising out of or in connection with the Standby Servicer Agreement is limited in aggregate to (i) in the event of losses arising from the breach of Data Protection Laws, 300% of the total monies paid or payable by the Issuer to the Standby Servicer per year, unless such liability is occasioned by the wilful misconduct, gross negligence or fraud of the Standby Servicer; or (ii) in the event of all other losses, 100% of the total monies paid or payable by the Issuer to the Standby Servicer per year, unless such liability is occasioned by the wilful misconduct, gross negligence or fraud of the Standby Servicer.

Termination by the Standby Servicer

The Standby Servicer is entitled to terminate the Standby Servicer Agreement upon written notice provided that a suitably experienced replacement has been appointed and the Standby Servicer has provided such replacement standby servicer all information and resources reasonably required to perform the obligations of the standby servicer. The Standby Servicer may terminate the Standby Servicer Agreement without regard to the foregoing provisos upon at least six months' prior written notice if any sum due to the Standby Servicer remains unpaid 30 calendar days after notice of the same is given to the Servicer, the Issuer and Security Trustee.

Termination by the Issuer or Security Trustee

The Servicer (with the prior written consent of the Issuer and the Security Trustee) and/or the Issuer (prior to the service of a Note Acceleration Notice on the Issuer or notice that the Security Trustee has taken any action to enforce the Security) and/or the Security Trustee (after the service of a Note Acceleration Notice on the Issuer or notice that the Security Trustee has taken any action to enforce the Security) may terminate the Standby Servicer Agreement upon 30 days' prior written notice (or 90 days' prior written notice following the occurrence of a Servicer Termination Event or the receipt by the Standby Servicer of the Standby Servicer Notice), provided that such minimum notice periods shall not apply if the Standby Servicer becomes insolvent. The Standby Servicer Agreement may also be terminated forthwith if a material breach or default is made by the Standby Servicer in the performance of its obligations thereunder or under the Replacement Servicing Agreement, subject to a 30 day grace period where such breach is capable of remedy.

Governing law

The Standby Servicer Agreement and any non-contractual obligations arising out of or in connection with the Standby Servicer Agreement are governed by and construed in accordance with English law.

4. CASH MANAGEMENT AGREEMENT

On or before the Closing Date, the Issuer, the Cash Manager, the Servicer, the Note Trustee and the Security Trustee will enter into the Cash Management Agreement pursuant to which Citibank, N.A., London Branch will be appointed to act as the Cash Manager in respect of amounts standing from time to time to the credit of the Issuer Accounts and arrange for payments to be made on behalf of the Issuer from such accounts in accordance with the Priorities of Payments.

Cash management services

The Cash Manager is required to manage the operation of the Issuer Accounts, and in each case give instructions to the Account Bank to enable it to perform its obligations. The Cash Manager shall additionally perform certain calculations required under the Cash Management Agreement necessary for the determination and payment of the various cash flows and shall be responsible for applying such payments in accordance with the Priorities of Payments and the Cash Management Agreement.

Pursuant to the Cash Management Agreement, the Cash Manager will provide, inter alia, the following cash management services to the Issuer:

(a) determining such amounts as are expressed to be calculations and determinations made by the Cash Manager in accordance with the Conditions of the Notes, the Residual Certificate Conditions and the Transaction Documents; and

(b) determining the amounts of Available Revenue Receipts and Available Principal Receipts to be applied on each Interest Payment Date and applying or causing to be applied Available Revenue Receipts and Available Principal Receipts in accordance with the applicable Priority of Payments set out in the Cash Management Agreement or, as applicable, the Deed of Charge.

The Cash Manager will maintain the following ledgers:

(a) on the Reserve Fund Account, the "**Senior Reserve Fund**" and the "**Junior Reserve Fund**", which records (A) as a credit, all amounts paid into the Reserve Fund Account on the Closing Date and, thereafter, in accordance with items (h) and (r) of the Pre-Acceleration Revenue Priority of Payments and (B) as a debit, any withdrawal from the Reserve Fund Account in respect of any Senior Reserve Fund Excess Amount, any Senior Reserve Fund Release Amount, any Junior Reserve Fund Excess Amount or any Junior Reserve Fund Release Amount included in Available Revenue Receipts on any Interest Payment Date;

(b) the "**Principal Deficiency Ledger**" (and the "**Principal Deficiency Sub-ledger (Class A)**", "**Principal Deficiency Sub-ledger (Class B)**", "**Principal Deficiency Sub-ledger (Class C)**", "**Principal Deficiency Sub-ledger (Class D)**", "**Principal Deficiency Sub-ledger (Class E)**" and "**Principal Deficiency Sub-ledger (Class F)**" as sub-ledgers), which records Gross Losses arising from Defaulted Receivables and Voluntarily Terminated Receivables in the Portfolio and any Principal Addition Amount applied as Available Revenue Receipts in accordance with the Pre-Acceleration Revenue Priority of Payments; and

(c) on the Transaction Account, the "**Issuer Profit Ledger**" which records (A) as a credit, all amounts retained as Issuer Profit Amount in accordance with item (a) of the Pre-Acceleration Revenue Priority of Payments or item (a) of the Post-Acceleration Priority of Payments, as the case may be; and (B) as a debit, any payments in respect of Tax to any relevant taxing or fiscal authority or agency and any dividend payments to the Issuer's shareholder (up to the credit balance standing to the Issuer Profit Ledger).

Under the terms of the Cash Management Agreement, prior to the service of a Note Acceleration Notice, the Cash Manager (as directed by the Seller) on any Business Day will be permitted to make withdrawals (each a "**Permitted Revenue Withdrawal**") from the Transaction Account in respect of the Excess Recoveries Amounts, Excess Amounts or Excluded Amounts provided that any such withdrawals shall: (1) in any Calculation Period only be made up to a maximum aggregate amount equal to the Revenue Receipts received in such Calculation Period and (2) be deemed to be made prior to application of Available Revenue Receipts in accordance with the applicable Priority of Payments, and for the avoidance of doubt, such amount shall not be included as Available Revenue Receipts.

On or before each Interest Payment Date, the Cash Manager will:

(a) record amounts as appropriate on the Principal Deficiency Ledger by:

(i) crediting the Principal Deficiency Sub-ledger (Class A) by an amount equal to the amounts transferred under item (f) of the Pre-Acceleration Revenue Priority of Payments on such Interest Payment Date;

(ii) crediting the Principal Deficiency Sub-ledger (Class B) by an amount equal to the amounts transferred under item (i) of the Pre-Acceleration Revenue Priority of Payments on such Interest Payment Date;

(iii) crediting the Principal Deficiency Sub-ledger (Class C) by an amount equal to the amounts transferred under item (k) of the Pre-Acceleration Revenue Priority of Payments on such Interest Payment Date;

(iv) crediting the Principal Deficiency Sub-ledger (Class D) by an amount equal to the amounts transferred under item (m) of the Pre-Acceleration Revenue Priority of Payments on such Interest Payment Date;

(v) crediting the Principal Deficiency Sub-ledger (Class E) by an amount equal to the amounts transferred under item (o) of the Pre-Acceleration Revenue Priority of Payments on such Interest Payment Date;

(vi) crediting the Principal Deficiency Sub-ledger (Class F) by an amount equal to the amounts transferred under item (q) of the Pre-Acceleration Revenue Priority of Payments on such Interest Payment Date;

(vii) debiting the Principal Deficiency Ledger by an amount equal to the aggregate of the Gross Losses arising from Defaulted Receivables and Voluntarily Terminated Receivables, and any Principal Addition Amount applied as Available Revenue Receipts in accordance with the Pre-Acceleration Revenue Priority of Payments, in the following order:

(A) first, to the Principal Deficiency Sub-ledger (Class F) until the debit balance thereon is equal to the then Outstanding Note Principal Amount of the Class F Notes;

(B) second, to the Principal Deficiency Sub-ledger (Class E) until the debit balance thereon is equal to the then Outstanding Note Principal Amount of the Class E Notes;

(C) third, to the Principal Deficiency Sub-ledger (Class D) until the debit balance thereon is equal to the then Outstanding Note Principal Amount of the Class D Notes;

(D) fourth, to the Principal Deficiency Sub-ledger (Class C) until the debit balance thereon is equal to the then Outstanding Note Principal Amount of the Class C Notes;

(E) fifth, to the Principal Deficiency Sub-ledger (Class B) until the debit balance thereon is equal to the then Outstanding Note Principal Amount of the Class B Notes; and

(F) sixth, to the Principal Deficiency Sub-ledger (Class A) until the debit balance thereon is equal to the then Outstanding Note Principal Amount of the Class A Notes; and

(b) record amounts as appropriate as forming part of the Senior Reserve Fund and Junior Reserve Fund as follows, with all credits being made to the Senior Reserve Fund (for so long as any Class A Notes or Class B Notes are outstanding), and then to the Junior Reserve Fund (once no Class A Notes or Class B Notes are outstanding) and all debits being made to the Senior Reserve Fund (for so long as any Class A Notes or Class B Notes are outstanding), then to the Junior Reserve Fund (once no Class A Notes or Class B Notes are outstanding):

(i) crediting the Senior Reserve Fund by an amount equal to the aggregate of:

(A) the amount available from the part of the proceeds of the Class X Notes on the Closing Date available for the Senior Reserve Fund; and

(B) payments made in accordance with item (h) of the Pre-Acceleration Revenue Priority of Payments;

(ii) crediting the Junior Reserve Fund by an amount equal to the aggregate of:

(A) on the date on which the Class B Notes are redeemed in full, the Senior Reserve Fund – Junior Reserve Fund Funding Amount; and

(B) payments made in accordance with item (r) of the Pre-Acceleration Revenue Priority of Payments;

(iii) debiting the Senior Reserve Fund by an amount equal to the aggregate of amounts drawn from the Senior Reserve Fund (1) on each Interest Payment Date from the Closing Date, for application under the applicable items of the Pre-Acceleration Revenue Priority of Payments, the Senior Reserve Fund Release Amount, (2) on the Interest Payment Date on which the Class B Notes are redeemed in full, the Senior Reserve Fund – Junior Reserve Fund Funding Amount, (3) on the Interest Payment Date on which the Collateralised Notes are redeemed in full and each Interest Payment Date thereafter, on the Interest Payment Date on which the Clean-Up Call is exercised, and on the Legal Maturity Date, all amounts standing to the credit of the Senior Reserve Fund, for application as Available Revenue Receipts and (4) on each Interest Payment Date from the Closing Date on which there is a Senior Reserve Fund Excess Amount, such excess for application as Available Revenue Receipts, in each case until the balance of the Senior Reserve Fund is zero; and

(iv) debiting the Junior Reserve Fund by an amount equal to the aggregate of amounts drawn from the Junior Reserve Fund (1) on each Interest Payment Date from the Interest Payment Date on which the Junior Reserve Fund is first funded, for application under the applicable items of the Pre-Acceleration Revenue Priority of Payments, the Junior Reserve Fund Release Amount, (2) on the Interest Payment Date on which the Collateralised Notes are redeemed in full and each Interest Payment Date thereafter, on the Interest Payment Date on which the Clean-Up Call is exercised, and on the Legal Maturity Date, all amounts standing to the credit of the Junior Reserve Fund, for application as Available Revenue Receipts and (3) on each Interest Payment Date from the Interest Payment Date on which the Junior Reserve Fund is first funded on which there is a Junior Reserve Fund Excess Amount, such excess for application as Available Revenue Receipts, in each case until the balance of the Junior Reserve Fund is zero.

Reporting

Subject to receipt of the Monthly Report, the Cash Manager will prepare the Monthly Investor Report. Subject to receipt of the UKSR Servicer Data Tape on the Reporting Date, the Cash Manager will prepare the SR Investor Report in respect of the immediately preceding Calculation Period.

The Cash Manager shall make the Monthly Investor Report available to the Issuer, the Servicer, the Seller, the Noteholders, the Certificateholders, the Swap Provider and the Rating Agencies by publication on the website located at https://sf.citidirect.com on each Interest Payment Date.

The Cash Manager shall make the SR Investor Report available to the Issuer, the Servicer, the Seller, the Noteholders, the Swap Provider, the Certificateholders, the competent authorities and, upon request, potential Noteholders and potential Certificateholders by emailing such information to the Securitisation Repository (at documentation@euroabs.com or any alternative email address of the Securitisation Repository or a replacement securitisation repository in each case as advised by the Issuer or the Servicer to the Cash Manager) in order for the Securitisation Repository to procure the publication of such information on the Reporting Website on each Interest Payment Date.

Determinations and reconciliation

The Cash Manager will agree to make the following determinations if the Servicer fails to provide a Monthly Report on or prior to a Reporting Date and to calculate the following reconciliations once such Monthly Report is available:

(a) If the Cash Manager does not receive a Monthly Report with respect to the related Calculation Period on or prior to the related Reporting Date (each such period, a "**Determination Period**"), then the Cash Manager shall use the Monthly Report in respect of the three most recent Calculation Periods in respect of which all relevant Monthly Reports are available (or, where there are not at least three such

previous Calculation Periods, any such previous Calculation Periods) for the purposes of calculating the amounts available to the Issuer to make payments, as set out in paragraph (b) below. When the Cash Manager receives the Monthly Report relating to such Determination Period, it will make the reconciliation calculations and reconciliation payments as set out in paragraph (c) below. Any (i) calculations properly made on the basis of such estimates in accordance with paragraphs (b) and/or (c) below; (ii) payments made under any of the Notes, the Residual Certificates and the Transaction Documents in accordance with such calculations; and (iii) reconciliation calculations and reconciliation payments made as a result of such reconciliation calculations, each in accordance with paragraphs (b) and/or (c) below, shall be deemed to be made in accordance with the provisions of the Transaction Documents and will in themselves not lead to an Event of Default and no liability will attach to the Cash Manager in connection with the exercise by it of its powers, duties and discretion for such purposes (other than as a result of the Cash Manager's gross negligence, fraud or wilful default).

(b) In respect of any Determination Period, the Cash Manager shall on the Calculation Date immediately following the Determination Period:

(i) determine the Interest Determination Ratio by reference to the three most recent Calculation Periods in respect of which all relevant Monthly Reports are available (or, where there are not at least three such previous Calculation Periods, any such previous Calculation Periods);

(ii) calculate the Revenue Receipts for such Determination Period as (A) the Interest Determination Ratio multiplied by (B) all Collections received by the Issuer during such Determination Period (the "**Calculated Revenue Receipts**"); and

(iii) calculate the Principal Receipts for such Determination Period as (A) 1 minus the Interest Determination Ratio multiplied by (B) all Collections received by the Issuer during such Determination Period (the "**Calculated Principal Receipts**").

(c) Following the end of any Determination Period, upon receipt by the Cash Manager of the relevant Monthly Report in respect of such Determination Period, the Cash Manager shall reconcile the calculations made in accordance with paragraph (b) above to the actual collections set out in the Monthly Reports by allocating the Reconciliation Amount as follows:

(i) if the Reconciliation Amount is a positive number, the Cash Manager shall apply an amount equal to the lesser of (A) the absolute value of the Reconciliation Amount and (B) (1) actual Revenue Receipts, as determined in accordance with the available Monthly Reports, less (2) the amount required in respect of the Calculation Period to pay items (a) to (g) (inclusive) of the Pre-Acceleration Principal Priority of Payments, as Available Principal Receipts; and

(ii) if the Reconciliation Amount is a negative number, the Cash Manager shall apply an amount equal to the lesser of (A) the absolute value of the Reconciliation Amount and (B) actual Principal Receipts as determined in accordance with the available Monthly Reports, as Available Revenue Receipts,

provided that the Cash Manager shall apply such Reconciliation Amount in determining Available Revenue Receipts and Available Principal Receipts for such Calculation Period in accordance with the terms of the Cash Management Agreement and the Cash Manager shall promptly notify the Issuer and the Security Trustee of such Reconciliation Amount.

Termination of appointment of Cash Manager

The Issuer may terminate the appointment of the Cash Manager under the Cash Management Agreement upon the occurrence of a Cash Manager Termination Event.

A "**Cash Manager Termination Event**" means the occurrence of any one of the following events:

(a) the Cash Manager fails to instruct a deposit or payment when such instruction is required to be made by it under the Cash Management Agreement and such failure remains unremedied for three Business Days (where capable of remedy) following the Cash Manager having actual knowledge of, or being notified in writing of, such failure;

(b) a default is made by the Cash Manager in the performance or observance of any of its other covenants and obligations under the Cash Management Agreement, which in the opinion of the Note Trustee as notified to the Security Trustee is materially prejudicial to the interests of the Noteholders of the Most Senior Class and, where capable of remedy, such default continues unremedied for a period of 30 Business Days after the earlier of the Cash Manager having actual knowledge of such default and receipt by the Cash Manager of written notice from the Issuer or the Security Trustee, as applicable, requiring the same to be remedied;

(c) it is or will become unlawful for the Cash Manager to perform or comply with any of its obligations under the Cash Management Agreement; or

(d) an Insolvency Event occurs in respect of the Cash Manager.

The Cash Manager may also resign its appointment on no less than 90 calendar days written notice to the Issuer, the Seller, the Servicer and the Security Trustee with a copy being sent to the Rating Agencies.

No termination or resignation of the Cash Manager will be effective until the Issuer has appointed a new cash manager (the "**Replacement Cash Manager**"). In accordance with the terms of the Cash Management Agreement, any Replacement Cash Manager must:

(a) in the reasonable opinion of the Issuer (which shall be certified by the Issuer to the Security Trustee upon which certificate the Security Trustee shall be entitled to rely absolutely and without further enquiry or liability) have experience of cash management in relation to auto finance agreements in England, Wales and Scotland;

(b) be approved by the Servicer; and

(c) enter into an agreement (the "**Replacement Cash Management Agreement**") on terms substantially similar to those of the Cash Management Agreement, provided that (i) where the Issuer determines that it is not practicable, taking into account the then prevailing market conditions, to agree terms substantially similar to those set out in the Cash Management Agreement, the Issuer shall have certified in writing to the Note Trustee and the Security Trustee (upon which certificate the Note Trustee and the Security Trustee shall be entitled to rely absolutely and without enquiry or liability) that, to the extent the terms (including the fees payable to the Cash Manager) are not substantially similar to those set out in the Cash Management Agreement as aforementioned, such terms are fair and commercial terms taking into account the then prevailing current market conditions, which certificate shall be conclusive and binding on all parties and (ii) neither the Note Trustee nor the Security Trustee shall be obliged to enter into any such arrangements which, in the sole opinion of the Note Trustee or the Security Trustee (as applicable) would have the effect of (A) exposing the Note Trustee or the Security Trustee (as applicable) to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (B) increasing the obligations or duties, or decreasing the rights, powers, authorities, indemnification or protections, of the Note Trustee or the Security Trustee (as applicable) in the Transaction Documents.

The consent of the Security Trustee is also required in order for a Replacement Cash Manager to be appointed. The Security Trustee shall give such consent on receipt of a certificate from the Issuer confirming such Replacement Cash Manager satisfies the criteria set out in paragraphs (a) and (c) above.

Where no suitable entity is found that satisfies the criteria set out above, the Issuer shall notify the Security Trustee and the Servicer and the Security Trustee shall consent to the appointment of an entity as Replacement Cash Manager only where the Security Trustee has been directed to do so by the Instructing Party.

None of the Note Trustee, the Security Trustee or the resigning Cash Manager shall be responsible or have any liability if a Replacement Cash Manager cannot be found or appointed in accordance with the terms of the Cash Management Agreement.

The Cash Manager has undertaken to indemnify each of the Issuer, the Note Trustee and the Security Trustee on demand on an after Tax basis for any properly incurred expense and any loss or liability suffered or incurred by any of them as a direct result of the fraud, gross negligence or wilful default of the Cash Manager in carrying out its functions as Cash Manager other than where such loss or liability suffered or incurred by any of them

is a direct result of the gross negligence, fraud or wilful default of the Issuer, the Note Trustee or the Security Trustee (as applicable).

In accordance with the terms of the Cash Management Agreement, the Issuer will pay to the Cash Manager for its services a cash management fee as set out in a fee letter entered into on or prior to the Closing Date between the Issuer and the Cash Manager (the "**Cash Management Fee**").

Governing law

The Cash Management Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

5. AGENCY AGREEMENT

On the Closing Date, pursuant to the Agency Agreement, the Issuer will appoint the Paying Agent to act as paying agent with respect to the Notes and the Residual Certificates and to forward payments to be made by the Issuer to the Noteholders and Certificateholders and will appoint the Interest Determination Agent to act as interest determination agent to determine the relevant SONIA rate on each Interest Determination Date and provide such figure, among other matters, to the Cash Manager and the Servicer. Pursuant to the terms of the Agency Agreement, the Issuer will appoint the Registrar and the Registrar will agree to, among other things, maintain a register in respect of the Notes and the Residual Certificates.

The functions, rights and duties of the Paying Agent and the Interest Determination Agent are set out in the Conditions and the Residual Certificate Conditions. See "*CONDITIONS OF THE NOTES" and "CONDITIONS OF THE RESIDUAL CERTIFICATES*".

The Agency Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

6. CORPORATE SERVICES AGREEMENT

Pursuant to a Corporate Services Agreement dated the Closing Date, the Corporate Services Provider provides the Issuer and Holdings with certain corporate and administrative functions. Such services include, inter alia, providing the directors of the Issuer and Holdings, keeping the corporate records, convening director's meetings, providing registered office facilities and suitable office accommodation, preparing and filing all statutory and annual returns, preparing the financial statements and performing certain other corporate administrative services in respect of the Issuer and Holdings against payment of a fee, which shall be paid in accordance with the applicable Priority of Payments, (the "**Corporate Services**"). The Issuer is liable to pay certain fees to the Corporate Services Provider in respect of the Corporate Services in accordance with the applicable Priority of Payments.

Pursuant to the Corporate Services Agreement, the Corporate Services Provider delegates the provision of bookkeeping services and the preparation of statutory accounts, tax filings and financial statements, in each case in respect of the Issuer and

Holdings, to Blue. The Issuer is liable to pay fees to the Corporate Services Provider in respect of such services, being, for so long as Blue provides them, the amounts specified by Blue. The Issuer agrees to pay such amounts to Blue, for so long as it provides such services, directly. If Blue no longer provides such services, the Corporate Services Provider shall provide such services itself or by the appointment of an alternative delegate, subject to the agreement of fees in respect of such services by the Issuer and the Corporate Services Provider.

The Corporate Services Provider may resign, or its appointment may be terminated by the Issuer and Holdings, upon three months' prior written notice. Additionally, the Issuer and Holdings (with the prior written consent of the Security Trustee) have the right to terminate the Corporate Services Provider's appointment forthwith at any time by notice in writing upon the occurrence of certain events, including a material breach of the Corporate Services Agreement by the Corporate Services Provider (such breach not being remedied within 30 days), various insolvency events in respect of the Corporate Services Provider or the Corporate Services Provider's ceasing or threatening to cease to carry on its business. The Corporate Services Provider may also resign forthwith at any time if the Issuer or Holdings commits a material breach of any of the terms or conditions of the Corporate Services Agreement or any of the Transaction Documents and fails to remedy the same within 30 days. No such termination shall take effect until a substitute Corporate Services Provider with experience in the provision of services similar to the Corporate Services has been appointed.

The Corporate Services Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

7. BANK ACCOUNT AGREEMENT

On the Closing Date, pursuant to the Bank Account Agreement, the Account Bank will be appointed by the Issuer and will act as agent of the Issuer to hold the Issuer Accounts for the Issuer. During the life of the Transaction, the Account Bank shall be required to maintain at least the Required Ratings.

The functions, rights and duties of the Account Bank are set out in the Bank Account Agreement.

Transaction Account

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

The Servicer will be required to remit all Collections in respect of a Calculation Period standing to the credit of a Collection Account to the Transaction Account within 2 Business Days of the Servicer applying such Collections to an Obligor's account (or, in respect of Collections received on or after the Cut-Off Date but prior to the Closing Date, within 5 Business Days following the Closing Date (less the Financing Costs between the Cut-Off Date and the Closing Date)), or as otherwise directed by the Issuer or (following delivery of a Note Acceleration Notice or enforcement of the Security) the Security Trustee. The Issuer will use the Collections (other than any Excess Amounts, Excluded Amounts or, if relevant, Excess Recoveries Amounts) standing to the credit of the Transaction Account

together with the other amounts forming the Available Principal Receipts and Available Revenue Receipts, and the Cash Manager will apply those amounts, on each Interest Payment Date according to the applicable Priority of Payments.

On each Interest Payment Date, in accordance with the applicable Priority of Payments, the Cash Manager will instruct payment to the Issuer Profit Ledger of any Issuer Profit Amount paid in accordance with the applicable Priority of Payments. Amounts may be debited from the Issuer Profit Ledger from time to time for any payments in respect of Tax to any relevant taxing or fiscal authority or agency and any dividend payments to the Issuer's shareholder.

Reserve Funds

The Reserve Funds of the Issuer are ledgers of the Reserve Fund Account, which will be maintained with the Account Bank.

The amount standing to the credit of the Reserve Fund Account as of the Closing Date will be GBP 4,670,400 in relation to the Senior Reserve Fund and zero in relation to the Junior Reserve Fund.

The Issuer will use the amounts standing to the credit of the Reserve Funds together with the other amounts forming the Available Revenue Receipts and will apply those amounts according to the applicable Priority of Payments.

Senior Reserve Fund

The amounts standing to the credit of the Senior Reserve Fund from time to time will serve as liquidity support for the Class A Notes and the Class B Notes, and certain senior expenses ranking in priority thereto throughout the life of the transaction.

On any Interest Payment Date where a Senior Expenses Shortfall and/or a Senior Reserve Revenue Receipts Shortfall arises, the Issuer shall withdraw the Senior Reserve Fund Release Amount from the amount standing to the credit of the Senior Reserve Fund and apply such amount as Available Revenue Receipts. Such Available Revenue Receipts will be applied towards certain items of the Pre-Acceleration Revenue Priority of Payments, in respect of, first, the Senior Expenses Shortfall and, second, the Senior Reserve Revenue Receipts Shortfall.

The Senior Reserve Fund will be funded on the Closing Date up to the Senior Reserve Fund Required Amount using the proceeds from the sale of the Class X Notes and thereafter replenished in accordance with the Pre-Acceleration Revenue Priority of Payments.

Junior Reserve Fund

The amounts standing to the credit of the Junior Reserve Fund from time to time will serve as liquidity support for the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, and certain senior expenses ranking in priority thereto throughout the life of the transaction.

On any Interest Payment Date following the date on which the Junior Reserve Fund is first funded where a Senior Expenses Shortfall and/or a Junior Reserve Revenue Receipts Shortfall arises, the Issuer shall withdraw the Junior Reserve Fund Release Amount from the amount standing to the credit of the Junior Reserve Fund and apply such amount as Available Revenue Receipts. Such Available Revenue Receipts will be applied towards certain items of the Pre-Acceleration Revenue Priority of Payments, in respect of, first, the Senior Expenses Shortfall and, second, the Junior Reserve Revenue Receipts Shortfall.

The Junior Reserve Fund will be funded on the Interest Payment Date on which the Class B Notes are redeemed in full up to the Junior Reserve Fund Required Amount:

(i) first, from the Senior Reserve Fund – Junior Reserve Fund Funding Amount; and

(ii) then, to the extent sufficient Available Revenue Receipts are available for such purpose in accordance with the Pre-Acceleration Revenue Priority of Payments,

and thereafter replenished in accordance with the Pre-Acceleration Revenue Priority of Payments.

Reserve Funds generally

On each Interest Payment Date on which there is a Reserve Fund Excess Amount, such amount shall be debited from the relevant Reserve Fund and applied as Available Revenue Receipts in accordance with the Pre-Acceleration Revenue Priority of Payments.

On any Interest Payment Date on which the Clean-Up Call is exercised, the entirety of any Reserve Fund balance shall be applied as Available Revenue Receipts in addition to all other Available Revenue Receipts on such Interest Payment Date.

Following the service of a Note Acceleration Notice on the Issuer, the balance standing to the credit of the Reserve Funds will be applied in accordance with the Post-Acceleration Priority of Payments.

Swap Collateral Account

The Swap Collateral Account of the Issuer will be maintained with the Account Bank.

If the Swap Provider ceases to be an Eligible Swap Provider, the Swap Provider shall be required to take action in accordance with the Swap Agreement, including posting eligible collateral into the Swap Collateral Account in accordance with the provisions of the Swap Agreement.

The posting of collateral in the Swap Collateral Account shall not constitute Collections and shall secure solely the payment obligations of the Swap Provider to the Issuer under the Swap Agreement and not any obligations of the Issuer.

The amounts in the Swap Collateral Account will be applied in or towards satisfaction of the Swap Provider's obligations to the Issuer upon termination of the Swap Agreement. Any Excess Swap Collateral shall not be available to Secured Creditors and shall be returned to such Swap Provider outside the Priorities of Payments.

Any amount standing to the credit of the Swap Collateral Account at any time prior to the termination of the Swap Agreement which exceeds any required collateral amount will be paid back by the Issuer (or by the Cash Manager on behalf of the Issuer) to the Swap Provider outside the Priorities of Payments in accordance with the terms of the Swap Agreement.

Account Bank rating requirements

If the Account Bank ceases to have all of the following ratings:

(a) a COR of at least A(high) by DBRS or, if a COR from DBRS is not available, a long-term, senior, unsecured debt rating of at least A by DBRS (either by way of a public rating or, in its absence, by way of a private rating supplied by DBRS) or, if the Account Bank is not rated by DBRS, a DBRS Equivalent Rating at least equal to A by DBRS; and

(b) a long term bank deposit rating of at least A2 by Moody's,

or such other rating or ratings as may be agreed by the relevant Rating Agency from time to time (or as are consistent with the then published criteria of the relevant Rating Agency) as would maintain the then current ratings of the Rated Notes (the "**Required Ratings**") then, within 30 calendar days of the breach, one of the following will occur:

(a) any Issuer Account may be closed by, or on behalf of, the Issuer and all amounts standing to the credit thereof shall be transferred by, or on behalf of, the Issuer to accounts held with a financial institution which (i) has at least the Required Ratings; (ii) is a bank as defined in Section 991 of the Income Tax Act 2007; and (iii) is an authorised institution under FSMA; or

(b) a Rating Agency Confirmation has or will be obtained by (or on behalf of the Issuer) or the Account Bank will take such other actions as may be reasonably requested by the parties to the Bank Account Agreement (other than the Security Trustee) at the cost, and with the prior consent (not to be unreasonably withheld or delayed), of the Issuer to ensure that the rating of the Most Senior Class of Notes immediately prior to the Account Bank ceasing to have the Required Ratings is not adversely affected by the Account Bank ceasing to have all of the Required Ratings.

If the Account Bank fails to comply with the above, the Account Bank's appointment will be terminated by the Issuer (with prior written notice to the Security Trustee) (such termination being effective on a replacement account bank being appointed by the Issuer). If the Issuer should fail to appoint such successor account bank within 30 calendar days after receipt of the termination notice given by the Issuer, then the existing Account Bank may select a leading bank of international repute having at least the

Required Ratings, which is a bank as defined in Section 991 of the Income Tax Act 2007 and an authorised institution under FSMA, to act as Account Bank and the Issuer shall appoint that bank as the successor Account Bank. The Account Bank shall continue to provide services under the Bank Account Agreement in any case until a successor Account Bank meeting the above conditions is validly appointed by the Issuer.

Termination

In addition to the above, the Issuer (with prior written notice to the Note Trustee and the Security Trustee) may terminate the Bank Account Agreement in specified circumstances, including the insolvency of the Account Bank and the Account Bank's failure to remedy a default in the performance of its obligations under the Account Bank Agreement, in each case subject to the appointment of a replacement account bank.

Governing law

The Bank Account Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

8. SWAP AGREEMENT

The Issuer has entered into the Swap Agreement in order to mitigate its interest rate basis risk. The Swap Agreement consists of a 1992 ISDA Master Agreement, the associated schedule, a credit support annex thereto and an interest rate swap confirmation thereunder.

Pursuant to the terms of the Swap Agreement, on each Interest Payment Date commencing on the first Interest Payment Date, the Issuer will make fixed rate payments to the Swap Provider ("**Issuer Swap Payments**") which the Issuer will fund using the Collections which it receives from the Purchased Receivables and the Reserve Funds. Such Issuer Swap Payments will be calculated by reference to (i) the Swap Notional Amount, (ii) the Swap Rate and (iii) the Day Count Fraction.

The Swap Provider will, on the corresponding Interest Payment Dates, make floating rate payments ("**Swap Provider Payments**") to the Issuer in an amount calculated by reference to (i) the Swap Notional Amount, (ii) Swap SONIA and (iii) the Day Count Fraction. Pursuant to the Swap Agreement, the Issuer will also pay to the Swap Provider (or there will be paid to the Swap Provider on the Issuer's behalf) the Swap Premium on or about the Closing Date

The Issuer Swap Payment and the Swap Provider Payment to be made on the same Interest Payment Date will be netted against one another so as to give rise to a single payment to be made by the Issuer to the Swap Provider or by the Swap Provider to the Issuer.

The Swap Notional Amount for each Interest Payment Date will be the amount set out opposite the Interest Period to which such Interest Payment Date relates in the amortisation schedule appended to the interest rate swap confirmation, as follows:

Interest Payment Date falling on (subject to the Business Day Convention)	**Swap Notional Amount (£)**
20/05/2023	237,142,934
20/06/2023	228,507,294
20/07/2023	220,065,071
20/08/2023	211,814,979
20/09/2023	203,754,010
20/10/2023	195,877,918
20/11/2023	188,184,021
20/12/2023	180,671,774
20/01/2024	173,334,634
20/02/2024	166,171,427
20/03/2024	159,184,682
20/04/2024	152,375,276
20/05/2024	145,737,234
20/06/2024	139,267,708
20/07/2024	132,962,093
20/08/2024	126,824,974
20/09/2024	120,846,904
20/10/2024	115,032,746
20/11/2024	109,378,775
20/12/2024	103,877,049
20/01/2025	98,523,967
20/02/2025	93,316,165
20/03/2025	88,259,441
20/04/2025	83,363,519
20/05/2025	78,617,623
20/06/2025	74,018,572
20/07/2025	69,569,466
20/08/2025	65,268,980
20/09/2025	61,118,254
20/10/2025	57,116,886
20/11/2025	53,260,116
20/12/2025	49,539,557
20/01/2026	45,949,851
20/02/2026	42,485,856
20/03/2026	39,156,574
20/04/2026	35,985,290
20/05/2026	32,962,065
20/06/2026	30,076,941
20/07/2026	27,345,947
20/08/2026	24,778,231
20/09/2026	22,371,130
20/10/2026	20,121,467

Interest Payment Date falling on (subject to the Business Day Convention)	**Swap Notional Amount (£)**
20/11/2026	18,015,323
20/12/2026	16,055,526
20/01/2027	14,245,176
20/02/2027	12,581,142
20/03/2027	11,048,015
20/04/2027	9,653,299
20/05/2027	8,373,498
20/06/2027	7,206,144
20/07/2027	6,172,636
20/08/2027	5,272,454
20/09/2027	4,498,450
20/10/2027	3,855,522
20/11/2027	3,311,330
20/12/2027	2,856,088
20/01/2028	2,461,428
20/02/2028	2,121,403
20/03/2028	1,836,784
20/04/2028	1,623,016
20/05/2028	1,468,402
20/06/2028	1,322,854
20/07/2028	1,187,398
20/08/2028	1,059,294
20/09/2028	939,004
20/10/2028	827,288
20/11/2028	722,995
20/12/2028	626,370
20/01/2029	536,306
20/02/2029	454,808
20/03/2029	379,583
20/04/2029	311,496
20/05/2029	250,370
20/06/2029	196,902
20/07/2029	151,602
20/08/2029	115,651
20/09/2029	86,394
20/10/2029	62,584
20/11/2029	43,798
20/12/2029	29,332
20/01/2030	18,212
20/02/2030	9,514
20/03/2030	2,960
20/04/2030	94

Interest Payment Date falling on (subject to the Business Day Convention)	Swap Notional Amount (£)
20/05/2030	0

The Swap Notional Amount is unlikely to match, and could (depending on the rate of repayment) deviate significantly from, the Aggregate Outstanding Note Principal Amount of the Notes.

The Swap Agreement will be constructed to fulfil the criteria of the Rating Agencies to support the target ratings for the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes. The Swap Agreement is governed by English law.

Payments by the Swap Provider to the Issuer under the Swap Agreement (except for payments by the Swap Provider into the Swap Collateral Account) will be made into the Transaction Account. Payments by the Swap Provider to the Issuer will be made free and clear of, and without any withholding or deduction for or on account of, tax, unless such withholding or deduction is required by law (or pursuant to FATCA). If the Swap Provider is required to withhold or deduct for or on account of tax (other than any FATCA Deduction), it will increase the amount of the payment due to the Issuer to an amount which (after making the withholding or deduction) leaves an amount equal to the payment which would have been received if no withholding or deduction had been required.

Certain payments by the Issuer to the Swap Provider under the Swap Agreement will be made by way of the Pre-Acceleration Revenue Priority of Payments.

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

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

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

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

(a) illegality of the transactions contemplated by the Swap Agreement or a force majeure or act of state means a party who makes or receives payments under the Swap Agreement is prevented from making or receiving such payments under the Swap Agreement or performing a material obligation under the Swap Agreement or it becomes impossible or impracticable to so pay, receive or comply;

(b) either party is required to pay additional amounts under the Swap Agreement due to certain taxes, or has the amount payable to it under the Swap Agreement

reduced due to certain taxes, and a transfer to another office or affiliate of the Swap Provider that would eliminate the effect of such taxes has not taken place after the time set forth in the Swap Agreement;

(c) a Note Acceleration Notice is served on the Issuer or any Clean-Up Call, exercise of optional redemption for tax reasons pursuant to Condition 5(b) (*Redemption for taxation reasons*) occurs or redemption in full prior to the Legal Maturity Date pursuant to Condition 5(c) (*Mandatory early redemption in part*);

(d) the Issuer misrepresents its status as an NFC- under UK EMIR;

(e) the benchmark rate on the Notes is changed and the Alternative Benchmark Rate is different to the benchmark rate under the Swap Agreement;

(f) an amendment is made to the Transaction Documents which affects the timing or priority of payments under the Swap Agreement without the consent of the Swap Provider; or

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

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

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

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

(iv) takes such other action in order to maintain the ratings of the Rated Notes, or to restore the rating of the Rated Notes to the level they would have been at immediately prior to such downgrade.

Upon the occurrence of any event of default or termination event specified in the Swap Agreement, the non-defaulting party (in case of an event of default) or the person(s) specified in the Swap Agreement as having such right (in case of a termination event) may, after a period of time set forth in the Swap Agreement, elect to terminate the Swap Agreement. If the Swap Agreement is terminated due to an event of default or a termination event, a Swap Termination Payment may be due from the Swap Provider to the Issuer or depending on the valuation, from the Issuer to the Swap Provider.

The Swap Termination Payment will be calculated and made in Sterling. Depending on which event of default or termination event occurs, the amount of any termination payment will be based on the value of the terminated Swap based on firm market quotations of the cost of entering into a Swap with the same terms and conditions that would have the effect of preserving the respective full payment obligations of the parties, using such market quote which has been accepted and has become legally binding on the Issuer, the lowest such market quotation if no such market quotation has been so

accepted, or if there are no such market quotations then the Issuer's good faith estimate of its loss or gain in connection with the transactions being terminated.

A segregated Swap Collateral Account is established with the Account Bank and security created over such account in favour of the Security Trustee in accordance with provisions in the Bank Account Agreement and the Deed of Charge. Any cash collateral posted to such Swap Collateral Account as a result of a ratings downgrade (as referred to above) shall bear interest. Such cash collateral shall be segregated from the Transaction Account and from the general cash flow of the Issuer and shall not constitute Collections. Collateral posted to such Swap Collateral Account is solely for the purposes of, and in connection with, collateralising the Swap Agreement.

The Swap Agreement provides that the parties will consent to and make such changes to the Swap Agreement as are reasonably required in connection with an amendment to UK EMIR. The parties also agree to consult in respect of making amendments to the Swap Agreement in connection with any other regulatory change.

The Swap Provider may transfer its rights and obligations under the Swap Agreement to a third party which is an Eligible Swap Provider, pursuant to the conditions set out in the Swap Agreement.

The Swap Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

9. DEED OF CHARGE

The Notes and Residual Certificates are secured and will share the Security with the other Secured Obligations of the Issuer as set out in the Deed of Charge. The security granted by the Issuer includes:

(a) an assignment by way of first fixed security of all of its present and future right, title, interest and benefit to, in and under the Purchased Receivables and the Ancillary Rights and the proceeds of any such interests;

(b) an assignment by way of first fixed security of all of its present and future right, title, interest and benefit to, in and under the Collection Account Declarations of Trust;

(c) an assignment by way of first fixed security of all its right, title, interest and benefit, present and future, in, under and to all sums of money which may now be or hereafter are from time to time standing to the credit of the Issuer Accounts together with all interest accruing from time to time thereon and the debts represented thereby;

(d) an assignment by way of first fixed security of (or, to the extent not assignable, a first fixed charge over) the benefit of the Issuer's right, title, interest and benefit, present and future, under each Charged Document (other than the Deed of Charge) and the proceeds of any such interests; and

(e) a first floating charge over all the assets and undertaking, present and future, of the Issuer (including any property or assets from time to time or for the time being effectively charged by way of fixed charge or assigned by way of security, and the whole of the Issuer's undertaking, property assets and rights situated in Scotland or otherwise governed by Scottish law).

In addition, as continuing security for the payment or discharge of the Secured Obligations, the Issuer has granted the Scottish Supplemental Charge in favour of the Security Trustee, for itself and on trust for the Secured Creditors relative to the Vehicle Declaration of Trust, under which the Issuer assigns, by way of security, all of its present and future right, title and interest in and to the Vehicle Trust Property and in and to the Vehicle Declaration of Trust.

Notwithstanding the security granted over the Issuer Accounts, the Issuer and the Cash Manager are (prior to the service of a Note Acceleration Notice on the Issuer) permitted to instruct payments out of such accounts for the purposes, among other things, of making payments and transfers in accordance with the Deed of Charge, the Cash Management Agreement and the Agency Agreement, and, prior to service of a Note Acceleration Notice, to make payments to third parties when these fall due. See further the paragraph headed "*Fixed charges may take effect under English law as floating charges*" in the section headed "*RISK FACTORS*".

Enforcement of the Security

If the Note Trustee serves a Note Acceleration Notice on the Issuer (copied to the Security Trustee), and the Security thereby becomes enforceable, the Note 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 if so directed by the (i) holders of at least 25% in aggregate Outstanding Note Principal Amount of the Most Senior Class of Notes or if so directed by an Extraordinary Resolution of the Most Senior Class of Notes; or (ii) following redemption in full of the Notes, if so directed by the holders of at least 25% in number of the Residual Certificates then in issue or if so directed by an Extraordinary Resolution of the Certificateholders (subject, in each case, to the Note Trustee being indemnified and/or secured and/or prefunded to its satisfaction).

To the extent that the Note Trustee acts in accordance with such directions of the Most Senior Class of Notes or the Certificateholders (as applicable), as described above, it will have no obligation to take the interests of any other party into account or to follow any direction given by any other party. Only the Note Trustee and the Security Trustee may enforce the rights of the Noteholders and Certificateholders against the Issuer, whether the same arise under general law, the Conditions, the Residual Certificate Conditions, any Transaction Document or otherwise.

Waivers, consents and approvals

The Security Trustee will waive or authorise any breach or proposed breach by the Issuer or any other person of any of the covenants or provisions of any Transaction Document only if so directed by the Instructing Party.

If a request is made to the Security Trustee by the Issuer or any other person to give its consent or approval to any matter, then, if any Transaction Document specifies that the Security Trustee is required to give its consent or approval to that matter if certain specified conditions are satisfied, the Security Trustee will give its consent or approval to that matter upon being reasonably satisfied that those specified conditions have been satisfied. In any other case, the Security Trustee shall give its consent or approval to that event, matter or thing only if so directed by the Instructing Party.

Post-Acceleration Priority of Payments

Following service of a Note Acceleration Notice on the Issuer, the Security Trustee is required to apply moneys available for distribution to satisfy the amounts owing by the Issuer in accordance with the Post-Acceleration Priority of Payments.

Shortfall after application of net proceeds of the Security

The Notes and the Residual Certificates are limited recourse obligations of the Issuer and if the net proceeds of the Security being enforced and liquidated in accordance with the Deed of Charge are not sufficient to pay the Notes and the Residual Certificate Payment Amounts after payment of all other claims ranking in priority thereto, no other assets of the Issuer will be available for any further payments on the Notes and the Residual Certificates. The right to receive any further payments will be extinguished. If, after the distribution of all the Issuer's assets, there are amounts that are not paid in full, any amounts outstanding will be deemed to be discharged in full and any payment rights are deemed to cease as described in more detail in Condition 11 (*Enforcement and non-petition*) and Residual Certificate Condition 9 (*Enforcement and non-petition*).

Security Trustee's retirement and removal

The Security Trustee may retire at any time on giving not less than 30 days' prior written notice to the Issuer without giving any reason and without being responsible for any Liabilities incurred by reason of such retirement. The Security Trustee may also be removed on not less than 30 days written notice following an Extraordinary Resolution of the Most Senior Class of Notes. In each case, the retirement or removal of the Security Trustee will not become effective until a successor trustee which is a Trust Corporation is appointed. If a successor trustee has not been appointed within 45 days of the notice of retirement or following an Extraordinary Resolution of the Most Senior Class of Notes (as applicable), the Security Trustee may appoint a Trust Corporation as successor security trustee and such appointment will need to be approved by an Extraordinary Resolution of the Most Senior Class of Notes.

No automatic liquidation

For purposes of Article 21(4)(d) of the UK Securitisation Regulation, no provision of the Deed of Charge requires automatic liquidation of the Purchased Receivables upon default of the Issuer.

Governing law

The Deed of Charge will be governed by English law but any term particular to the law of Scotland will be construed in accordance with the laws of Scotland. The Scottish Supplemental Charge will be governed by the laws of Scotland.

10. COLLECTION ACCOUNT DECLARATIONS OF TRUST

BMF DD Collection Account Declaration of Trust

On or around the Closing Date, under the BMF DD Collection Account Declaration of Trust, the BMF DD Collection Account Holder will declare a trust in favour of itself, the Issuer and Blue over all amounts from time to time standing to the credit of the BMF DD Collection Account (into which as at the Closing Date all Obligors are directed to make payment in respect of the Purchased Receivables, other than prepayments and certain other exceptional payments to be received from Obligors, which Obligors are directed to pay to the Seller Collection Account), whether or not relating to the Purchased Receivables. The interest of the Issuer under such trust shall be from time to time such proportion of the amount standing to the credit of the BMF DD Collection Account as the amounts derived from Purchased Receivables comprised in the Portfolio and their Ancillary Rights shall at the relevant time bear to the total amount standing to the credit of the BMF DD Collection Account at that time. BMF DD's interest under the BMF DD Collection Account shall be such proportion of the amount standing to the credit of the BMF DD Collection Account which is not allocated to any other party.

From time to time, further beneficiaries may accede to the terms of the BMF DD Collection Account Declaration of Trust where they have acquired a portfolio of receivables from Blue and payments in respect of those receivables are expected to be made to the BMF DD Collection Account.

BMFL Collection Account Declaration of Trust

On or around the Closing Date, under the BMFL Collection Account Declaration of Trust, the BMFL Collection Account Holder will declare a trust in favour of itself, the Issuer and Blue over all amounts from time to time standing to the credit of the BMFL Collection Account (into which Obligors may be directed at any time after the Closing Date to make payment in respect of the Purchased Receivables in place of the BMF DD Collection Account, other than prepayments and certain other exceptional payments to be received from Obligors, which Obligors are directed to pay to the Seller Collection Account), whether or not relating to the Purchased Receivables. The interest of the Issuer under such trust shall be from time to time such proportion of the amount standing to the credit of the BMFL Collection Account as the amounts derived from Purchased Receivables comprised in the Portfolio and their Ancillary Rights shall at the relevant time bear to the total amount standing to the credit of the BMFL Collection Account at that time. Blue's interest under the BMFL Collection Account shall be such proportion of the amount standing to the credit of the BMFL Collection Account which is not allocated to any other party.

From time to time, further beneficiaries may accede to the terms of the BMFL Collection Account Declaration of Trust where they have acquired a portfolio of receivables from Blue and payments in respect of those receivables are expected to be made to the BMFL Collection Account.

Seller Collection Account Declaration of Trust

On or around the Closing Date, under the Supplemental Seller Collection Account Declaration of Trust supplementing the Seller Collection Account Declaration of Trust, Blue will declare a trust in favour of itself, the Issuer and various other parties beneficially entitled to other receivables originated by Blue over all amounts from time to time standing to the credit of the Seller Collection Account (into which all Obligors are directed to make prepayments and certain other exceptional payments to be received from Obligors), whether or not relating to the Purchased Receivables. The interest of the Issuer under such trust shall be from time to time such proportion of the amount standing to the credit of the Seller Collection Account as the amounts derived from Purchased Receivables comprised in the Portfolio and their Ancillary Rights shall at the relevant time bear to the total amount standing to the credit of the Seller Collection Account at that time. The interest of the other beneficiaries (other than Blue) under such trust shall be from time to time such proportion of the amount standing to the credit of the Seller Collection Account as the amounts derived from receivables comprised in portfolios beneficially owned by such beneficiaries shall at the relevant time bear to the total amount standing to the credit of the Seller Collection Account at that time. Blue's interest under such trust shall be such proportion of the amount standing to the credit of the Seller Collection Account which is not allocated to any other party.

From time to time, further beneficiaries may accede to the terms of the Seller Collection Account Declaration of Trust where they have acquired a portfolio of receivables from the Seller and payments in respect of those receivables are expected to be made to the Seller Collection Account.

Transfer of Collections

The Servicer will, within 2 Business Days of applying Collections standing to the credit of the Collection Accounts to an Obligor's account (or, in respect of Collections received on or after the Cut-Off Date but prior to the Closing Date, within 5 Business Days following the Closing Date), pay from the Collection Accounts all monies received with respect to the Purchased Receivables into the Transaction Account (other than any Excess Amounts, Excluded Amounts or, if relevant, Excess Recoveries Amounts and, in respect of Collections received on or after the Cut-Off Date but prior to the Closing Date, less the Financing Costs between the Cut-Off Date and the Closing Date).

The BMF DD Collection Account Declaration of Trust, the BMFL Collection Account Declaration of Trust, the Seller Collection Account Declaration of Trust and the Supplemental Seller Collection Account Declaration of Trust and any non-contractual obligations arising out of or in connection with them will be governed by English law.

11. TRUST DEED

The Notes and the Residual Certificates will be constituted pursuant to the Trust Deed to be entered into on the Closing Date between the Issuer and the Note Trustee.

Citicorp Trustee Company Limited will agree to act as Note Trustee subject to the conditions contained in the Trust Deed.

The Trust Deed contains provisions requiring the Note Trustee to take into account the interests of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class X Noteholders and the Certificateholders equally as regards all powers, trusts, authorities, duties and discretions of the Note Trustee (except where expressly provided otherwise), but requiring the Note Trustee in any such case:

(a) for so long as any Class A Notes remain outstanding, to take into account only the interests of the Class A Noteholders if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class A Noteholders and the interests of the Class B Noteholders and/or the Class C Noteholders and/or the Class D Noteholders and/or the Class E Noteholders and/or the Class F Noteholders and/or the Class X Noteholders and/or the interests of the Certificateholders;

(b) following the redemption in full of the Class A Notes, to take into account only the interests of the Class B Noteholders if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class B Noteholders and the interests of the Class C Noteholders and/or the interests of the Class D Noteholders and/or the interests of the Class E Noteholders and/or the interests of the Class F Noteholders and/or the interests of the Class X Noteholders and/or the interests of the Certificateholders;

(c) following the redemption in full of the Class A Notes and the Class B Notes, to take into account only the interests of the Class C Noteholders if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class C Noteholders and the interests of the Class D Noteholders and/or the interests of the Class E Noteholders and/or the interests of the Class F Noteholders and/or the interests of the Class X Noteholders and/or the interests of the Certificateholders;

(d) following the redemption in full of the Class A Notes, the Class B Notes and the Class C Notes, to take into account only the interests of the Class D Noteholders if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class D Noteholders and the interests of the Class E Noteholders and/or the interests of the Class F Noteholders and/or the interests of the Class X Noteholders and/or the interests of the Certificateholders;

(e) following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, to take into account only the interests of the Class E Noteholders if, in the opinion of the Note Trustee, there is a conflict

between the interests of the Class E Noteholders and/or the interests of the Class F Noteholders and/or the interests of the Class X Noteholders and/or the interests of the Certificateholders;

(f) following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, to take into account only the interests of the Class F Noteholders if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class F Noteholders and/or the interests of the Class X Noteholders and/or the interests of the Certificateholders; and

(g) following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, to take into account only the interests of the Class X Noteholders if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class X Noteholders and/or the interests of the Certificateholders.

No Class of Noteholders may request or direct the Note Trustee or the Issuer to take any action or pass any effective Extraordinary Resolution or Ordinary Resolution if the effect of the same would, in the sole opinion of the Note Trustee, be materially prejudicial to the interests of any more senior ranking Class of Noteholders, and neither the Note Trustee nor the Issuer will be responsible to such Class of Noteholders for disregarding any such request, direction or resolution.

For so long as any Notes remain outstanding, none of the Certificateholders may request or direct the Note Trustee or the Issuer to take any action or pass any effective Extraordinary Resolution or Ordinary Resolution if the effect of the same would, in the sole opinion of the Note Trustee, be materially prejudicial to the interests of the Noteholders (or any Class thereof), and neither the Note Trustee nor the Issuer will be responsible to the Certificateholders for disregarding any such request, direction or resolution.

Any Note Trustee for the time being of the Transaction Documents may retire at any time upon giving not less than 60 days' prior written notice in writing to the Issuer without assigning any reason therefor and without being responsible for any Liabilities occasioned by such retirement. In addition, Noteholders of the Most Senior Class of Notes may, acting by Extraordinary Resolution passed at any meeting of the Most Senior Class of Notes, direct the removal of the Note Trustee.

No such retirement or removal of any Note Trustee shall become effective unless there remains a trustee in each of the Transaction Documents to which it is then a party (being a Trust Corporation). If, following the service of a retirement notice by a Note Trustee, the Issuer has not appointed a new trustee within 45 days of the date of such notice, the Note Trustee shall be entitled to appoint a Trust Corporation as Note Trustee in each of the Transaction Documents to which it was formerly a party.

The Trust Deed will contain provisions governing the responsibility (and relief from responsibility) of the Note Trustee and providing for its indemnification in certain circumstances.

The Trust Deed provides that the Note Trustee will be obliged to take action on behalf of the Noteholders and Certificateholders and the Secured Creditors in certain circumstances, provided always that the Note Trustee is indemnified and/or secured and/or prefunded to its satisfaction. Further, the Note Trustee will not be obliged to act on behalf of the Noteholders and Certificateholders or any other Secured Creditors where it would not have the power to do so by virtue of any applicable law or where such action would be illegal in any applicable jurisdiction

In accordance with the terms of the Trust Deed, the Issuer will pay a fee to the Note Trustee for its services under the Trust Deed at the rate and times agreed (and as amended from time to time) between the Issuer and the Note Trustee together with payment of any liabilities incurred by the Note Trustee in relation to the Note Trustee's performance of its obligations under the Trust Deed.

The Conditions of the Notes, including a summary of the provisions regarding Meetings of the Noteholders, are reproduced in full in the section headed "*CONDITIONS OF THE NOTES*".

The Residual Certificate Conditions, including a summary of the provisions regarding Meetings of the Certificateholders, are reproduced in full in the section headed "*CONDITIONS OF THE RESIDUAL CERTIFICATES*".

The Trust Deed and any non-contractual obligations arising out of or in connection with it will be governed by English law.

VERIFICATION BY PCS

An application has been made to Prime Collateralised Securities (UK) Limited ("**PCS**") for the securitisation transaction described in this Prospectus to receive a report from PCS verifying compliance with the criteria stemming from Articles 19 to 22 of the UK Securitisation Regulation (the "**STS Verification**") and to prepare an assessment of compliance of the Notes with the relevant provisions of Article 243 of the UK CRR and Article 13 of the Commission Delegated Regulation (EU) 2018/1620 as it forms part of UK domestic law by virtue of the EUWA (together with the STS Verification, the "**STS Assessments**"). There can be no assurance that the securitisation transaction described in this Prospectus will receive the STS Assessments and if the securitisation transaction described in this Prospectus does receive the STS Assessments, this shall not, under any circumstances, affect the liability of Blue (as the originator for the purposes of the UK Securitisation Regulation) and the Issuer (as the SSPE for the purposes of the Securitisation Regulation) in respect of their legal obligations under the UK Securitisation Regulation, nor shall it affect the obligations imposed on institutional investors as set out in Article 5 of the UK Securitisation Regulation.

The STS Assessments are provided by PCS. The STS Assessments are not a recommendation to buy, sell or hold securities, are not investment advice whether generally or as defined under UK MiFID and is not a credit rating whether generally or as defined under the Credit Rating Agency Regulation (1060/2009/EC) as it forms part of UK domestic law by virtue of the EUWA or Section 3(a) of the U.S. Securities Exchange Act of 1934 (as amended). PCS is not an "expert" as defined in the Securities Act.

PCS is not a law firm and nothing in the STS Assessments constitutes legal advice in any jurisdiction. PCS is authorised by the FCA, pursuant to Article 28 of the UK Securitisation Regulation, to act as a third party verifying STS compliance. This authorisation covers STS Assessments in the UK.

By providing the STS Assessments, PCS does not express any views about the creditworthiness of the Notes or the Residual Certificates or their suitability for any existing or potential investor or as to whether there will be a ready, liquid market for the Notes or the Residual Certificates. Investors should conduct their own research regarding the nature of the STS Assessments and must read the information set out in http://pcsmarket.org. In the provision of the STS Assessments, 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 this Prospectus or any other documentation or certificates relating to the Notes or the Residual Certificates and the completion of the STS Assessments is not a confirmation or implication that the information provided by or on behalf of the Seller as part of the STS Assessments is accurate or complete.

In performing the STS Verification, PCS bases its analysis on the STS criteria appearing in Articles 20 to 26 of the UK Securitisation Regulation together with, if relevant, the appropriate provisions of Article 43 (together, the "**STS Criteria**"). The STS Criteria, as set out in the UK 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 UK Securitisation Regulation, and (b) any relevant guidelines issued by the FCA or the EBA. There can be no guarantee that any regulatory authority or any court of law interpreting the STS Criteria will agree with the interpretation of PCS. There can be no guarantee that any future guidelines issued by FCA or the EBA 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 the EBA are not binding on the FCA. There can be no guarantee that any interpretation by the FCA will be the same as that set out in any EBA guidelines and therefore used, prior to the publication of such FCA interpretation, by PCS in completing an STS Verification. Although PCS will use all reasonable endeavours to ascertain the position of the FCA as to STS Criteria interpretation, PCS cannot guarantee that it will have been made aware of any FCA interpretation in cases where such interpretation has not been officially published by the FCA. 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 competent authority, court, investor or any other person will accept the STS status of the relevant securitisation.

All STS Assessments speak only as of the date on which they are issued. PCS has no obligation to monitor (nor any intention to monitor) any securitisation which is the subject of any STS Assessment. PCS has no obligation and does not undertake to update any STS Assessment 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.

PROVISIONAL PORTFOLIO CHARACTERISTICS AND HISTORICAL DATA

Provisional Portfolio characteristics

The statistical and other information contained in this section has been compiled with reference to a provisional portfolio of £241,721,585 as at the Provisional Cut-Off Date (on the basis of information provided by the Seller) (the "**Provisional Portfolio**") and is described further in the section entitled "*DESCRIPTION OF THE PURCHASED RECEIVABLES*" above.

The information contained in this section has not been updated to reflect any decrease in the size of the Portfolio from that of the Provisional Portfolio.

The Aggregate Outstanding Principal Balance of the Portfolio as at the Cut-Off Date will be equal to the Aggregate Outstanding Note Principal Amount of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes.

Except as otherwise indicated, these tables have been prepared using data as at the Provisional Cut-Off Date. Note that, due to rounding to 2 decimal places, columns may not sum to the total values.

The characteristics of the Portfolio will differ from the characteristics of the Provisional Portfolio as at the Provisional Cut-Off Date, including because of (i) redemptions of HP Agreement occurring, or enforcement procedures being completed, in each case during the period between the Provisional Cut-Off Date and the Closing Date, and/or (ii) the Seller becoming aware that one or more of the loans in the Provisional Portfolio would not comply with the Seller Receivables Warranties on the Closing Date.

Summary of Provisional Portfolio (as at the Provisional Cut-Off Date)

As at the Provisional Cut-Off Date, the Preliminary Portfolio had the following characteristics:

Number of Loans	31,687
Number of Obligors	31,657
Current Outstanding Principal Balance (£)	241,721,585
Original Principal Balance (£)	284,699,503
Average Outstanding Loan Size (£)	7,628
Top Borrower (%)	0.02%

Weighted Average LTV (%)	92.80%
Weighted Average APR (%):	15.81%
Weighted Average APR (%) - Risk Tier 1-2	13.82%
Weighted Average APR (%) - Risk Tier 3-5	16.89%
Weighted Average APR (%) - Risk Tier 6-8	22.29%
Min APR (%)	8.50%
Max APR (%)	35.69%
Weighted Average Amortising Rate (%)	15.78%
Minimum Original Term (in months)	12.0
Maximum Original Term (in months)	85.0
Weighted Average Seasoning (in months)	9.69
Weighted Average Original Term (in months)	57.67
Weighted Average Remaining Term (in months)	48.02
Fully Amortising (%)	100.0%
Weighted Average Vehicle Age at Inception (in years)	6.08

Run out schedule

The amortisation scenario below is based on the following modelling assumptions and adjustments:

(a) that no losses, prepayments or delinquencies occur;

(b) that no option to purchase fees, early repayment charges or other fees, expenses, charges or costs under the HP Agreements are included in determining this amortisation scenario;

(c) the Portfolio produces similar cash flows to the Provisional Portfolio; and

(d) the Provisional Cut-Off Date is 31 January 2023 and the Cut-Off Date is 28 February 2023, and as such the remaining terms of the Purchased Receivables are adjusted by 1 month.

It should be noted that the actual amortisation of the Purchased Receivables may differ substantially from the amortisation scenario indicated below which is based on data as of 31 January 2023.

Calculation Period	Principal (£)	Interest (£)
1	4,435,797.11	2,959,889.68
2	4,467,096.32	2,906,885.02
3	4,509,281.59	2,853,452.55
4	4,549,647.93	2,799,470.53
5	4,591,436.48	2,744,960.26
6	4,631,817.96	2,689,899.38
7	4,674,669.11	2,634,307.13
8	4,713,727.11	2,578,153.79
9	4,756,705.52	2,521,482.45
10	4,794,294.41	2,464,249.97
11	4,825,297.77	2,406,517.44
12	4,852,199.95	2,348,357.28
13	4,883,859.98	2,289,833.78
14	4,910,412.46	2,230,881.62
15	4,940,307.95	2,171,547.11
16	4,959,361.29	2,111,799.71
17	4,987,634.43	2,051,756.12
18	4,999,597.54	1,991,316.89
19	5,016,419.91	1,930,671.41
20	5,037,520.89	1,869,749.41
21	5,059,866.73	1,808,509.14
22	5,079,118.82	1,746,932.96
23	5,084,455.80	1,685,061.46
24	5,072,588.63	1,623,087.64
25	5,076,598.04	1,561,206.03
26	5,069,442.38	1,499,203.95
27	5,052,295.36	1,437,217.58
28	5,031,201.11	1,375,353.52
29	4,999,797.34	1,313,671.58
30	4,959,011.61	1,252,294.32

Calculation Period	Principal (£)	Interest (£)
31	4,927,254.40	1,191,323.72
32	4,898,060.04	1,130,645.06
33	4,871,347.48	1,070,242.08
34	4,848,668.42	1,010,101.90
35	4,792,186.86	950,181.22
36	4,700,899.61	890,903.06
37	4,627,945.39	832,711.23
38	4,528,397.13	775,362.05
39	4,404,011.51	719,157.88
40	4,240,291.78	664,428.16
41	4,064,872.86	611,665.25
42	3,887,181.68	561,004.49
43	3,740,965.20	512,504.34
44	3,560,437.62	465,727.68
45	3,360,757.12	421,150.66
46	3,152,146.04	379,022.50
47	2,968,202.13	339,477.87
48	2,769,172.26	302,209.35
49	2,635,331.92	267,446.57
50	2,426,371.07	234,292.87
51	2,183,541.32	203,667.43
52	1,911,783.88	175,986.77
53	1,654,288.76	151,543.36
54	1,366,360.88	130,232.68
55	1,155,802.70	112,495.00
56	953,146.65	97,357.96
57	826,880.48	84,785.25
58	701,277.66	73,894.07
59	563,092.52	64,784.20
60	385,761.29	57,727.55
61	374,114.45	53,291.38
62	359,096.61	48,997.43
63	341,362.69	44,871.92
64	332,284.04	40,954.86

Calculation Period	Principal (£)	Interest (£)
65	318,579.38	37,141.39
66	302,812.27	33,480.38
67	292,416.66	30,009.90
68	278,813.71	26,656.79
69	267,433.54	23,460.21
70	247,126.94	20,401.79
71	231,977.13	17,569.77
72	215,223.42	14,904.03
73	202,660.66	12,435.96
74	178,608.06	10,105.60
75	157,334.58	8,044.55
76	124,779.80	6,209.84
77	100,984.02	4,732.26
78	82,000.72	3,508.45
79	63,822.89	2,488.04
80	46,336.76	1,673.58
81	33,467.02	1,062.26
82	25,601.33	598.64
83	16,180.98	239.12
84	669.53	11.27

Notes
Data as of 31 January 2023.

Principal Receipts and Revenue Receipts after the Cut-Off Date

The Seller has determined that it has received aggregate Principal Receipts and aggregate Revenue Receipts in respect of the HP Agreements that it expects to constitute the Portfolio, in respect of the period from (and including) the Cut-Off Date to (and including) 31 March 2023, as follows:

(a) Principal Receipts: £8,607,669.19

(b) Revenue Receipts: £3,265,605.60

Notes

Data as of 3 April 2023

Aggregate Outstanding Principal Balance as at the Cut-Off Date

The Seller has determined that the Aggregate Outstanding Principal Balance in respect of the HP Agreements that it expects to constitute the Portfolio on the Closing Date was, on the Cut-Off Date, £245,974,875.70.

Notes

Data as of 3 April 2023

Breakdown by Current Balance (£)

Current Balance	Number of Underlying Agreements	% Distribution by Number	Current Outstanding Balance (£)	% Distribution by Balance
0 - 5,000	9,881	31.18%	33,063,024	13.68%
5,000 - 10,000	14,117	44.55%	102,417,026	42.37%
10,000 - 15,000	5,701	17.99%	68,522,963	28.35%
15,000 - 20,000	1,460	4.61%	24,836,771	10.27%
20,000 - 25,000	362	1.14%	7,974,848	3.30%
25,000 - 30,000	111	0.35%	3,004,698	1.24%
30,000 - 35,000	39	0.12%	1,245,258	0.52%
35,000 - 40,000	6	0.02%	219,051	0.09%
40,000 – 45,000	8	0.03%	332,878	0.14%
45,000 - 50,000	1	0.00%	49,291	0.02%
> 50,000	1	0.00%	55,778	0.02%
Total	**31,687**	**100.00%**	**241,721,585**	**100.00%**

Breakdown by Original Balance (£)

Original Balance	Number of Underlying Agreements	% Distribution by Number	Original Balance (£)	% Distribution by Balance
0 - 5,000	6,529	20.60%	25,231,983	8.86%
5,000 - 10,000	14,712	46.43%	109,945,253	38.62%
10,000 - 15,000	7,295	23.02%	89,034,750	31.27%
15,000 - 20,000	2,292	7.23%	39,156,753	13.75%
20,000 - 25,000	577	1.82%	12,862,752	4.52%
25,000 - 30,000	188	0.59%	5,135,357	1.80%
30,000 - 35,000	57	0.18%	1,843,192	0.65%
35,000 - 40,000	23	0.07%	845,521	0.30%
40,000 - 45,000	8	0.03%	337,640	0.12%
45,000 - 50,000	4	0.01%	193,200	0.07%
> 50,000	2	0.01%	113,100	0.04%
Total	**31,687**	**100.00%**	**284,699,503**	**100.00%**

Breakdown by LTV at Proposal

LTV	Number of Underlying Agreements	% Distribution by Number	Current Outstanding Balance (£)	% Distribution by Balance
0% - 20%	79	0.25%	208,103	0.09%
20% - 40%	702	2.22%	2,442,262	1.01%
40% - 60%	2,116	6.68%	10,779,474	4.46%
60% - 80%	5,149	16.25%	36,141,534	14.95%
80% - 100%	12,235	38.61%	99,654,255	41.23%
100% - 120%	11,378	35.91%	92,268,744	38.17%
> 120%	28	0.09%	227,214	0.09%
Total	**31,687**	**100.00%**	**241,721,585**	**100.00%**

Breakdown by Vehicle Type

Vehicle Type	Number of Underlying Agreements	% Distribution by Number	Current Outstanding Balance (£)	% Distribution by Balance
Motor Car	30,396	95.93%	233,296,802	96.51%
Motorcycle	759	2.40%	3,290,555	1.36%
Light Commercial Vehicle	532	1.68%	5,134,228	2.12%
Total	**31,687**	**100.00%**	**241,721,585**	**100.00%**

Breakdown by Fuel Type*

Fuel Type	Number of Underlying Agreements	% Distribution by Number	Current Outstanding Balance (£)	% Distribution by Balance
Diesel	16,185	51.08%	134,643,425	55.70%
Petrol	14,811	46.74%	100,130,595	41.42%
Hybrid	520	1.64%	5,617,065	2.32%
Electric	72	0.23%	735,701	0.30%
Other	4	0.01%	38,220	0.02%
Not Available	95	0.30%	556,579	0.23%
Total	**31,687**	**100.00%**	**241,721,585**	**100.00%**

*Other category contains Bi-Fuel fuel types, while “NOT CAPTURED IN BMFLREPORTING” is categorized as Not Available

Breakdown by Original Term (months)

Original Term	Number of Underlying Agreements	% Distribution by Number	Current Outstanding Balance (£)	% Distribution by Balance
0 - 20	180	0.57%	438,565	0.18%
21 - 30	1,350	4.26%	3,664,428	1.52%
31 - 40	3,520	11.11%	14,326,102	5.93%
41 - 50	6,737	21.26%	38,989,347	16.13%
51 - 60	17,798	56.17%	156,266,657	64.65%
61 - 70	605	1.91%	6,087,416	2.52%
71 - 80	492	1.55%	6,505,652	2.69%
> 80	1,005	3.17%	15,443,418	6.39%
Total	**31,687**	**100.00%**	**241,721,585**	**100.00%**

Breakdown by Seasoning (months)

Seasoning	Number of Underlying Agreements	% Distribution by Number	Current Outstanding Balance (£)	% Distribution by Balance
0 - 5	7,977	25.17%	66,871,860	27.66%
6 - 10	9,232	29.13%	80,916,700	33.48%
11 - 15	6,077	19.18%	45,795,487	18.95%
16 - 20	5,601	17.68%	33,996,362	14.06%
21 - 25	2,800	8.84%	14,141,176	5.85%
Total	**31,687**	**100.00%**	**241,721,585**	**100.00%**

Breakdown by Remaining Term (months)

Remaining Term	Number of Underlying Agreements	% Distribution by Number	Current Outstanding Balance (£)	% Distribution by Balance
0 - 10	543	1.71%	663,805	0.27%
11 - 20	1,759	5.55%	4,791,371	1.98%
21 - 30	3,485	11.00%	15,129,071	6.26%
31 - 40	6,306	19.90%	37,394,882	15.47%
41 - 50	9,464	29.87%	76,470,371	31.64%
51 - 60	8,669	27.36%	85,790,525	35.49%
61 - 70	591	1.87%	7,972,490	3.30%
71 - 80	714	2.25%	11,111,458	4.60%
> 80	156	0.49%	2,397,612	0.99%
Total	**31,687**	**100.00%**	**241,721,585**	**100.00%**

Breakdown by APR

APR	Number of Underlying Agreements	% Distribution by Number	Current Outstanding Balance (£)	% Distribution by Balance
0 - 10%	1,324	4.18%	11,177,109	4.62%
10% - 15%	16,890	53.30%	120,611,411	49.90%
15% - 20%	10,830	34.18%	87,337,811	36.13%
20% - 25%	1,959	6.18%	16,824,679	6.96%
25% - 30%	596	1.88%	4,929,954	2.04%
30% - 35%	87	0.27%	824,612	0.34%
> 35%	1	0.00%	16,009	0.01%
Total	**31,687**	**100.00%**	**241,721,585**	**100.00%**

Breakdown by Region

Region	Number of Underlying Agreements	% Distribution by Number	Current Outstanding Balance (£)	% Distribution by Balance
East Anglia	1,625	5.13%	11,686,290	4.83%
East Midlands	1,929	6.09%	14,199,505	5.87%
Greater London	3,921	12.37%	33,063,352	13.68%
North East	1,931	6.09%	13,780,848	5.70%
North West	4,228	13.34%	33,219,060	13.74%
Scotland	2,805	8.85%	22,070,365	9.13%
South East	5,561	17.55%	41,553,243	17.19%
South West	2,200	6.94%	15,527,998	6.42%
Wales	1,829	5.77%	13,548,104	5.60%
West Midlands	2,978	9.40%	22,714,208	9.40%
Yorkshire/Humberside	2,680	8.46%	20,358,613	8.42%
Total	**31,687**	**100.00%**	**241,721,585**	**100.00%**

Breakdown by Manufacturer

Manufacturer	Number of Underlying Agreements	% Distribution by Number	Current Outstanding Balance (£)	% Distribution by Balance
AUDI	2,175	6.86%	20,922,083	8.66%
BMW	2,575	8.13%	25,058,324	10.37%
FORD	4,258	13.44%	30,253,131	12.52%
KIA	973	3.07%	7,226,114	2.99%
LAND ROVER	818	2.58%	10,923,927	4.52%
MERCEDES-BENZ	1,996	6.30%	21,209,897	8.77%
NISSAN	2,271	7.17%	16,042,606	6.64%
PEUGEOT	1,311	4.14%	7,927,758	3.28%
VAUXHALL	3,825	12.07%	22,805,577	9.43%
VOLKSWAGEN	1,877	5.92%	14,918,296	6.17%
Other	9,608	30.32%	64,433,872	26.66%
Total	**31,687**	**100.00%**	**241,721,585**	**100.00%**

Breakdown by Vehicle Age (years)

Vehicle Age	Number of Underlying Agreements	% Distribution by Number	Current Outstanding Balance (£)	% Distribution by Balance
0 - 2	724	2.28%	6,196,590	2.56%
2 - 4	3,890	12.28%	39,760,883	16.45%
4 - 6	7,886	24.89%	72,975,941	30.19%
6 - 8	9,582	30.24%	71,597,619	29.62%
8 - 10	7,252	22.89%	41,850,793	17.31%
10 - 12	2,270	7.16%	9,143,662	3.78%
> 12	83	0.26%	196,099	0.08%
Total	**31,687**	**100.00%**	**241,721,585**	**100.00%**

Breakdown by New/Used Vehicle

New/ Used Vehicle	Number of Underlying Agreements	% Distribution by Number	Current Outstanding Balance (£)	% Distribution by Balance
Used	31,371	99.00%	239,864,377	99.23%
New	316	1.00%	1,857,209	0.77%
Total	**31,687**	**100.00%**	**241,721,585**	**100.00%**

Breakdown by Amortising Interest Rate

Amortising Rate	Number of Underlying Agreements	% Distribution by Number	Current Outstanding Balance (£)	% Distribution by Balance
0 - 10%	1,349	4.26%	11,403,618	4.72%
10% - 15%	16,992	53.62%	121,268,711	50.17%
15% - 20%	10,731	33.87%	86,655,101	35.85%
20% - 25%	1,934	6.10%	16,645,615	6.89%
25% - 30%	596	1.88%	4,943,186	2.04%
30% - 35%	84	0.27%	789,345	0.33%
> 35%	1	0.00%	16,009	0.01%
Total	**31,687**	**100.00%**	**241,721,585**	**100.00%**

Breakdown by Risk Tier

Risk Tier	Number of Underlying Agreements	% Distribution by Number	Current Outstanding Balance (£)	% Distribution by Balance
Tier 1	11,283	35.61%	68,820,921	28.47%
Tier 2	6,531	20.61%	51,734,821	21.40%
Tier 3	6,930	21.87%	58,839,642	24.34%
Tier 4	2,683	8.47%	23,574,404	9.75%
Tier 5	2,101	6.63%	18,595,530	7.69%
Tier 6	1,208	3.81%	11,107,052	4.59%
Tier 7	607	1.92%	5,693,156	2.36%
Tier 8	344	1.09%	3,356,058	1.39%
Total	**31,687**	**100.00%**	**241,721,585**	**100.00%**

Breakdown by UK Vehicle Data Ltd ("UKVD") Euro Classification*

UKVD Euro Classification	Number of Underlying Agreements	% Distribution by Number	Current Outstanding Balance (£)	% Distribution by Balance
2	1	0.00%	3,476	0.00%
3	1	0.00%	12,598	0.01%
4	637	2.01%	2,089,496	0.86%
5	14,421	45.51%	84,104,784	34.79%
6	15,784	49.81%	151,665,000	62.74%
Not Available	843	2.66%	3,846,230	1.59%
Total	**31,687**	**100.00%**	**241,721,585**	**100.00%**

*Loans with 0 and "NOT CAPTURED IN BMFLREPORTING" Euro Classification value are categorised as Not Available.

Breakdown by UKVD CO2 Emissions Classification*

UKVD CO2 Classification (g/km)	Number of Underlying Agreements	% Distribution by Number	Current Outstanding Balance (£)	% Distribution by Balance
0 - 50	226	0.71%	2,158,936	0.89%
50 - 100	4,303	13.58%	26,991,012	11.17%
100 - 110	5,059	15.97%	36,770,234	15.21%
110 - 120	5,560	17.55%	40,612,464	16.80%
120 - 130	4,596	14.50%	34,208,137	14.15%
130 - 140	3,981	12.56%	30,112,429	12.46%
140 - 150	2,407	7.60%	18,977,889	7.85%
150 - 200	4,239	13.38%	40,408,361	16.72%
> 200	647	2.04%	7,942,459	3.29%
Not Available	669	2.11%	3,539,665	1.46%
Total	**31,687**	**100.00%**	**241,721,585**	**100.00**

*Loans with 0, 999 and "NOT CAPTURED IN BMFLREPORTING" CO2 Emission Classification value are categorised as Not Available.

Historical performance data

The historical performance data set out hereafter relates to the portfolio of auto receivables granted by the Seller to customers relating to used or new vehicles and does not specifically relate to the Provisional Portfolio or the Purchased Receivables.

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

The tables and charts below were prepared on the basis of the internal records of the Seller as at 28 February 2023.

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

Gross default rates

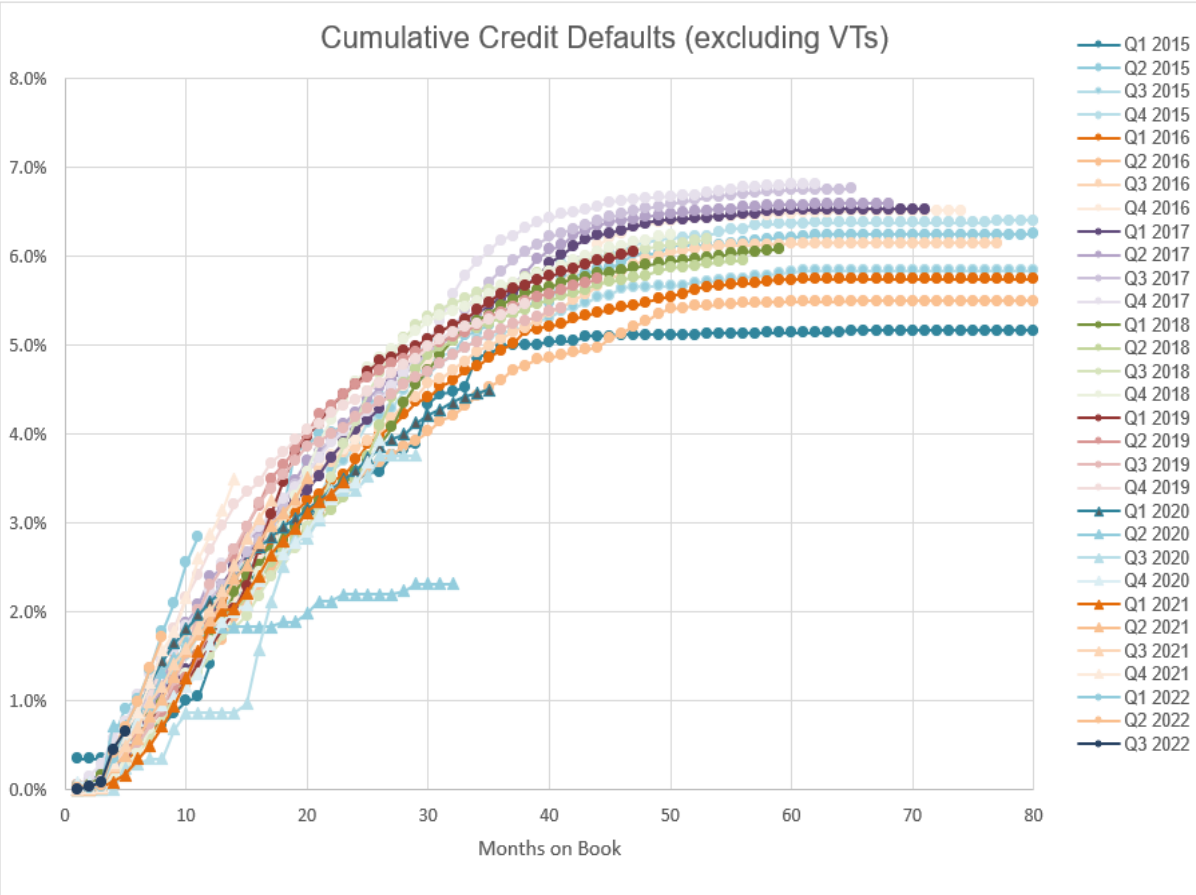
For a generation of originated Receivables (being all Receivables originated during the same quarter), the cumulative gross default rate in respect of a month is calculated as the ratio of:

(a) the cumulative defaulted amount (excluding voluntary terminations ("**VTs**") or only VTs as applicable) recorded between the beginning of the quarter when such Receivables were originated and the end of the relevant month; to

(b) the initial outstanding amount of such Receivables.

The presented default data has been generated by calculating the applicable monthly default rate for each tier in Blue's originated portfolio as at 31 January 2023, before being weighted by the tier distribution in the portfolio as of such date. It is intended to give a representation of performance since origination but should not be used to inform long-term views.

Cumulative Credit Default Rates by Quarter of Origination – excluding VTs



Months on Book	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
1	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3	0.3%	0.2%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%	0.1%	0.3%	0.1%	0.1%	0.1%	0.0%	0.0%	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
4	0.3%	0.5%	0.5%	0.1%	0.1%	0.3%	0.4%	0.3%	0.4%	0.2%	0.4%	0.6%	0.4%	0.3%	0.1%	0.1%	0.2%	0.2%	0.3%	0.2%	0.4%	0.7%	0.0%	0.4%	0.1%	0.2%	0.3%	0.3%	0.3%	0.4%	0.4%
5	0.4%	0.9%	0.6%	0.4%	0.3%	0.4%	0.8%	0.4%	0.5%	0.4%	0.5%	0.8%	0.5%	0.4%	0.2%	0.3%	0.4%	0.4%	0.4%	0.4%	0.6%	0.7%	0.2%	0.6%	0.2%	0.4%	0.5%	0.6%	0.7%	0.7%	0.7%
6	0.4%	1.0%	0.8%	0.6%	0.5%	0.5%	0.9%	0.5%	0.6%	0.5%	0.8%	1.1%	0.6%	0.5%	0.4%	0.4%	0.6%	0.6%	0.5%	0.8%	0.9%	0.9%	0.3%	0.8%	0.3%	0.6%	0.7%	0.9%	1.0%	1.0%	
7	0.7%	1.1%	1.2%	0.8%	0.6%	0.8%	1.1%	0.7%	0.9%	0.9%	1.1%	1.3%	0.8%	0.7%	0.6%	0.7%	0.8%	0.7%	0.7%	1.1%	1.2%	0.9%	0.3%	0.8%	0.5%	0.8%	1.0%	1.2%	1.3%	1.4%	
8	0.7%	1.2%	1.3%	1.1%	0.8%	1.0%	1.3%	0.9%	1.1%	1.2%	1.5%	1.5%	1.0%	0.8%	0.8%	0.9%	0.9%	0.9%	0.9%	1.4%	1.4%	1.3%	0.3%	0.9%	0.7%	1.0%	1.2%	1.6%	1.8%	1.7%	
9	0.9%	1.3%	1.4%	1.4%	1.1%	1.1%	1.5%	1.2%	1.2%	1.6%	1.6%	1.6%	1.1%	1.1%	1.0%	1.1%	1.1%	1.1%	1.2%	1.8%	1.6%	1.5%	0.7%	1.0%	0.9%	1.3%	1.4%	1.8%	2.1%		
10	1.0%	1.6%	1.7%	1.5%	1.3%	1.2%	1.8%	1.3%	1.3%	1.9%	1.8%	1.8%	1.2%	1.3%	1.2%	1.3%	1.2%	1.2%	1.5%	2.2%	1.8%	1.6%	0.9%	1.2%	1.2%	1.5%	1.6%	2.1%	2.5%		
11	1.0%	1.7%	1.8%	1.7%	1.5%	1.4%	1.9%	1.6%	1.5%	2.1%	2.0%	2.0%	1.5%	1.5%	1.3%	1.5%	1.4%	1.5%	2.0%	2.4%	2.0%	1.8%	0.9%	1.3%	1.6%	1.7%	1.8%	2.6%	2.8%		
12	1.4%	1.8%	1.9%	2.0%	1.9%	1.5%	2.0%	1.8%	1.8%	2.4%	2.2%	2.2%	1.7%	1.7%	1.5%	1.7%	1.6%	1.8%	2.3%	2.7%	2.1%	1.8%	0.9%	1.6%	1.8%	1.9%	2.0%	2.9%			
13	2.1%	1.9%	2.0%	2.2%	2.1%	1.7%	2.2%	1.9%	2.3%	2.5%	2.3%	2.5%	1.9%	1.9%	1.7%	1.9%	1.8%	2.2%	2.5%	3.0%	2.2%	1.8%	0.9%	1.9%	2.0%	2.1%	2.2%	3.1%			
14	2.3%	2.1%	2.2%	2.4%	2.3%	1.9%	2.3%	2.1%	2.5%	2.7%	2.4%	2.7%	2.2%	2.0%	1.8%	2.0%	2.0%	2.6%	2.7%	3.2%	2.4%	1.8%	0.9%	2.0%	2.0%	2.4%	2.5%	3.5%			
15	2.3%	2.4%	2.4%	2.6%	2.4%	2.1%	2.6%	2.4%	2.6%	2.8%	2.7%	2.8%	2.4%	2.2%	2.0%	2.2%	2.3%	3.0%	2.9%	3.3%	2.5%	1.8%	1.0%	2.1%	2.2%	2.5%	2.8%				
16	2.4%	2.7%	2.5%	2.6%	2.6%	2.3%	2.8%	2.6%	2.8%	2.9%	2.8%	2.9%	2.5%	2.4%	2.2%	2.4%	2.7%	3.2%	3.2%	3.5%	2.7%	1.8%	1.6%	2.3%	2.4%	2.8%	3.0%				
17	2.4%	2.9%	2.7%	2.8%	2.8%	2.5%	2.9%	2.9%	3.1%	3.0%	3.0%	3.1%	2.7%	2.5%	2.4%	2.6%	3.1%	3.5%	3.4%	3.7%	2.8%	1.8%	2.1%	2.6%	2.6%	3.0%	3.2%				
18	2.9%	3.1%	2.8%	3.0%	3.0%	2.6%	3.1%	3.2%	3.2%	3.2%	3.2%	3.3%	2.8%	2.7%	2.6%	3.0%	3.5%	3.6%	3.5%	3.8%	3.0%	1.9%	2.5%	2.7%	2.8%	3.1%					
19	2.9%	3.8%	2.9%	3.1%	3.1%	2.8%	3.2%	3.5%	3.3%	3.5%	3.4%	3.4%	2.9%	2.8%	2.7%	3.3%	3.8%	3.8%	3.7%	3.9%	3.0%	1.9%	2.8%	2.8%	2.9%	3.3%					
20	3.1%	3.9%	3.1%	3.7%	3.2%	2.9%	3.4%	3.6%	3.4%	3.7%	3.5%	3.6%	3.1%	2.9%	2.9%	3.6%	4.0%	4.0%	3.9%	4.0%	3.2%	2.0%	2.8%	2.9%	3.1%	3.5%					
21	3.1%	4.0%	3.3%	3.8%	3.3%	3.1%	3.6%	3.7%	3.5%	3.8%	3.7%	3.7%	3.2%	3.0%	3.2%	3.9%	4.1%	4.2%	3.9%	4.1%	3.2%	2.1%	3.0%	3.1%	3.2%						
22	3.3%	4.0%	3.6%	3.9%	3.5%	3.3%	3.7%	3.8%	3.7%	3.9%	4.0%	3.9%	3.3%	3.1%	3.5%	4.2%	4.3%	4.3%	4.0%	4.2%	3.4%	2.1%	3.4%	3.3%	3.3%						
23	3.4%	4.1%	3.7%	4.1%	3.5%	3.3%	3.8%	3.8%	3.9%	4.1%	4.0%	4.0%	3.4%	3.3%	3.9%	4.4%	4.4%	4.4%	4.1%	4.3%	3.5%	2.2%	3.4%	3.4%	3.5%						
24	3.5%	4.2%	3.9%	4.2%	3.7%	3.5%	3.8%	3.9%	4.0%	4.2%	4.1%	4.1%	3.6%	3.5%	4.1%	4.6%	4.6%	4.6%	4.2%	4.4%	3.6%	2.2%	3.4%	3.5%							
25	3.6%	4.3%	4.1%	4.3%	3.9%	3.6%	3.9%	4.2%	4.2%	4.4%	4.3%	4.3%	3.7%	3.7%	4.5%	4.7%	4.7%	4.6%	4.3%	4.5%	3.7%	2.2%	3.5%	3.7%							
26	3.6%	4.4%	4.2%	4.4%	4.0%	3.7%	4.1%	4.3%	4.3%	4.5%	4.4%	4.4%	3.9%	4.1%	4.7%	4.9%	4.8%	4.7%	4.4%	4.6%	3.8%	2.2%	3.8%	3.9%							
27	3.8%	4.4%	4.3%	4.5%	4.1%	3.8%	4.2%	4.5%	4.6%	4.6%	4.5%	4.5%	4.1%	4.4%	4.9%	4.9%	4.9%	4.8%	4.4%	4.7%	3.9%	2.2%	3.8%								

Months on Book	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
28	3.8%	4.5%	4.5%	4.6%	4.2%	3.9%	4.3%	4.5%	4.7%	4.7%	4.7%	4.7%	4.4%	4.6%	5.1%	5.1%	4.9%	4.8%	4.6%	4.8%	4.0%	2.2%	3.8%								
29	3.9%	4.6%	4.6%	4.9%	4.4%	3.9%	4.4%	4.7%	4.8%	4.8%	4.8%	4.9%	4.6%	4.7%	5.2%	5.2%	5.0%	4.9%	4.6%	4.8%	4.1%	2.3%	3.8%								
30	4.3%	4.7%	4.8%	5.1%	4.4%	4.0%	4.6%	4.8%	4.9%	4.9%	4.9%	5.0%	4.7%	4.9%	5.3%	5.3%	5.1%	5.0%	4.7%	5.0%	4.2%	2.3%									
31	4.4%	4.8%	4.9%	5.1%	4.5%	4.1%	4.6%	5.0%	5.0%	5.0%	5.0%	5.3%	4.9%	5.0%	5.4%	5.3%	5.2%	5.0%	4.8%	5.1%	4.3%	2.3%									
32	4.5%	4.9%	4.9%	5.1%	4.6%	4.2%	4.7%	5.1%	5.1%	5.1%	5.2%	5.6%	5.1%	5.0%	5.5%	5.4%	5.2%	5.1%	4.9%	5.1%	4.3%	2.3%									
33	4.5%	5.1%	5.0%	5.2%	4.7%	4.3%	4.8%	5.1%	5.2%	5.2%	5.4%	5.8%	5.2%	5.2%	5.5%	5.4%	5.3%	5.1%	5.0%	5.2%	4.4%										
34	4.9%	5.1%	5.1%	5.3%	4.8%	4.4%	4.9%	5.2%	5.4%	5.4%	5.6%	5.9%	5.3%	5.2%	5.6%	5.5%	5.4%	5.2%	5.0%	5.2%	4.5%										
35	4.9%	5.2%	5.1%	5.5%	4.9%	4.5%	5.0%	5.3%	5.4%	5.5%	5.7%	6.1%	5.3%	5.2%	5.6%	5.6%	5.5%	5.3%	5.1%	5.3%	4.5%										
36	5.0%	5.4%	5.1%	5.6%	4.9%	4.6%	5.1%	5.4%	5.5%	5.6%	5.8%	6.2%	5.4%	5.3%	5.6%	5.7%	5.6%	5.4%	5.2%	5.3%											
37	5.0%	5.4%	5.2%	5.7%	5.0%	4.7%	5.1%	5.5%	5.6%	5.7%	5.9%	6.2%	5.5%	5.3%	5.7%	5.7%	5.6%	5.4%	5.2%	5.4%											
38	5.0%	5.4%	5.2%	5.8%	5.1%	4.8%	5.2%	5.5%	5.7%	5.8%	6.0%	6.3%	5.6%	5.4%	5.8%	5.8%	5.7%	5.5%	5.3%	5.5%											
39	5.0%	5.5%	5.3%	5.8%	5.2%	4.8%	5.3%	5.6%	5.8%	6.0%	6.1%	6.4%	5.6%	5.5%	5.8%	5.8%	5.7%	5.5%	5.3%												
40	5.0%	5.5%	5.3%	5.8%	5.2%	4.8%	5.4%	5.7%	5.9%	6.1%	6.2%	6.4%	5.6%	5.5%	5.8%	5.8%	5.8%	5.6%	5.4%												
41	5.0%	5.8%	5.4%	5.9%	5.2%	4.9%	5.4%	5.7%	6.0%	6.1%	6.3%	6.5%	5.7%	5.6%	5.9%	5.9%	5.8%	5.6%	5.4%												
42	5.0%	5.8%	5.4%	5.9%	5.3%	4.9%	5.5%	5.8%	6.1%	6.2%	6.3%	6.5%	5.7%	5.6%	5.9%	6.0%	5.9%	5.7%													
43	5.1%	5.8%	5.5%	6.0%	5.3%	4.9%	5.6%	6.0%	6.2%	6.3%	6.3%	6.5%	5.8%	5.6%	5.9%	6.0%	5.9%	5.7%													
44	5.1%	5.9%	5.5%	6.0%	5.4%	5.0%	5.7%	6.1%	6.2%	6.3%	6.4%	6.6%	5.8%	5.7%	6.0%	6.0%	6.0%	5.7%													
45	5.1%	5.9%	5.6%	6.0%	5.4%	5.1%	5.7%	6.2%	6.3%	6.4%	6.4%	6.6%	5.8%	5.7%	6.0%	6.1%	6.0%														
46	5.1%	5.9%	5.6%	6.1%	5.4%	5.1%	5.8%	6.3%	6.3%	6.4%	6.5%	6.6%	5.8%	5.7%	6.0%	6.1%	6.0%														
47	5.1%	6.0%	5.7%	6.1%	5.4%	5.2%	5.9%	6.3%	6.3%	6.4%	6.5%	6.6%	5.9%	5.8%	6.1%	6.2%	6.0%														
48	5.1%	6.0%	5.7%	6.2%	5.5%	5.3%	6.0%	6.4%	6.4%	6.4%	6.5%	6.7%	5.9%	5.8%	6.1%	6.2%															
49	5.1%	6.0%	5.7%	6.2%	5.5%	5.4%	6.0%	6.4%	6.4%	6.5%	6.6%	6.7%	5.9%	5.8%	6.1%	6.2%															
50	5.1%	6.1%	5.7%	6.2%	5.5%	5.4%	6.0%	6.4%	6.4%	6.5%	6.6%	6.7%	5.9%	5.9%	6.1%	6.2%															
51	5.1%	6.1%	5.7%	6.2%	5.6%	5.4%	6.1%	6.4%	6.4%	6.5%	6.6%	6.7%	6.0%	5.9%	6.1%																
52	5.1%	6.1%	5.7%	6.2%	5.6%	5.4%	6.1%	6.4%	6.4%	6.5%	6.6%	6.7%	6.0%	5.9%	6.2%																
53	5.1%	6.1%	5.7%	6.2%	5.7%	5.4%	6.1%	6.4%	6.4%	6.5%	6.7%	6.7%	6.0%	5.9%	6.2%																
54	5.1%	6.1%	5.7%	6.3%	5.7%	5.5%	6.1%	6.4%	6.4%	6.5%	6.7%	6.7%	6.0%	5.9%																	

Months on Book	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
55	5.1%	6.1%	5.7%	6.3%	5.7%	5.5%	6.1%	6.4%	6.5%	6.5%	6.7%	6.8%	6.0%	5.9%																	
56	5.1%	6.2%	5.8%	6.3%	5.7%	5.5%	6.1%	6.5%	6.5%	6.5%	6.7%	6.8%	6.0%	5.9%																	
57	5.1%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%	6.5%	6.5%	6.6%	6.7%	6.8%	6.0%																		
58	5.1%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%	6.5%	6.5%	6.6%	6.7%	6.8%	6.1%																		
59	5.1%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%	6.5%	6.5%	6.6%	6.7%	6.8%	6.1%																		
60	5.1%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%	6.5%	6.5%	6.6%	6.7%	6.8%																			
61	5.1%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%	6.5%	6.5%	6.6%	6.7%	6.8%																			
62	5.1%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%	6.5%	6.5%	6.6%	6.7%	6.8%																			
63	5.1%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%	6.5%	6.5%	6.6%	6.7%																				
64	5.1%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%	6.5%	6.5%	6.6%	6.8%																				
65	5.2%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%	6.5%	6.5%	6.6%	6.8%																				
66	5.2%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%	6.5%	6.5%	6.6%																					
67	5.2%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%	6.5%	6.5%	6.6%																					
68	5.2%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%	6.5%	6.5%	6.6%																					
69	5.2%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%	6.5%	6.5%																						
70	5.2%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%	6.5%	6.5%																						
71	5.2%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%	6.5%	6.5%																						
72	5.2%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%	6.5%																							
73	5.2%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%	6.5%																							
74	5.2%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%	6.5%																							
75	5.2%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%																								
76	5.2%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%																								
77	5.2%	6.2%	5.8%	6.4%	5.7%	5.5%	6.1%																								
78	5.2%	6.2%	5.8%	6.4%	5.7%	5.5%																									
79	5.2%	6.2%	5.8%	6.4%	5.7%	5.5%																									
80	5.2%	6.2%	5.8%	6.4%	5.7%	5.5%																									
81	5.2%	6.2%	5.8%	6.4%	5.7%																										

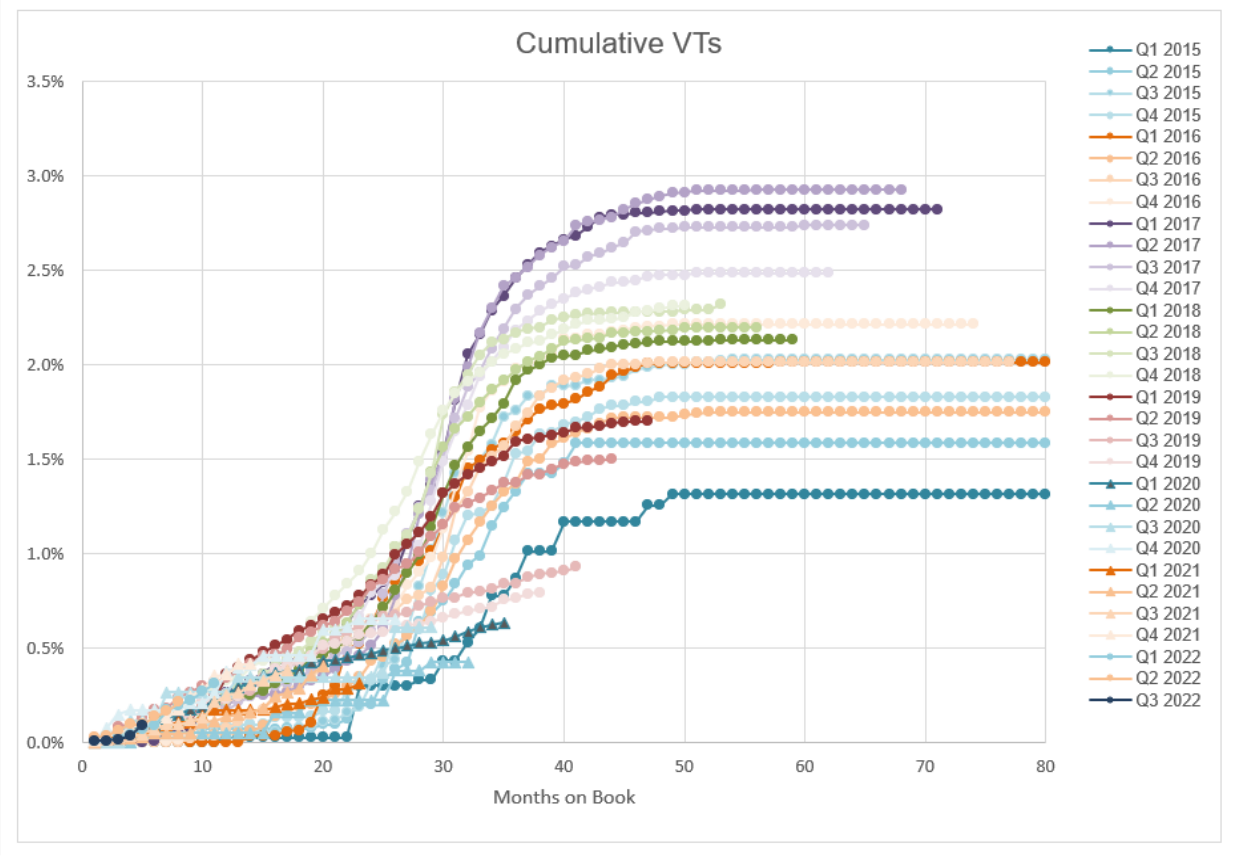
Months on Book	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
82	5.2%	6.2%	5.8%	6.4%	5.7%																									
83	5.2%	6.2%	5.8%	6.4%	5.7%																									
84	5.2%	6.2%	5.8%	6.4%																										
85	5.2%	6.2%	5.8%	6.4%																										

Notes

Data in the above chart and table excludes VTs.

Static balance method.

Cumulative VTs



Months on Book	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%
4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.1%	0.1%	0.0%	0.0%	0.1%	0.0%	0.1%	0.0%	0.0%	0.1%	0.0%	0.1%	0.2%	0.0%	0.0%	0.0%	0.1%	0.0%	0.1%	0.0%
5	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.1%	0.1%	0.1%	0.0%	0.1%	0.0%	0.1%	0.0%	0.1%	0.1%	0.0%	0.1%	0.2%	0.1%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%
6	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.1%	0.1%	0.2%	0.0%	0.1%	0.1%	0.0%	0.1%	0.2%	0.1%	0.0%	0.1%	0.1%	0.1%	0.1%	
7	0.0%	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%	0.1%	0.2%	0.1%	0.1%	0.1%	0.0%	0.3%	0.2%	0.1%	0.0%	0.1%	0.1%	0.2%	0.2%	
8	0.0%	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%	0.1%	0.2%	0.1%	0.1%	0.1%	0.0%	0.3%	0.2%	0.1%	0.0%	0.1%	0.2%	0.2%	0.2%	
9	0.0%	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.1%	0.2%	0.1%	0.3%	0.1%	0.2%	0.2%	0.0%	0.3%	0.2%	0.1%	0.0%	0.1%	0.2%	0.2%		
10	0.0%	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.1%	0.3%	0.2%	0.3%	0.2%	0.2%	0.2%	0.0%	0.3%	0.2%	0.1%	0.1%	0.1%	0.3%	0.3%		
11	0.0%	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.3%	0.2%	0.3%	0.2%	0.2%	0.2%	0.0%	0.3%	0.3%	0.2%	0.1%	0.2%	0.4%	0.3%		
12	0.0%	0.1%	0.0%	0.1%	0.0%	0.0%	0.1%	0.2%	0.3%	0.2%	0.2%	0.3%	0.2%	0.2%	0.2%	0.3%	0.4%	0.3%	0.2%	0.2%	0.3%	0.0%	0.3%	0.4%	0.2%	0.1%	0.3%	0.4%			
13	0.0%	0.1%	0.0%	0.1%	0.0%	0.0%	0.1%	0.3%	0.3%	0.2%	0.2%	0.3%	0.2%	0.3%	0.3%	0.3%	0.4%	0.4%	0.2%	0.2%	0.3%	0.0%	0.3%	0.4%	0.2%	0.1%	0.3%	0.4%			
14	0.0%	0.1%	0.1%	0.1%	0.0%	0.1%	0.1%	0.3%	0.3%	0.2%	0.2%	0.3%	0.2%	0.3%	0.3%	0.4%	0.4%	0.4%	0.3%	0.3%	0.3%	0.0%	0.3%	0.4%	0.2%	0.2%	0.3%	0.4%			
15	0.0%	0.1%	0.1%	0.1%	0.0%	0.1%	0.2%	0.3%	0.4%	0.2%	0.3%	0.3%	0.3%	0.3%	0.4%	0.4%	0.5%	0.5%	0.3%	0.3%	0.4%	0.0%	0.3%	0.5%	0.2%	0.2%	0.3%				
16	0.0%	0.1%	0.1%	0.1%	0.0%	0.1%	0.2%	0.3%	0.4%	0.3%	0.3%	0.4%	0.3%	0.4%	0.4%	0.5%	0.5%	0.5%	0.4%	0.4%	0.4%	0.2%	0.3%	0.5%	0.2%	0.2%	0.4%				
17	0.0%	0.1%	0.1%	0.1%	0.1%	0.2%	0.3%	0.3%	0.4%	0.3%	0.3%	0.4%	0.3%	0.4%	0.4%	0.5%	0.5%	0.5%	0.4%	0.4%	0.4%	0.2%	0.3%	0.5%	0.2%	0.3%	0.4%				
18	0.0%	0.1%	0.1%	0.1%	0.1%	0.2%	0.3%	0.4%	0.4%	0.3%	0.3%	0.4%	0.4%	0.4%	0.5%	0.6%	0.6%	0.6%	0.4%	0.4%	0.4%	0.2%	0.3%	0.5%	0.2%	0.3%					
19	0.0%	0.1%	0.1%	0.1%	0.1%	0.2%	0.4%	0.4%	0.5%	0.3%	0.4%	0.4%	0.4%	0.5%	0.5%	0.6%	0.6%	0.6%	0.4%	0.5%	0.4%	0.2%	0.3%	0.5%	0.2%	0.4%					
20	0.0%	0.1%	0.1%	0.2%	0.2%	0.2%	0.4%	0.4%	0.5%	0.3%	0.4%	0.5%	0.5%	0.5%	0.6%	0.7%	0.6%	0.6%	0.5%	0.5%	0.4%	0.2%	0.3%	0.6%	0.2%	0.4%					
21	0.0%	0.1%	0.1%	0.2%	0.3%	0.3%	0.5%	0.5%	0.5%	0.4%	0.5%	0.6%	0.5%	0.6%	0.6%	0.8%	0.7%	0.6%	0.5%	0.5%	0.4%	0.2%	0.3%	0.6%	0.3%						
22	0.0%	0.1%	0.2%	0.3%	0.5%	0.3%	0.6%	0.5%	0.6%	0.4%	0.5%	0.6%	0.5%	0.6%	0.7%	0.8%	0.7%	0.7%	0.6%	0.5%	0.4%	0.2%	0.3%	0.6%	0.3%						
23	0.3%	0.2%	0.2%	0.3%	0.5%	0.3%	0.6%	0.6%	0.7%	0.5%	0.5%	0.7%	0.6%	0.7%	0.8%	0.9%	0.8%	0.7%	0.6%	0.6%	0.5%	0.2%	0.3%	0.7%	0.3%						
24	0.3%	0.2%	0.3%	0.3%	0.6%	0.4%	0.6%	0.6%	0.8%	0.5%	0.6%	0.8%	0.6%	0.8%	0.9%	1.0%	0.8%	0.8%	0.6%	0.6%	0.5%	0.2%	0.3%	0.7%							
25	0.3%	0.3%	0.4%	0.5%	0.8%	0.5%	0.7%	0.7%	0.8%	0.6%	0.8%	0.9%	0.7%	0.9%	0.9%	1.1%	0.9%	0.9%	0.7%	0.6%	0.5%	0.2%	0.4%	0.7%							
26	0.3%	0.4%	0.4%	0.5%	0.8%	0.5%	0.7%	0.7%	0.9%	0.8%	1.0%	0.9%	0.8%	1.0%	1.0%	1.2%	1.0%	0.9%	0.7%	0.6%	0.5%	0.4%	0.6%	0.7%							
27	0.3%	0.4%	0.6%	0.6%	0.9%	0.6%	0.8%	0.8%	1.1%	0.9%	1.1%	0.9%	0.9%	1.1%	1.1%	1.3%	1.0%	0.9%	0.7%	0.6%	0.5%	0.4%	0.6%								

Months on Book	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
28	0.3%	0.6%	0.8%	0.6%	1.0%	0.6%	0.8%	0.9%	1.2%	1.2%	1.2%	1.0%	1.0%	1.2%	1.2%	1.5%	1.1%	1.0%	0.7%	0.6%	0.5%	0.4%	0.6%								
29	0.3%	0.7%	1.0%	0.8%	1.0%	0.7%	0.8%	1.0%	1.4%	1.4%	1.3%	1.3%	1.1%	1.4%	1.4%	1.6%	1.2%	1.1%	0.7%	0.6%	0.5%	0.4%	0.6%								
30	0.4%	0.7%	1.2%	0.9%	1.1%	0.8%	1.0%	1.1%	1.5%	1.5%	1.5%	1.5%	1.3%	1.6%	1.7%	1.8%	1.3%	1.1%	0.8%	0.7%	0.5%	0.4%									
31	0.4%	0.8%	1.4%	1.1%	1.3%	1.0%	1.2%	1.3%	1.8%	1.8%	1.7%	1.6%	1.5%	1.7%	1.9%	1.8%	1.4%	1.2%	0.8%	0.7%	0.6%	0.4%									
32	0.5%	0.9%	1.4%	1.2%	1.5%	1.1%	1.3%	1.5%	2.1%	2.0%	1.9%	1.8%	1.6%	1.7%	1.9%	1.9%	1.4%	1.3%	0.8%	0.7%	0.6%	0.4%									
33	0.6%	1.0%	1.5%	1.2%	1.5%	1.2%	1.5%	1.8%	2.2%	2.2%	2.0%	1.9%	1.6%	1.8%	2.1%	2.0%	1.5%	1.3%	0.8%	0.7%	0.6%										
34	0.8%	1.1%	1.6%	1.3%	1.5%	1.2%	1.5%	1.9%	2.3%	2.3%	2.1%	2.0%	1.7%	1.9%	2.1%	2.0%	1.5%	1.3%	0.8%	0.7%	0.6%										
35	0.8%	1.2%	1.7%	1.4%	1.6%	1.3%	1.6%	1.9%	2.4%	2.4%	2.2%	2.1%	1.8%	1.9%	2.1%	2.1%	1.5%	1.4%	0.8%	0.8%	0.6%										
36	0.9%	1.3%	1.8%	1.5%	1.6%	1.4%	1.7%	2.0%	2.5%	2.5%	2.3%	2.2%	1.9%	2.0%	2.2%	2.1%	1.6%	1.4%	0.8%	0.8%											
37	1.0%	1.4%	1.8%	1.5%	1.7%	1.5%	1.7%	2.0%	2.5%	2.5%	2.4%	2.2%	2.0%	2.0%	2.2%	2.1%	1.6%	1.4%	0.9%	0.8%											
38	1.0%	1.4%	1.8%	1.6%	1.8%	1.5%	1.8%	2.0%	2.6%	2.6%	2.4%	2.3%	2.0%	2.0%	2.2%	2.1%	1.6%	1.4%	0.9%	0.8%											
39	1.0%	1.4%	1.9%	1.6%	1.8%	1.6%	1.9%	2.1%	2.6%	2.6%	2.5%	2.3%	2.0%	2.1%	2.2%	2.2%	1.6%	1.4%	0.9%												
40	1.2%	1.5%	1.9%	1.7%	1.8%	1.6%	1.9%	2.1%	2.7%	2.7%	2.5%	2.3%	2.0%	2.1%	2.3%	2.2%	1.6%	1.5%	0.9%												
41	1.2%	1.6%	1.9%	1.7%	1.8%	1.6%	1.9%	2.1%	2.7%	2.7%	2.5%	2.4%	2.0%	2.1%	2.3%	2.2%	1.7%	1.5%	0.9%												
42	1.2%	1.6%	1.9%	1.7%	1.9%	1.7%	1.9%	2.2%	2.7%	2.8%	2.6%	2.4%	2.1%	2.1%	2.3%	2.2%	1.7%	1.5%													
43	1.2%	1.6%	1.9%	1.8%	1.9%	1.7%	2.0%	2.2%	2.8%	2.8%	2.6%	2.4%	2.1%	2.1%	2.3%	2.2%	1.7%	1.5%													
44	1.2%	1.6%	1.9%	1.8%	1.9%	1.7%	2.0%	2.2%	2.8%	2.8%	2.6%	2.4%	2.1%	2.2%	2.3%	2.2%	1.7%	1.5%													
45	1.2%	1.6%	1.9%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.8%	2.6%	2.4%	2.1%	2.2%	2.3%	2.2%	1.7%														
46	1.2%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%	2.7%	2.4%	2.1%	2.2%	2.3%	2.3%	1.7%														
47	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%	2.7%	2.5%	2.1%	2.2%	2.3%	2.3%	1.7%														
48	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%	2.7%	2.5%	2.1%	2.2%	2.3%	2.3%															
49	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%	2.7%	2.5%	2.1%	2.2%	2.3%	2.3%															
50	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%	2.7%	2.5%	2.1%	2.2%	2.3%	2.3%															
51	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%	2.7%	2.5%	2.1%	2.2%	2.3%																
52	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%	2.7%	2.5%	2.1%	2.2%	2.3%																
53	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%	2.7%	2.5%	2.1%	2.2%	2.3%																
54	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%	2.7%	2.5%	2.1%	2.2%																	

Months on Book	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
55	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%	2.7%	2.5%	2.1%	2.2%																	
56	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%	2.7%	2.5%	2.1%	2.2%																	
57	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%	2.7%	2.5%	2.1%																		
58	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%	2.7%	2.5%	2.1%																		
59	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%	2.7%	2.5%	2.1%																		
60	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%	2.7%	2.5%																			
61	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%	2.7%	2.5%																			
62	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%	2.7%	2.5%																			
63	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%	2.7%																				
64	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%	2.7%																				
65	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%	2.7%																				
66	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%																					
67	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%																					
68	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%	2.9%																					
69	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%																						
70	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%																						
71	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%	2.8%																						
72	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%																							
73	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%																							
74	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%	2.2%																							
75	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%																								
76	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%																								
77	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%	2.0%																								
78	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%																									
79	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%																									
80	1.3%	1.6%	2.0%	1.8%	2.0%	1.7%																									
81	1.3%	1.6%	2.0%	1.8%	2.0%																										

Months on Book	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
82	1.3%	1.6%	2.0%	1.8%	2.0%																									
83	1.3%	1.6%	2.0%	1.8%	2.0%																									
84	1.3%	1.6%	2.0%	1.8%																										
85	1.3%	1.6%	2.0%	1.8%																										

Notes

Data in the above chart and table excludes credit defaults.

Static balance method.

Annualised Default Rate

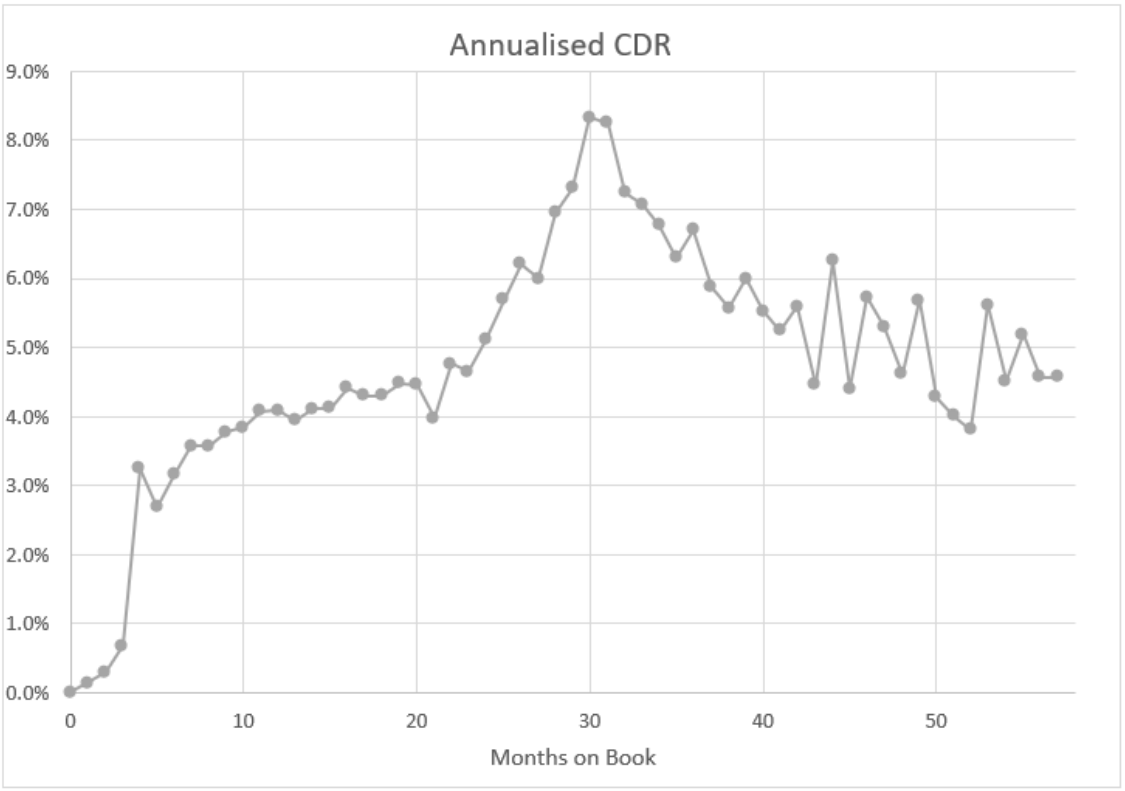
For a given month, the annualised constant default rate (CDR) is calculated from the monthly default rate (MDR) according to the following formula: CDR = 1-(1-MDR)^(12).

The monthly default rate (MDR) is calculated as the ratio of:

(a) the principal amounts defaulted (including VTs) during the month; to

(b) the outstanding principal balance of all Receivables (defaulted receivables and voluntarily terminated receivables excluded) at the end of the previous month.

This default data has been generated by calculating the applicable monthly default rate for each tier in Blue's originated portfolio as at 31 January 2023, before being weighted by the tier distribution in the portfolio as of such date. It is intended to give a representation of performance since origination but should not be used to inform long-term views.



Notes:

Default data, includes both credit defaults and VTs and includes full COVID-19 impact. They are intended to give a representation of performance since origination but should not be used to inform long-term views. The curve is weighted to reflect the distribution of risk tiers in the portfolio.

The data shows marginal defaults as percentage of opening balance at each month since origination and should be applied to opening balance at the beginning of the monthly period.

Months on Book	Annualised Monthly Default Rate
0	0.0%
1	0.1%
2	0.3%
3	0.7%
4	3.2%
5	2.7%
6	3.2%
7	3.6%
8	3.6%
9	3.8%
10	3.8%
11	4.1%
12	4.1%
13	3.9%
14	4.1%
15	4.1%
16	4.4%
17	4.3%
18	4.3%
19	4.5%
20	4.4%
21	4.0%
22	4.8%
23	4.7%
24	5.1%
25	5.7%
26	6.2%
27	6.0%
28	6.9%
29	7.3%
30	8.3%
31	8.2%
32	7.2%
33	7.1%
34	6.8%
35	6.3%
36	6.7%
37	5.9%
38	5.6%
39	6.0%
40	5.5%
41	5.2%
42	5.6%
43	4.5%
44	6.2%
45	4.4%
46	5.7%
47	5.3%
48	4.6%
49	5.7%
50	4.3%
51	4.0%
52	3.8%
53	5.6%
54	4.5%
55	5.2%
56	4.6%
57	4.6%

Recovery rates

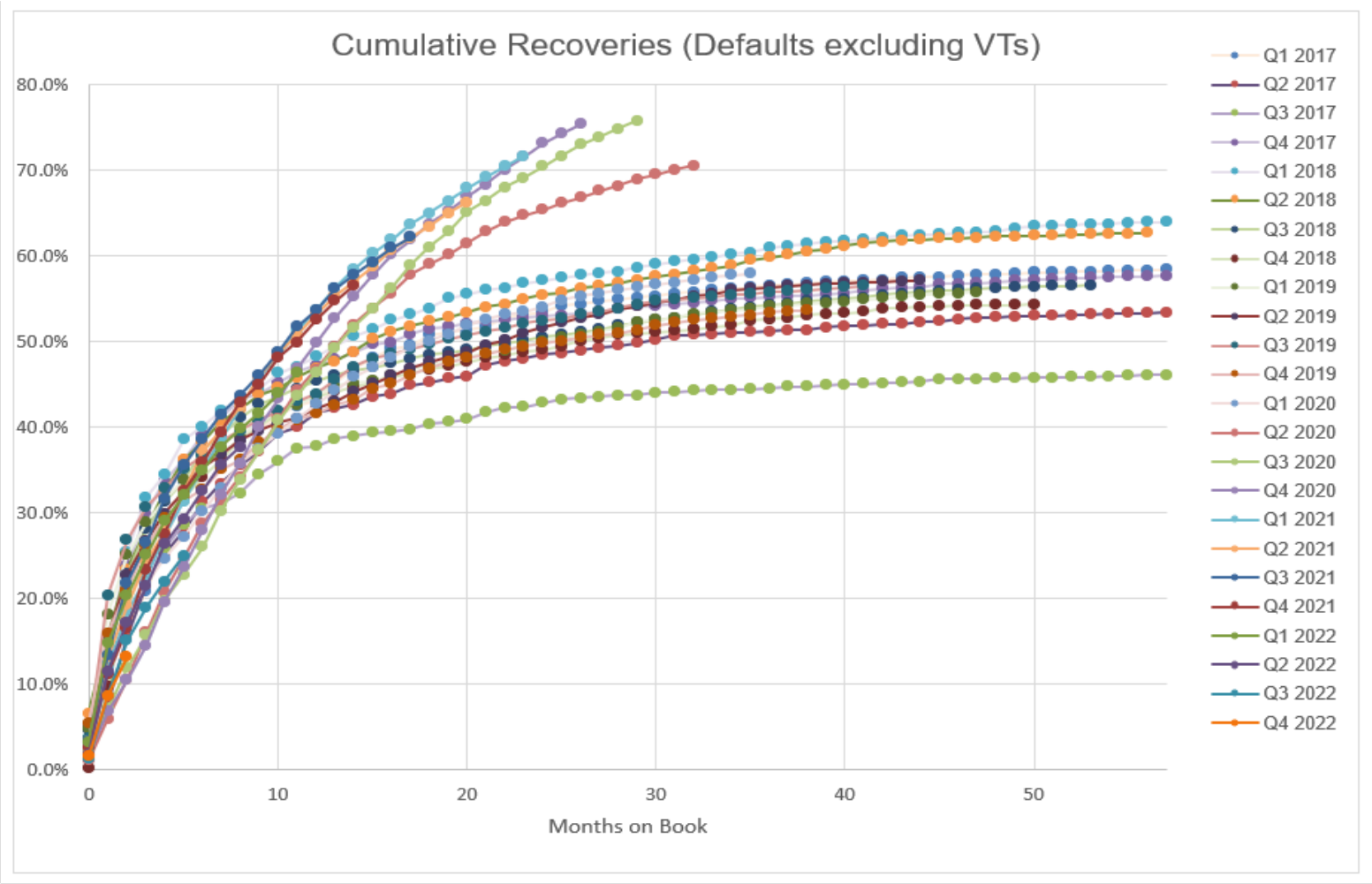
The cumulative recovery rate in respect of a month for a generation of Defaulted Receivables (being all loans defaulted during the same quarter) is calculated as the ratio of:

(a) the cumulative recovered amounts recorded between the beginning of the quarter when such Receivables were defaulted (excluding VTs or only VTs as applicable) and the end of the relevant month; to

(b) the gross defaulted amount of such Receivables.

This recovery data has been generated by calculating the applicable monthly recovery rate for each tier in Blue's originated portfolio as at 31 January 2023, before being weighted by the tier distribution in the portfolio as of such date. It is intended to give a representation of performance since origination but should not be used to inform long-term views.

Cumulative Recoveries – defaults excluding VTs

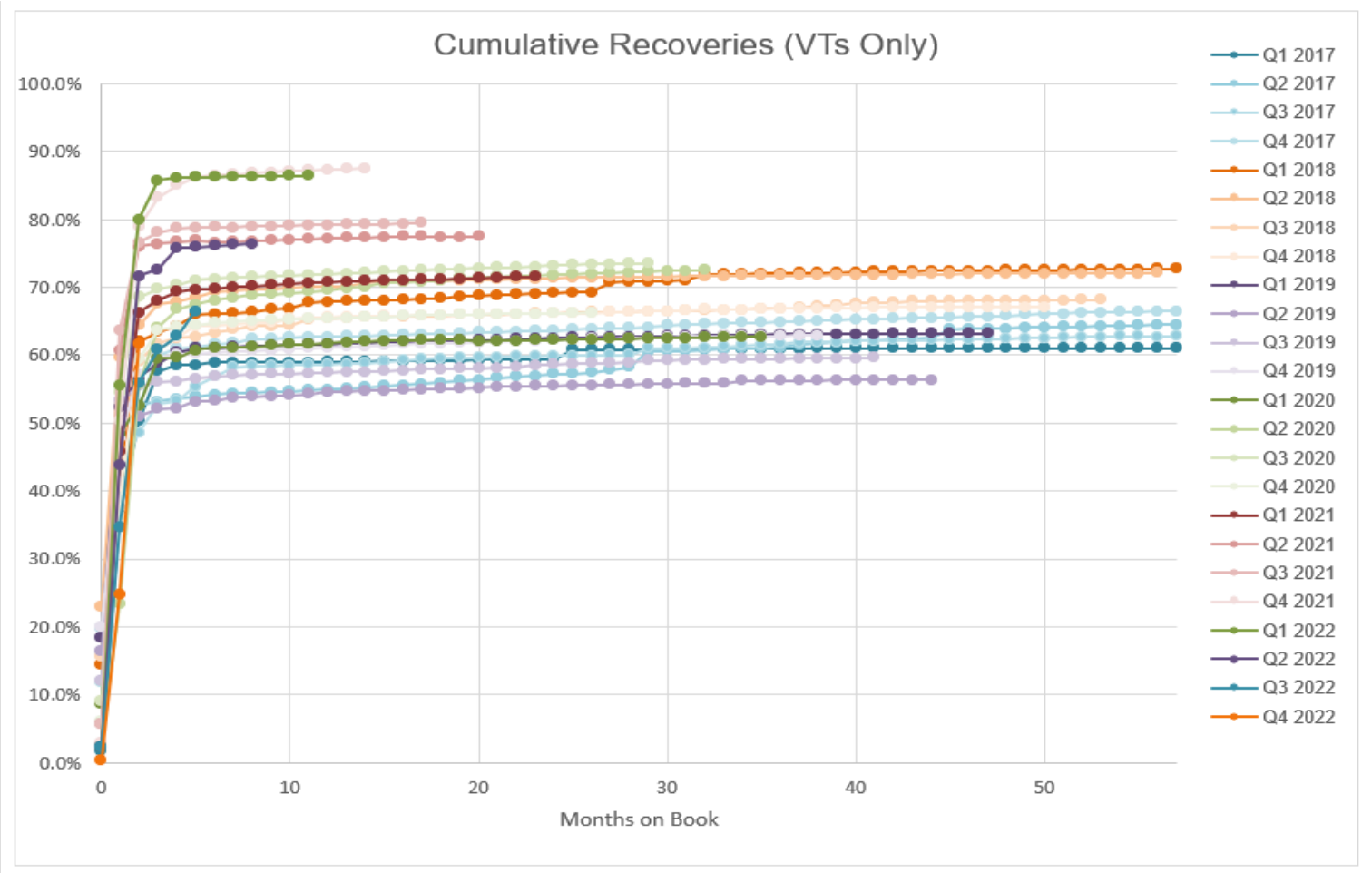


Months Since Default	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
0	5.2%	1.0%	2.0%	4.9%	3.7%	6.5%	4.5%	0.1%	4.7%	3.1%	3.5%	5.3%	1.7%	1.0%	2.1%	1.6%	3.0%	3.2%	3.4%	2.5%	3.1%	1.7%	1.1%	1.5%
1	12.5%	7.6%	10.4%	13.2%	14.0%	15.6%	15.2%	9.7%	18.1%	15.3%	20.4%	15.9%	12.4%	5.9%	7.1%	6.7%	11.9%	13.1%	13.3%	11.1%	14.7%	11.4%	8.6%	8.5%
2	16.3%	15.4%	17.4%	23.7%	25.4%	23.3%	22.7%	18.6%	25.0%	22.7%	26.8%	21.0%	17.2%	10.5%	11.8%	10.4%	18.4%	19.1%	21.8%	16.4%	20.2%	17.1%	15.0%	13.1%
3	20.8%	21.6%	21.6%	29.8%	31.7%	28.1%	28.1%	25.3%	28.9%	26.7%	30.6%	26.1%	21.7%	16.0%	15.6%	14.4%	22.5%	24.4%	26.5%	23.3%	25.0%	21.4%	18.9%	
4	26.1%	25.2%	25.7%	33.6%	34.3%	32.4%	31.2%	29.2%	31.5%	29.9%	32.8%	29.3%	24.6%	20.7%	19.7%	19.5%	27.1%	27.7%	31.6%	27.4%	29.0%	26.2%	21.9%	
5	33.2%	27.8%	28.6%	36.0%	38.5%	36.2%	33.8%	31.6%	33.7%	32.4%	35.1%	31.4%	27.2%	24.7%	22.7%	23.6%	31.3%	32.4%	35.5%	32.5%	32.0%	29.2%	24.9%	
6	35.8%	31.2%	30.5%	39.1%	40.0%	38.3%	37.3%	34.1%	35.3%	35.2%	36.6%	32.7%	30.1%	28.7%	26.0%	27.9%	35.1%	37.3%	38.6%	35.8%	34.9%	32.5%		
7	38.3%	33.4%	30.9%	41.0%	41.8%	40.5%	38.9%	36.2%	37.0%	36.8%	38.3%	35.0%	32.9%	31.4%	30.1%	32.1%	38.5%	39.6%	41.5%	39.4%	37.6%	35.6%		
8	39.0%	35.5%	32.2%	43.3%	43.0%	42.1%	41.1%	38.5%	38.7%	38.4%	39.5%	36.2%	35.7%	34.2%	33.8%	35.7%	42.4%	42.3%	43.7%	42.9%	39.8%	37.7%		
9	39.8%	37.1%	34.5%	43.9%	44.4%	43.8%	42.6%	40.1%	40.8%	39.5%	40.8%	38.2%	37.5%	37.3%	37.2%	40.0%	45.8%	45.9%	46.1%	44.9%	41.6%			
10	41.3%	39.3%	35.9%	45.1%	46.3%	44.6%	43.6%	41.7%	41.8%	40.5%	41.9%	39.7%	39.2%	40.9%	40.7%	43.3%	48.3%	48.6%	48.7%	48.1%	43.9%			
11	42.4%	39.9%	37.4%	46.4%	47.0%	45.7%	44.4%	42.7%	42.4%	41.0%	43.0%	40.8%	40.9%	44.2%	43.6%	46.7%	51.2%	50.7%	51.7%	49.9%	46.3%			
12	43.1%	41.7%	37.7%	47.2%	48.2%	46.8%	45.3%	43.6%	43.7%	42.1%	43.8%	41.6%	42.6%	46.7%	46.4%	49.8%	53.6%	53.1%	53.6%	52.5%				
13	45.1%	42.1%	38.6%	47.9%	49.4%	47.7%	46.1%	44.1%	44.8%	43.0%	45.5%	42.6%	44.3%	49.4%	49.3%	52.7%	56.2%	55.3%	56.1%	54.7%				
14	46.7%	42.5%	38.9%	48.7%	50.6%	48.8%	46.6%	44.7%	45.1%	44.1%	47.0%	43.1%	45.8%	51.9%	51.6%	55.2%	58.3%	56.8%	57.7%	56.4%				
15	48.1%	43.5%	39.3%	49.6%	51.4%	50.2%	46.9%	45.2%	45.3%	45.1%	48.0%	44.4%	46.9%	53.8%	53.7%	57.7%	60.3%	58.7%	59.2%					
16	49.2%	43.8%	39.5%	49.8%	52.5%	51.2%	47.4%	45.7%	46.0%	46.0%	48.5%	45.1%	48.1%	55.6%	56.2%	60.1%	61.9%	60.7%	60.9%					
17	49.5%	44.8%	39.7%	50.8%	53.1%	51.7%	48.0%	46.2%	46.7%	46.9%	49.0%	46.0%	49.3%	57.8%	58.9%	61.9%	63.7%	62.1%	62.2%					
18	50.8%	45.1%	40.4%	51.5%	53.8%	52.4%	48.4%	46.7%	47.2%	47.5%	49.6%	46.9%	50.0%	59.0%	61.0%	63.7%	64.9%	63.4%						
19	51.0%	45.6%	40.6%	51.7%	55.0%	52.8%	48.7%	47.1%	47.7%	48.2%	50.3%	47.6%	50.8%	60.1%	62.8%	65.2%	66.4%	64.9%						
20	51.3%	45.9%	40.9%	52.1%	55.5%	53.4%	49.0%	47.5%	48.1%	48.7%	50.7%	48.0%	51.9%	61.4%	65.1%	66.9%	67.9%	66.3%						
21	51.7%	47.2%	41.7%	52.4%	56.0%	54.0%	49.4%	48.1%	48.6%	49.5%	51.1%	48.5%	52.5%	62.8%	66.4%	68.3%	69.2%							
22	52.7%	47.6%	42.2%	52.5%	56.2%	54.3%	49.7%	48.4%	48.9%	50.1%	51.6%	49.0%	53.1%	63.9%	68.0%	70.0%	70.5%							
23	53.1%	47.9%	42.3%	52.7%	56.7%	54.9%	50.1%	48.7%	49.5%	50.9%	52.1%	49.4%	53.4%	64.7%	69.1%	71.5%	71.6%							
24	53.4%	48.4%	42.8%	52.9%	57.1%	55.4%	50.5%	49.0%	50.0%	51.6%	52.4%	49.8%	54.0%	65.4%	70.4%	73.1%								
25	54.1%	48.6%	43.2%	53.1%	57.4%	55.6%	50.7%	49.4%	50.4%	52.2%	52.7%	50.0%	54.8%	66.1%	71.6%	74.2%								
26	54.3%	48.9%	43.3%	53.2%	57.7%	56.2%	51.0%	50.0%	50.7%	52.7%	53.1%	50.4%	55.2%	66.8%	73.0%	75.3%								

Months Since Default	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
27	54.7%	49.2%	43.5%	53.4%	58.0%	56.4%	51.4%	50.3%	51.2%	53.1%	53.4%	50.7%	55.6%	67.6%	73.9%									
28	54.9%	49.5%	43.6%	53.8%	58.1%	56.7%	51.8%	50.7%	51.6%	53.7%	53.9%	50.9%	56.0%	68.1%	74.8%									
29	55.1%	49.8%	43.7%	54.1%	58.6%	57.2%	52.2%	50.9%	52.2%	54.1%	54.3%	51.3%	56.3%	68.9%	75.8%									
30	55.3%	50.2%	44.0%	54.2%	59.0%	57.6%	52.5%	51.1%	52.4%	54.5%	54.7%	51.9%	56.6%	69.5%										
31	55.6%	50.6%	44.1%	54.3%	59.3%	57.8%	52.7%	51.2%	52.8%	54.8%	54.8%	52.1%	56.8%	70.1%										
32	55.8%	50.8%	44.2%	54.4%	59.6%	58.2%	53.0%	51.4%	53.2%	55.3%	55.0%	52.5%	57.2%	70.5%										
33	56.0%	50.8%	44.3%	54.7%	59.8%	58.5%	53.4%	51.7%	53.3%	55.5%	55.2%	52.6%	57.5%											
34	56.1%	50.9%	44.3%	54.9%	60.2%	58.8%	53.8%	51.8%	53.6%	55.9%	55.4%	52.9%	57.7%											
35	56.3%	51.1%	44.4%	55.0%	60.4%	59.5%	54.0%	52.4%	53.8%	56.1%	55.5%	53.0%	57.9%											
36	56.5%	51.1%	44.4%	55.2%	60.9%	59.8%	54.2%	52.6%	54.1%	56.3%	55.7%	53.3%												
37	56.6%	51.3%	44.7%	55.3%	61.1%	60.1%	54.4%	52.7%	54.2%	56.4%	55.8%	53.5%												
38	56.7%	51.3%	44.7%	55.4%	61.4%	60.5%	54.7%	53.0%	54.4%	56.5%	56.0%	53.6%												
39	56.9%	51.6%	44.9%	55.5%	61.6%	60.7%	54.8%	53.2%	54.5%	56.7%	56.2%													
40	57.0%	51.7%	45.0%	55.6%	61.7%	61.1%	55.0%	53.3%	54.6%	56.7%	56.3%													
41	57.1%	51.9%	45.0%	55.9%	61.9%	61.5%	55.1%	53.4%	54.9%	56.8%	56.4%													
42	57.2%	52.0%	45.1%	56.1%	62.1%	61.6%	55.4%	53.8%	55.0%	56.9%														
43	57.4%	52.0%	45.2%	56.2%	62.3%	61.8%	55.6%	53.9%	55.2%	57.0%														
44	57.5%	52.3%	45.2%	56.3%	62.4%	61.9%	55.8%	54.0%	55.5%	57.1%														
45	57.5%	52.3%	45.5%	56.7%	62.5%	62.0%	55.9%	54.1%	55.5%															
46	57.6%	52.5%	45.6%	56.7%	62.6%	62.0%	56.0%	54.2%	55.6%															
47	57.8%	52.7%	45.6%	56.8%	62.7%	62.1%	56.1%	54.2%	55.7%															
48	57.8%	52.8%	45.6%	56.8%	62.8%	62.3%	56.2%	54.2%																
49	57.9%	52.9%	45.7%	57.1%	63.2%	62.3%	56.3%	54.3%																
50	58.0%	52.9%	45.7%	57.2%	63.4%	62.4%	56.3%	54.3%																
51	58.0%	53.0%	45.8%	57.3%	63.5%	62.4%	56.4%																	
52	58.1%	53.0%	45.8%	57.4%	63.6%	62.5%	56.5%																	
53	58.2%	53.2%	45.8%	57.4%	63.6%	62.5%	56.5%																	

Months Since Default	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
54	58.2%	53.2%	45.9%	57.5%	63.7%	62.6%																		
55	58.3%	53.3%	45.9%	57.6%	63.8%	62.6%																		
56	58.3%	53.3%	46.0%	57.6%	63.9%	62.6%																		
57	58.3%	53.3%	46.1%	57.6%	64.0%																			
58	58.3%	53.4%	46.1%	57.7%	64.0%																			
59	58.4%	53.4%	46.1%	57.7%	64.0%																			
60	58.4%	53.5%	46.2%	57.8%																				
61	58.4%	53.6%	46.2%	57.8%																				
62	58.4%	53.6%	46.3%	58.0%																				
63	58.5%	53.6%	46.3%																					
64	58.5%	53.8%	46.3%																					
65	58.7%	53.8%	46.3%																					
66	58.7%	53.8%																						
67	58.8%	53.9%																						
68	58.9%	53.9%																						
69	58.9%																							
70	59.0%																							
71	59.0%																							

Cumulative Recoveries - VT Receivables only



Note: Recoveries from voluntary terminations only.

Months since VT	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
0	1.7%	5.9%	11.9%	19.8%	14.4%	23.0%	15.5%	2.8%	18.4%	16.4%	12.1%	20.0%	8.6%	2.6%	9.1%	6.0%	2.6%	5.7%	5.7%	2.9%	2.2%	2.4%	2.3%	0.3%
1	36.6%	40.5%	42.3%	37.6%	42.6%	59.6%	45.4%	40.6%	52.3%	49.8%	53.2%	47.9%	48.5%	23.4%	54.6%	36.2%	45.8%	60.6%	63.7%	50.4%	55.4%	43.8%	34.7%	24.8%
2	50.3%	52.7%	48.6%	52.6%	62.0%	64.4%	59.1%	56.2%	56.7%	51.0%	55.5%	57.1%	52.5%	55.7%	68.6%	59.5%	66.3%	76.0%	76.6%	78.9%	80.0%	71.7%	56.0%	61.7%
3	57.6%	53.2%	52.8%	60.0%	63.4%	67.6%	61.8%	60.7%	58.8%	52.1%	56.1%	59.6%	59.5%	64.1%	69.8%	63.7%	68.0%	76.4%	78.1%	83.3%	85.7%	72.6%	60.8%	
4	58.5%	53.6%	53.3%	61.0%	64.3%	67.8%	62.5%	62.7%	60.4%	52.2%	56.2%	60.0%	59.6%	66.8%	70.4%	64.2%	69.3%	76.7%	78.7%	85.0%	86.1%	75.8%	62.8%	
5	58.5%	53.9%	55.4%	61.2%	66.0%	68.5%	62.8%	64.3%	61.1%	53.2%	56.6%	60.2%	60.8%	67.5%	71.0%	64.4%	69.7%	76.9%	78.8%	86.2%	86.2%	75.9%	66.5%	
6	59.0%	54.2%	56.8%	61.7%	66.1%	69.4%	63.3%	64.4%	61.1%	53.3%	56.8%	60.4%	61.1%	68.1%	71.2%	64.8%	69.8%	76.7%	78.9%	86.6%	86.3%	76.2%		
7	59.0%	54.3%	58.3%	61.8%	66.2%	69.5%	63.8%	64.6%	61.2%	53.8%	57.1%	60.5%	61.2%	68.5%	71.5%	64.9%	70.1%	76.7%	78.8%	86.7%	86.3%	76.3%		
8	59.0%	54.5%	58.4%	62.4%	66.4%	69.7%	64.3%	64.7%	61.3%	53.9%	57.1%	60.6%	61.2%	68.8%	71.5%	65.1%	70.2%	76.8%	79.0%	86.8%	86.3%	76.5%		
9	59.0%	54.6%	58.4%	62.5%	66.8%	69.8%	64.4%	64.8%	61.4%	54.0%	57.2%	60.8%	61.4%	69.0%	71.6%	65.2%	70.4%	76.9%	79.0%	86.9%	86.4%			
10	59.0%	54.7%	58.5%	62.7%	66.9%	69.9%	64.4%	65.4%	61.5%	54.1%	57.3%	60.9%	61.6%	69.1%	71.8%	65.3%	70.5%	77.0%	79.1%	87.2%	86.4%			
11	59.0%	54.8%	58.6%	62.7%	67.8%	70.0%	65.3%	65.5%	61.6%	54.3%	57.4%	61.0%	61.7%	69.4%	71.9%	65.4%	70.7%	77.1%	79.2%	87.3%	86.5%			
12	59.0%	55.0%	58.7%	62.8%	67.9%	70.1%	65.4%	65.6%	61.7%	54.6%	57.4%	61.1%	61.8%	69.6%	71.9%	65.4%	70.7%	77.2%	79.2%	87.4%				
13	59.1%	55.1%	58.8%	62.8%	67.9%	70.2%	65.5%	65.7%	61.7%	54.7%	57.6%	61.2%	62.0%	69.9%	72.0%	65.5%	70.9%	77.3%	79.3%	87.4%				
14	59.1%	55.3%	58.9%	62.8%	68.0%	70.8%	65.6%	65.7%	61.8%	54.8%	57.6%	61.3%	62.0%	70.1%	72.1%	65.6%	70.9%	77.4%	79.3%	87.5%				
15	59.1%	55.5%	59.1%	63.0%	68.1%	70.8%	65.7%	65.8%	61.9%	54.8%	57.7%	61.5%	62.1%	70.7%	72.4%	65.6%	71.0%	77.4%	79.3%					
16	59.2%	55.5%	59.2%	63.0%	68.2%	70.9%	65.7%	65.8%	62.0%	54.9%	57.7%	61.6%	62.2%	70.8%	72.4%	65.8%	71.1%	77.5%	79.4%					
17	59.2%	55.8%	59.4%	63.1%	68.3%	70.9%	65.8%	65.9%	62.1%	55.0%	57.9%	61.7%	62.2%	70.9%	72.5%	65.9%	71.1%	77.5%	79.5%					
18	59.2%	56.0%	59.5%	63.2%	68.4%	71.0%	65.8%	65.9%	62.1%	55.0%	58.0%	61.8%	62.3%	71.0%	72.6%	65.9%	71.2%	77.4%						
19	59.3%	56.3%	59.6%	63.2%	68.7%	71.1%	66.0%	66.0%	62.2%	55.1%	58.0%	61.8%	62.4%	71.3%	72.7%	66.0%	71.2%	77.5%						
20	59.3%	56.3%	59.7%	63.4%	68.8%	71.1%	66.0%	66.0%	62.2%	55.2%	58.1%	61.9%	62.0%	71.5%	72.9%	66.0%	71.4%	77.5%						
21	59.3%	56.6%	59.7%	63.5%	68.9%	71.2%	66.0%	66.1%	62.3%	55.3%	58.1%	62.0%	62.1%	71.6%	72.9%	66.1%	71.4%							
22	59.3%	56.9%	59.8%	63.5%	69.0%	71.2%	66.1%	66.1%	62.4%	55.4%	58.2%	62.1%	62.2%	71.6%	73.0%	66.1%	71.5%							
23	59.4%	56.9%	59.9%	63.6%	69.1%	71.3%	66.2%	66.1%	62.4%	55.5%	58.6%	62.2%	62.2%	71.7%	73.0%	66.1%	71.6%							
24	59.4%	57.3%	59.9%	63.7%	69.2%	71.4%	66.2%	66.2%	62.5%	55.5%	58.7%	62.3%	62.3%	71.9%	73.3%	66.2%								
25	60.8%	57.3%	59.9%	63.8%	69.2%	71.4%	66.3%	66.2%	62.6%	55.6%	58.8%	62.3%	62.3%	71.9%	73.4%	66.2%								
26	60.8%	57.5%	60.0%	63.9%	69.3%	71.5%	66.4%	66.2%	62.6%	55.6%	58.8%	62.4%	62.4%	72.1%	73.4%	66.3%								

Months since VT	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
27	60.9%	57.8%	60.0%	64.0%	70.8%	71.5%	66.4%	66.4%	62.7%	55.6%	58.9%	62.4%	62.4%	72.2%	73.5%									
28	60.9%	58.3%	60.1%	64.0%	70.8%	71.6%	66.4%	66.4%	62.7%	55.7%	58.9%	62.5%	62.4%	72.2%	73.5%									
29	60.9%	60.5%	61.0%	64.1%	70.9%	71.6%	66.5%	66.5%	62.8%	55.7%	59.2%	62.6%	62.5%	72.3%	73.6%									
30	60.9%	60.6%	61.0%	64.4%	71.0%	71.6%	66.5%	66.5%	62.8%	55.8%	59.3%	62.6%	62.5%	72.4%										
31	60.9%	60.7%	61.1%	64.6%	71.0%	71.6%	66.6%	66.6%	62.8%	55.8%	59.3%	62.7%	62.6%	72.5%										
32	60.9%	60.9%	61.1%	64.6%	71.9%	71.7%	66.6%	66.8%	62.9%	55.9%	59.4%	62.7%	62.6%	72.5%										
33	60.9%	60.9%	61.3%	64.7%	71.9%	71.7%	66.7%	66.7%	62.9%	55.9%	59.4%	62.8%	62.7%											
34	60.9%	61.0%	61.4%	64.8%	72.0%	71.7%	66.7%	66.7%	63.0%	56.2%	59.4%	62.8%	62.7%											
35	60.9%	61.1%	61.5%	64.9%	72.0%	71.7%	66.9%	66.8%	63.1%	56.3%	59.5%	62.8%	62.7%											
36	60.9%	61.1%	61.6%	64.9%	72.1%	71.7%	66.9%	66.8%	63.1%	56.3%	59.5%	62.9%												
37	61.0%	61.5%	61.9%	65.0%	72.1%	71.8%	67.0%	66.9%	63.1%	56.3%	59.5%	62.9%												
38	61.0%	61.8%	61.9%	65.1%	72.2%	71.8%	67.3%	66.9%	63.1%	56.3%	59.6%	62.9%												
39	61.0%	61.9%	62.0%	65.2%	72.2%	71.8%	67.4%	67.0%	63.1%	56.3%	59.6%													
40	61.0%	62.1%	62.1%	65.3%	72.2%	71.9%	67.7%	67.0%	63.2%	56.3%	59.6%													
41	61.0%	62.2%	62.1%	65.3%	72.3%	71.9%	67.8%	67.1%	63.2%	56.4%	59.6%													
42	61.0%	62.4%	62.2%	65.4%	72.3%	71.9%	67.8%	67.1%	63.2%	56.4%														
43	61.0%	62.4%	62.2%	65.5%	72.4%	71.9%	68.0%	67.1%	63.2%	56.4%														
44	61.0%	62.5%	62.3%	65.5%	72.4%	71.9%	68.0%	67.1%	63.2%	56.4%														
45	61.0%	63.8%	62.3%	65.6%	72.5%	71.9%	68.0%	67.1%	63.2%															
46	61.0%	63.9%	62.4%	65.7%	72.5%	72.0%	68.1%	67.1%	63.2%															
47	61.0%	63.9%	62.4%	65.7%	72.5%	72.0%	68.1%	67.1%	63.2%															
48	61.0%	63.9%	62.4%	65.8%	72.5%	72.1%	68.1%	67.1%																
49	61.0%	64.1%	62.5%	66.0%	72.5%	72.1%	68.1%	67.1%																
50	61.0%	64.1%	62.6%	66.1%	72.6%	72.1%	68.1%	67.1%																
51	61.0%	64.2%	62.6%	66.1%	72.6%	72.1%	68.1%																	
52	61.0%	64.2%	62.7%	66.3%	72.6%	72.1%	68.1%																	
53	61.1%	64.3%	62.7%	66.3%	72.7%	72.1%	68.1%																	

Months since VT	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
54	61.1%	64.4%	62.8%	66.4%	72.7%	72.1%																		
55	61.1%	64.4%	62.8%	66.4%	72.7%	72.1%																		
56	61.1%	64.5%	62.8%	66.5%	72.7%	72.1%																		
57	61.1%	64.5%	62.8%	66.5%	72.7%																			
58	61.1%	64.6%	62.8%	66.6%	72.7%																			
59	61.1%	64.7%	63.0%	66.6%	72.8%																			
60	61.1%	64.7%	63.1%	66.7%																				
61	61.1%	64.8%	63.1%	66.9%																				
62	61.1%	64.8%	63.2%	67.0%																				
63	61.1%	64.9%	63.2%																					
64	61.1%	64.9%	63.3%																					
65	61.1%	65.0%	63.3%																					
66	61.1%	65.1%																						
67	61.1%	65.1%																						
68	61.1%	65.2%																						
69	61.1%																							
70	61.1%																							
71	61.1%																							

Prepayments

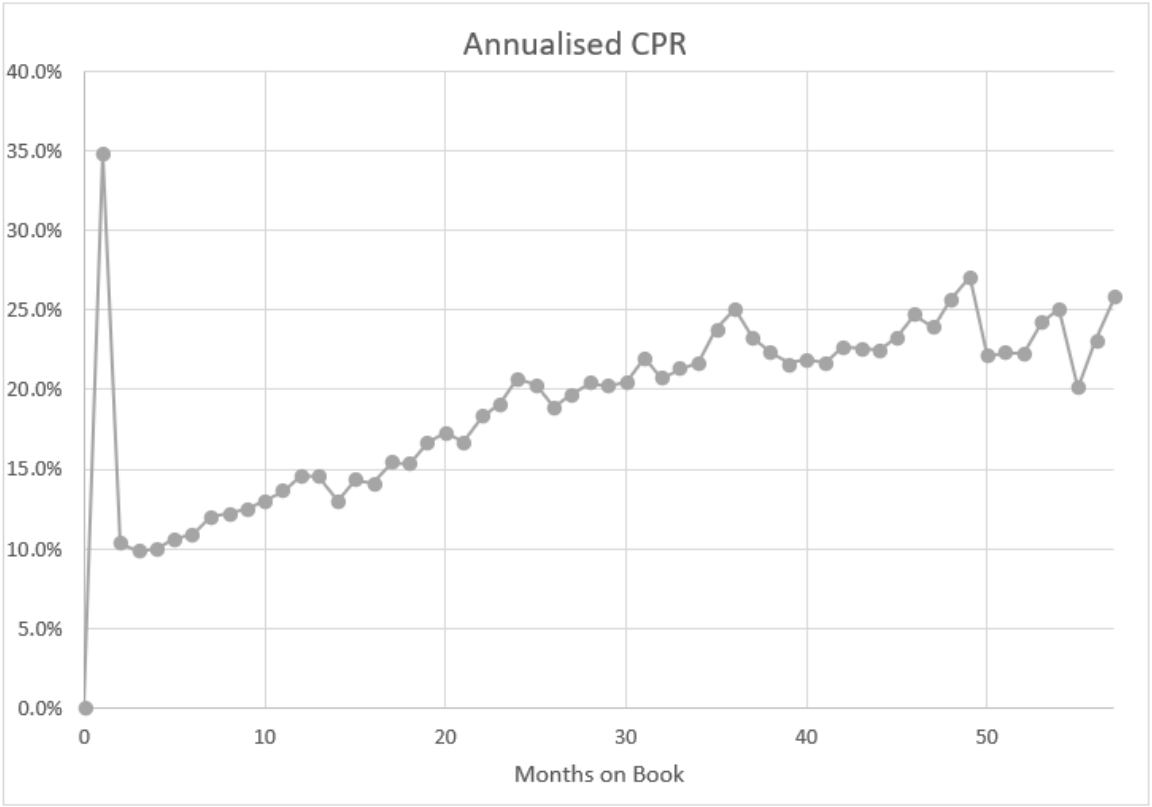
For a given month, the annualised prepayment rate (APPR) is calculated from the monthly prepayment rate (MPPR) according to the following formula: APPR = 1-(1-MPPR)^(12).

The monthly prepayment rate (MPPR) is calculated as the ratio of:

(a) the principal amounts prepaid during the month; to

(b) the outstanding principal balance of all Receivables (defaulted receivables and voluntarily terminated receivables excluded) at the end of the previous month.

This prepayment data has been generated by calculating the applicable monthly prepayment rate for each tier in Blue's originated portfolio as at 31 January 2023, before being weighted by the tier distribution in the portfolio as of such date. It is intended to give a representation of performance since origination but should not be used to inform long-term views.



Notes: Prepayment curves include full COVID-19 impact. The curve is weighted to reflect the distribution of risk tiers in the portfolio.

Months on Book	Annualised Monthly Prepayment Rate
0	0.0%
1	34.8%
2	10.4%
3	9.8%
4	10.0%
5	10.6%
6	10.9%
7	12.0%
8	12.2%
9	12.5%
10	13.0%
11	13.6%
12	14.6%
13	14.5%
14	13.0%
15	14.4%
16	14.1%
17	15.4%
18	15.3%
19	16.7%
20	17.3%
21	16.7%
22	18.3%
23	19.1%
24	20.7%
25	20.2%
26	18.9%
27	19.7%
28	20.4%
29	20.2%
30	20.5%
31	22.0%
32	20.7%
33	21.3%
34	21.7%
35	23.7%
36	25.1%
37	23.3%
38	22.3%
39	21.6%
40	21.9%
41	21.7%
42	22.7%
43	22.6%
44	22.4%
45	23.2%
46	24.7%
47	23.9%
48	25.6%
49	27.0%
50	22.1%
51	22.3%
52	22.3%
53	24.2%
54	25.1%
55	20.1%
56	23.1%
57	25.8%

Delinquencies

For a given month and a given delinquency bucket (e.g. 1 instalment delinquent), the delinquency rate is calculated as the ratio of:

(a) the outstanding principal balance of all delinquent receivables (in the same delinquency bucket) at the end of the month the month, to

(b) the outstanding principal balance of all Receivables (Defaulted Receivables and Voluntarily Terminated Receivables excluded) at the end of the month.

In the delinquency data presented, contractual arrears state (i.e. unadjusted/unfrozen arrears) has been used except for loans that have had a full payment deferral applied.

Dynamic Delinquency Balances

Date	Arrears State 0	Arrears State >0, <1	Arrears State >=1, <2	Arrears State >=2, <3	Arrears State >=3, not defaulted	Total Capital Balance
30/11/2014	7,100	-	-	-	-	**7,100**
31/12/2014	41,436	-	-	-	-	**41,436**
31/01/2015	214,142	-	-	-	-	**214,142**
28/02/2015	1,115,824	-	6,308	-	-	**1,122,132**
31/03/2015	3,745,270	-	45,991	-	-	**3,791,260**
30/04/2015	6,186,531	6,660	25,633	-	-	**6,218,824**
31/05/2015	9,908,344	33,415	34,911	-	-	**9,976,670**
30/06/2015	13,785,361	52,365	165,214	-	-	**14,002,940**
31/07/2015	19,180,096	31,047	236,035	23,593	-	**19,470,772**
31/08/2015	25,116,177	75,020	396,518	52,063	15,705	**25,655,482**
30/09/2015	31,459,002	65,557	922,775	112,450	13,000	**32,572,784**
31/10/2015	36,780,785	114,079	771,183	197,240	64,388	**37,927,675**
30/11/2015	42,538,110	159,915	824,078	207,247	75,787	**43,805,137**

Date	Arrears State 0	Arrears State >0, <1	Arrears State >=1, <2	Arrears State >=2, <3	Arrears State >=3, not defaulted	Total Capital Balance
31/12/2015	45,987,755	189,849	1,412,134	302,066	154,576	**48,046,380**
31/01/2016	53,997,965	195,393	1,467,331	449,992	178,299	**56,288,982**
29/02/2016	62,021,040	262,912	1,516,192	498,341	302,880	**64,601,364**
31/03/2016	70,396,636	369,783	2,328,359	620,740	279,805	**73,995,323**
30/04/2016	82,174,160	459,118	2,125,393	614,994	321,533	**85,695,199**
31/05/2016	94,608,870	469,222	2,201,154	721,134	288,507	**98,288,889**
30/06/2016	105,012,883	662,719	2,950,764	941,095	374,898	**109,942,360**
31/07/2016	115,763,980	696,776	2,894,413	915,257	484,784	**120,755,210**
31/08/2016	126,692,321	750,751	2,860,700	976,818	640,176	**131,920,766**
30/09/2016	138,105,691	1,016,454	3,722,012	1,134,529	604,699	**144,583,384**
31/10/2016	149,225,523	1,062,418	4,168,385	1,528,213	598,197	**156,582,736**
30/11/2016	158,369,260	1,093,963	5,397,434	1,644,457	876,569	**167,381,684**
31/12/2016	162,570,889	1,259,365	6,206,391	1,852,733	954,530	**172,843,908**
31/01/2017	169,944,154	1,571,213	7,483,209	1,914,909	1,050,960	**181,964,445**
28/02/2017	184,866,976	1,716,227	5,979,350	1,701,303	1,095,672	**195,359,528**
31/03/2017	196,875,294	1,995,674	7,377,081	2,066,948	1,065,320	**209,380,318**
30/04/2017	209,098,080	2,374,104	6,609,863	1,978,830	1,069,184	**221,130,061**
31/05/2017	219,443,364	2,494,407	9,114,476	2,821,966	1,032,946	**234,907,160**
30/06/2017	237,087,845	2,427,551	7,543,262	2,583,520	1,319,310	**250,961,487**
31/07/2017	253,155,647	2,446,811	8,414,548	2,593,275	1,155,315	**267,765,596**
31/08/2017	268,039,568	2,181,553	10,607,523	2,968,894	1,356,800	**285,154,339**
30/09/2017	285,136,680	3,051,624	8,453,517	2,939,923	1,290,915	**300,872,659**
31/10/2017	298,557,808	3,100,209	10,418,688	2,937,874	1,366,669	**316,381,247**
30/11/2017	314,406,355	3,102,456	9,923,380	2,811,280	1,324,195	**331,567,667**
31/12/2017	323,431,679	3,005,857	12,776,889	3,284,397	1,442,125	**343,940,946**

Date	Arrears State 0	Arrears State >0, <1	Arrears State >=1, <2	Arrears State >=2, <3	Arrears State >=3, not defaulted	Total Capital Balance
31/01/2018	345,650,750	3,751,538	13,544,512	3,971,822	1,831,395	**368,750,017**
28/02/2018	370,993,767	3,760,451	11,965,910	3,461,610	1,861,058	**392,042,795**
31/03/2018	394,577,490	4,133,678	11,818,221	3,423,821	1,934,401	**415,887,611**
30/04/2018	418,616,211	4,086,193	11,353,584	2,987,862	1,841,862	**438,885,712**
31/05/2018	440,397,914	4,073,621	14,366,257	3,389,383	1,585,219	**463,812,395**
30/06/2018	463,899,120	4,481,005	13,221,982	3,156,087	1,653,556	**486,411,750**
31/07/2018	479,526,834	4,716,746	15,759,530	4,043,622	1,280,622	**505,327,354**
31/08/2018	497,489,535	4,626,854	17,388,700	3,945,030	1,459,316	**524,909,436**
30/09/2018	515,658,594	4,973,173	15,451,943	3,934,360	1,655,241	**541,673,311**
31/10/2018	529,862,615	5,568,528	17,349,434	4,026,889	1,894,511	**558,701,977**
30/11/2018	545,242,929	5,799,549	17,900,093	4,056,354	1,739,566	**574,738,491**
31/12/2018	546,705,014	5,488,445	23,172,756	5,288,108	2,286,491	**582,940,814**
31/01/2019	567,005,563	6,207,679	21,310,763	5,858,306	2,543,759	**602,926,071**
28/02/2019	587,113,134	6,871,609	20,871,345	4,552,224	2,159,390	**621,567,702**
31/03/2019	609,658,643	6,419,614	22,002,110	5,432,797	2,043,979	**645,557,143**
30/04/2019	621,970,892	6,025,675	25,008,775	5,960,172	2,436,969	**661,402,482**
31/05/2019	627,987,476	6,141,459	25,146,182	6,274,537	2,607,142	**668,156,796**
30/06/2019	637,350,955	6,200,782	23,128,210	5,945,271	2,264,573	**674,889,791**
31/07/2019	645,761,359	6,305,667	23,886,105	6,066,440	2,451,870	**684,471,441**
31/08/2019	657,293,884	6,626,316	25,819,572	5,842,564	2,440,287	**698,022,622**
30/09/2019	674,621,019	6,856,058	22,544,093	5,939,681	2,121,112	**712,081,964**
31/10/2019	687,149,427	6,678,155	27,342,842	5,967,281	2,544,510	**729,682,216**
30/11/2019	705,778,961	7,364,754	23,824,719	5,562,433	2,221,416	**744,752,281**
31/12/2019	703,534,984	6,770,866	32,278,189	7,345,605	2,875,608	**752,805,253**
31/01/2020	726,715,866	7,856,088	28,187,964	7,608,437	3,226,433	**773,594,788**

Date	Arrears State 0	Arrears State >0, <1	Arrears State >=1, <2	Arrears State >=2, <3	Arrears State >=3, not defaulted	Total Capital Balance
29/02/2020	752,921,407	8,879,947	26,593,059	6,153,199	2,920,544	**797,468,155**
31/03/2020	735,136,359	13,476,752	41,310,803	8,980,330	3,240,998	**802,145,242**
30/04/2020	663,330,235	48,394,451	50,224,620	14,117,418	4,902,291	**780,969,016**
31/05/2020	635,732,784	48,405,005	48,379,689	19,174,756	6,817,626	**758,509,860**
30/06/2020	618,484,208	34,024,986	51,819,771	15,355,742	7,764,907	**727,449,614**
31/07/2020	595,053,069	28,720,167	47,594,755	15,968,172	6,706,149	**694,042,313**
31/08/2020	577,617,793	25,612,489	40,918,438	15,331,266	6,631,357	**666,111,344**
30/09/2020	557,937,418	22,665,739	35,963,685	13,489,599	6,390,638	**636,447,080**
31/10/2020	544,503,655	20,578,933	30,942,492	11,834,631	5,355,659	**613,215,369**
30/11/2020	529,632,322	18,685,003	27,586,888	10,967,090	4,945,788	**591,817,091**
31/12/2020	513,738,819	14,397,053	29,249,061	10,930,714	4,558,384	**572,874,031**
31/01/2021	509,417,329	11,479,731	25,093,652	9,780,682	4,409,115	**560,180,510**
28/02/2021	505,281,521	10,419,355	22,286,686	9,293,443	3,825,930	**551,106,934**
31/03/2021	495,000,720	8,552,544	22,556,974	8,811,430	3,490,712	**538,412,381**
30/04/2021	496,292,009	7,421,740	20,963,054	7,761,188	3,364,564	**535,802,555**
31/05/2021	503,302,649	6,868,811	19,457,603	7,521,304	2,658,800	**539,809,167**
30/06/2021	503,922,996	6,603,505	20,088,993	7,420,900	2,553,040	**540,589,435**
31/07/2021	506,563,100	5,959,437	19,684,710	6,983,335	2,371,383	**541,561,965**
31/08/2021	508,414,323	5,353,204	19,627,694	6,953,145	2,401,762	**542,750,127**
30/09/2021	509,831,875	5,345,612	20,300,673	6,972,409	2,384,229	**544,834,797**
31/10/2021	520,672,177	4,828,586	19,770,900	6,603,597	2,376,296	**554,251,557**
30/11/2021	525,258,857	4,464,699	23,466,107	7,326,073	2,445,537	**562,961,273**
31/12/2021	526,407,007	4,615,481	25,059,869	7,712,392	2,815,410	**566,610,159**
31/01/2022	543,540,724	4,984,269	23,641,045	7,470,823	2,800,892	**582,437,754**
28/02/2022	557,676,825	5,103,811	22,313,289	7,179,761	2,596,506	**594,870,191**

Date	Arrears State 0	Arrears State >0, <1	Arrears State >=1, <2	Arrears State >=2, <3	Arrears State >=3, not defaulted	Total Capital Balance
31/03/2022	568,783,884	4,975,163	24,430,754	7,554,279	2,911,502	**608,655,581**
30/04/2022	586,266,901	5,047,449	24,061,041	7,422,579	2,788,642	**625,586,610**
31/05/2022	602,184,668	4,812,102	26,106,680	8,062,740	2,696,074	**643,862,263**
30/06/2022	615,111,148	5,230,172	28,857,793	8,333,217	3,140,708	**660,673,037**
31/07/2022	632,868,490	5,599,777	28,286,252	8,076,150	3,315,334	**678,146,003**
31/08/2022	640,310,371	5,725,419	33,703,600	9,981,738	3,633,534	**693,354,661**
30/09/2022	653,235,671	5,627,671	31,400,744	9,777,486	3,722,195	**703,763,767**
31/10/2022	650,515,786	6,638,040	30,489,019	9,388,524	3,802,851	**700,834,221**
30/11/2022	644,162,564	6,848,441	30,019,354	8,789,309	3,801,653	**693,621,322**
31/12/2022	628,973,033	6,309,293	34,234,704	10,793,837	3,980,201	**684,291,068**
31/01/2023	625,063,845	6,847,996	34,117,442	10,935,857	4,896,843	**681,861,984**
28/02/2023	622,434,327	6,872,598	31,379,261	10,492,181	4,458,025	**675,636,392**

Notes

Data as of 28 February 2023

“Total Capital Balance” means the total principal balance of accounts, excluding any accounts marked in the systems of the Seller as being in “default” or “VT status”.

“Arrears State” means the number of missed contractual instalments

Historical Origination Volumes by Month

Month of origination	Total £
30/11/2014	7,100
31/12/2014	34,336
31/01/2015	179,551
28/02/2015	908,372
31/03/2015	2,700,040
30/04/2015	2,452,202
31/05/2015	3,913,963
30/06/2015	4,215,396
31/07/2015	5,710,556
31/08/2015	6,475,849
30/09/2015	7,522,766
31/10/2015	6,058,670
30/11/2015	6,688,029
31/12/2015	5,393,013
31/01/2016	9,439,540
29/02/2016	9,724,397
31/03/2016	11,427,625
30/04/2016	13,670,887
31/05/2016	15,180,223
30/06/2016	14,437,843
31/07/2016	13,700,753
31/08/2016	14,992,573
30/09/2016	16,772,646
31/10/2016	16,346,250
30/11/2016	15,421,055
31/12/2016	10,286,294
31/01/2017	15,108,314
28/02/2017	18,963,006
31/03/2017	21,373,131
30/04/2017	17,599,893
31/05/2017	22,035,199
30/06/2017	23,719,122
31/07/2017	25,314,780
31/08/2017	26,196,756
30/09/2017	24,379,034
31/10/2017	26,337,109
30/11/2017	25,403,587
31/12/2017	21,957,645
31/01/2018	37,249,512
28/02/2018	36,162,313
31/03/2018	38,170,980
30/04/2018	38,747,076
31/05/2018	40,843,631
30/06/2018	37,364,261
31/07/2018	36,069,746
31/08/2018	37,067,791
30/09/2018	32,920,120
31/10/2018	37,471,155
30/11/2018	35,604,889
31/12/2018	26,036,908
31/01/2019	41,560,561
28/02/2019	40,073,078
31/03/2019	47,691,688
30/04/2019	39,989,600
31/05/2019	31,206,138
30/06/2019	29,538,966
31/07/2019	36,356,410
31/08/2019	37,990,028
30/09/2019	39,577,207
31/10/2019	45,100,417

Month of origination	Total £
30/11/2019	40,731,338
31/12/2019	34,045,707
31/01/2020	50,093,167
29/02/2020	53,567,641
31/03/2020	36,230,846
30/04/2020	2,245,151
31/05/2020	3,047,648
30/06/2020	1,441,263
31/07/2020	846,133
31/08/2020	651,413
30/09/2020	3,227,172
31/10/2020	6,762,483
30/11/2020	5,711,984
31/12/2020	6,859,599
31/01/2021	11,548,159
28/02/2021	14,963,080
31/03/2021	18,641,123
30/04/2021	23,820,536
31/05/2021	30,066,643
30/06/2021	29,930,363
31/07/2021	28,841,989
31/08/2021	28,536,768
30/09/2021	31,682,686
31/10/2021	37,114,480
30/11/2021	37,955,095
31/12/2021	29,762,787
31/01/2022	44,006,641
28/02/2022	41,570,219
31/03/2022	46,020,978
30/04/2022	45,104,493
31/05/2022	49,960,245
30/06/2022	46,398,634
31/07/2022	46,487,331
31/08/2022	46,121,071
30/09/2022	41,192,734
31/10/2022	26,654,074
30/11/2022	22,157,026
31/12/2022	17,074,346
31/01/2023	27,517,425
28/02/2023	22,634,870

Notes

Data as of 28 February 2023

Inferential statement of the Issuer

The Issuer states that the securitised assets backing the Notes and the Residual Certificates have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the Notes and the Residual Certificates. However, this is not a guarantee given by the Issuer and the Issuer as a special purpose entity has only limited resources available as described under the "*RISK FACTORS – Structural Considerations – Limited resources of the Issuer*".

ESTIMATED WEIGHTED AVERAGE LIFE OF THE NOTES

The weighted average life of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes refers to the average amount of time that will elapse (on an actual/365 basis) from the Closing Date to the date of distribution of amounts of principal to the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Class X Noteholders (assuming no losses).

The weighted average life of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes will be influenced by, amongst other things, the rate at which the Purchased Receivables are repaid or reduced, which may be in the form of scheduled amortisation, prepayments or defaults. The weighted average life of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes may also be influenced by factors like arrears.

The following tables are prepared on the basis of certain adjustments and modelling assumptions, as described below:

(a) the Provisional Cut-Off Date is 31 January 2023 and the Cut-Off Date is 28 February 2023, and as such the remaining terms of the Purchased Receivables are adjusted by 1 month;

(b) the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes are issued on the Closing Date of 20 April 2023;

(c) Compounded Daily SONIA is 4.177% per annum;

(d) Senior Expenses and Servicing Expenses (other than the Servicing Fee) payable by the Issuer are equal to £130,000 per annum, the Servicing Fee is payable in accordance with the Servicing Agreement and no other servicing fees or expenses are payable;

(e) no amounts described in items (c) and (d) of the definition of Available Revenue Receipts are received by the Issuer;

(f) the relative scheduled amortisation profile of the Purchased Receivables is as set out in the section entitled "*PROVISIONAL PORTFOLIO CHARACTERISTICS AND HISTORICAL DATA – Run out schedule*" above;

(g) the Purchased Receivables are subject to a constant annual rate of principal prepayments as set out in the below table;

(h) no Purchased Receivables are repurchased by the Seller from the Issuer in any situation other than as described in paragraph (i) below;

(i) the Seller will exercise its right to exercise the Clean-Up Call at the earliest Interest Payment Date possible;

(j) the ratio of:

(i) the Aggregate Outstanding Note Principal Amount of the Class A Notes as at the Closing Date to the Aggregate Outstanding Principal Balance of the Purchased Receivables as at the Cut-off Date is 73.75%;

(ii) the Aggregate Outstanding Note Principal Amount of the Class B Notes as at the Closing Date to the Aggregate Outstanding Principal Balance of the Purchased Receivables as at the Cut-off Date is 11.00%;

(iii) the Aggregate Outstanding Note Principal Amount of the Class C Notes as at the Closing Date to the Aggregate Outstanding Principal Balance of the Purchased Receivables as at the Cut-off Date is 7.50%;

(iv) the Aggregate Outstanding Note Principal Amount of the Class D Notes as at the Closing Date to the Aggregate Outstanding Principal Balance of the Purchased Receivables as at the Cut-off Date is 3.75%;

(v) the Aggregate Outstanding Note Principal Amount of the Class E Notes as at the Closing Date to the Aggregate Outstanding Principal Balance of the Purchased Receivables as at the Cut-off Date is 2.50%;

(vi) the Aggregate Outstanding Note Principal Amount of the Class F Notes as at the Closing Date to the Aggregate Outstanding Principal Balance of the Purchased Receivables as at the Cut-off Date is 1.50%; and

(vii) the Aggregate Outstanding Note Principal Amount of the Class X Notes as at the Closing Date to the Aggregate Outstanding Principal Balance of the Purchased Receivables as at the Cut-off Date is 7.00%,

and Note sizes have been calculated using the above percentages, then rounded to the nearest £100,000;

(k) no delinquencies, defaults or voluntary terminations arise on the Purchased Receivables;

(l) no option to purchase fees, early repayment charges or other fees, expenses, charges or costs under the HP Agreements are included in determining the weighted average life of the Notes; and

(m) no Senior Expenses Shortfalls arise and the Principal Addition Amount is zero at all times.

On the basis of the foregoing, the approximate weighted average lives of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes, at various assumed rates of prepayment of the Purchased Receivables, would be as follows (with "**CPR**" being the constant prepayment rate):

Weighted average lives assuming no Clean-Up Call (years)

CPR	0%	5%	10%	15%	20%	25%	30%
Class A	1.51	1.36	1.22	1.10	0.99	0.89	0.80
Class B	3.28	3.11	2.94	2.76	2.57	2.39	2.21
Class C	3.79	3.64	3.49	3.32	3.16	2.98	2.80
Class D	4.22	4.09	3.96	3.82	3.67	3.51	3.34
Class E	4.72	4.55	4.40	4.27	4.13	3.99	3.84
Class F	5.74	5.57	5.38	5.19	5.00	4.82	4.65
Class X	0.47	0.48	0.48	0.48	0.49	0.49	0.50

Weighted average lives to Clean-Up Call (years)

CPR	0%	5%	10%	15%	20%	25%	30%
Class A	1.51	1.36	1.22	1.10	0.99	0.89	0.80
Class B	3.28	3.11	2.94	2.76	2.57	2.39	2.21
Class C	3.78	3.64	3.48	3.32	3.15	2.97	2.80
Class D	3.92	3.85	3.67	3.50	3.34	3.18	3.00
Class E	3.92	3.85	3.67	3.50	3.34	3.18	3.00
Class F	3.92	3.85	3.67	3.50	3.34	3.18	3.00
Class X	0.47	0.48	0.48	0.48	0.49	0.49	0.50

The exact average life of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes cannot be predicted as the actual rate at which the Purchased Receivables will be repaid and a number of other relevant factors are unknown.

The average lives of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes are subject to factors largely outside the control of the Issuer and consequently no assurance can be given that the assumptions and the estimates above will prove in any way to be realistic and they must, therefore, be viewed with considerable caution.

THE SELLER AND THE SERVICER

Corporate information and business operations

Blue Motor Finance Limited ("**Blue**", the "**Seller**" and the "**Servicer**") is a private limited company incorporated and registered in England and Wales under company number 02738187 whose registered office is at Darenth House, 84 Main Road, Sundridge, Kent TN14 6ER.

Blue was originally incorporated in 1992 as Packexcess Limited. The company came under the control of the current directors and senior management in July 2012, changing its name to Blue Motor Finance Limited in July 2014.

Based just outside London in Kent, Blue provides point of sale financing to customers on a hire purchase basis for the acquisition of motor vehicles.

Blue currently has a sales team covering England, Wales and Scotland. The sales team services a network of Introducers (as defined below) ranging from small independent dealerships and brokers to large multi-franchised dealerships. Blue aims to originate a balanced portfolio of customers throughout Great Britain and continues to expand the number of dealers it works with. Further information on Blue's distribution strategy is set out below.

As of 31 January 2023, Blue was servicing a loan book of £741.1m, with 122.1k active accounts, an average opening loan size of £9.3k and a weighted average contractual loan term of 58 months. All HP Agreements have been entered into by the Seller in the name of Blue Motor Finance Limited which is registered with the Financial Conduct Authority (FCA number 737682).

Securitisation and servicing experience

Blue has originated 11 previous asset-backed transactions: (i) a public securitisation in July 2018 with Azure Finance No.1 plc; (ii) a public securitisation in July 2020 with Azure Finance No.2 plc; and (iii) nine private warehouse or portfolio sale transactions.

Blue has been appointed by the Issuer as the Servicer under the terms of the Servicing Agreement. Blue has expertise in servicing the Portfolio and the wider Blue portfolio and has well-documented and adequate policies, procedures and risk-management controls relating to the servicing of the Portfolio and the wider Blue portfolio since November 2014, as further set out in the section entitled "*Servicing and Collections*" below.

Finance product description

Blue provides credit to retail customers for the purchase of motor vehicles (cars, motorbikes and light commercial vehicles) in the form of a hire purchase agreement. Hire purchase is a method of financing whereby Blue and a customer enter into an agreement under which the customer makes monthly payments to Blue for its use of the Vehicle over a certain period of time. By paying certain administrative fees, the customer can gain ownership of the Vehicle at the end of the contract period. The Vehicles which are the subject of the HP Agreements are mainly used vehicles, with identifiable values from cap hpi or Glass's guide.

All HP Agreements are fully amortising and do not include any guaranteed future values. Blue does not write any PCP loans.

Points of sale

Blue has four routes to market:

1. major national dealers;

2. major brokers;

3. smaller, regional dealers; and

4. direct to customer.

The main sales channel for Blue is a network of smaller, regional dealers, which is serviced by Blue's Area Sales Managers.

Customers seeking credit to finance a vehicle are introduced to Blue through (i) Dealers, or (ii) brokers (each an "**Introducer**"). The Introducer will submit an application through Blue's online system. The application will first be assessed by Blue's Credit Decision Engine. Please see the section entitled "*Underwriting*" below for further details regarding the application procedures.

Where an application for financing is accepted, Blue and the customer will enter into an HP Agreement. Blue will pay the "Balance to Finance" (the cash price of the Vehicle, less any deposit or part exchange) of the Vehicle and a commission to the relevant Introducer.

Blue does not offer any guaranteed asset protection, return to invoice or payment protection insurance.

The HP Agreements

Pursuant to each HP Agreement, the customer is required to pay monies to Blue (as Seller). Blue's rights to receive these monies pursuant to the HP Agreements comprise the Receivables and Ancillary Rights being sold to the Issuer pursuant to the Receivables Sale and Purchase Agreement.

The Issuer's assets arising from or in connection with the Purchased Receivables will include:

(a) the Purchased Receivables and Collections on the Purchased Receivables received on and after the Cut-Off Date; and

(b) Ancillary Rights in relation to the Purchased Receivables.

The Vehicles will not be transferred by Blue to the Issuer, but will be held on trust pursuant to the Vehicle Declaration of Trust. Any proceeds derived from (including by way of sale or otherwise) any Vehicle returned to or recovered by or on behalf of Blue will be paid to the Issuer.

Auto receivables

General

Blue has originated and serviced Receivables of a similar nature to those to be included in the Portfolio since November 2014.

The Receivables arise under fixed sum credit agreements. Blue offers two main types of HP Agreement. One type includes a credit acceptance fee charged in two parts at the start and the end of the agreement, the other does not. If the HP Agreement includes credit acceptance fees, the customer's first monthly payment will be a fee and the final contractual payment will consist of a normal monthly instalment plus a further acceptance fee of £150 and, where the customer wishes to purchase the vehicle, an option to purchase fee of up to £10. For non-fee agreements, the final contractual payment will consist of a normal monthly instalment and, where the customer wishes to purchase the vehicle, an option to purchase fee of up to £10.

Payment of interest

Each instalment payment generally consists of an interest portion and a principal portion.

If the customer makes an instalment payment after its scheduled due date, Blue has the right under the relevant HP Agreement to charge the customer late payment interest. Blue does not currently charge late payment interest.

The customer may repay the amount due pursuant to the HP Agreement early, in whole or in part, in accordance with the formulae for full and partial early settlements contained in the CCA and applicable secondary legislation.

Residual value risk

All HP Agreements are fully amortising. There is no contractual residual value risk arising (other than in respect of Defaulted Receivables and Voluntarily Terminated Receivables).

Origination

The HP Agreements are originated through Blue's network of selected Introducers or through Blue's internal, direct to consumer operation. The majority of HP Agreements come directly from Dealers with a portion received via brokers and a smaller portion from Blue's direct to consumer channel where Blue manages the loan proposal and refers customers to its dealer network for the supply of the vehicle.

Blue enters into formal written agreements with each Introducer before the Introducer is permitted to offer Blue's financing products. Each Introducer either completes a declaration in relation to each individual HP Agreement or an omnibus declaration in relation to all Blue HP Agreements it offers (each, a "**Declaration**"). Each Declaration imposes obligations on the Introducer, including, without limitation, the requirement to provide the customer with an adequate explanation of the HP Agreement and, in the case of an individual Declaration, a requirement to verify the signing of the HP Agreement by the customer. The Declaration also contains the form and content of the HP Agreements which are to be used by the Introducer in its dealings with the relevant customer.

Where the customer is managed by Blue's direct to consumer operation, the CCA obligations noted above are undertaken by Blue.

Introducers are typically responsible for the preparation and submission of a customer's application onto the Blue application system. Where the customer is being managed by Blue's direct to consumer operation, the preparation and submission of the customer's application onto the Blue application system is typically submitted by the customer, but may be assisted by a Blue operator. If the application is accepted, a paperless electronic process is used for the majority of HP Agreements ("**E-Sign**"). Where this system is used, additional identification checks are carried out to confirm the customer's identity. This is typically in the form of a pre-authorisation on a bank card connecting the name and address on the application payment or a driving licence.

For those applicants who do not use E-Sign, a paper-based credit agreement and supporting documentation is provided to, reviewed and executed by the relevant customer.

All of the Portfolio was originated in the ordinary course of Blue's business in accordance with the origination processes set out above and below, which were applied irrespective of whether the Receivables were to be securitised.

Underwriting

Blue manages risk according to four pillars:

(a) Introducer risk – onboarding and ongoing management of the Introducers who introduce business to Blue;

(b) credit underwriting risk;

(c) fraud detection risk; and

(d) regulatory and compliance risk.

Introducer risk

The Dealer Support team is a dedicated team within Blue which is responsible for setup and management of Introducers: ensuring that the Introducers that introduce business to Blue meet certain standards, including checking FCA permissions, undertaking credit checks and reviewing the business and the people involved. This team is also responsible for monitoring the ongoing performance of Introducers. The Blue sales manager undertakes an initial review of the prospective Introducer and completes a pack of information for the Dealer Support team to review and sign off. If the Dealer Support team approves the prospective Introducer, it passes the information pack to the investigations team for final review and sign off from each department. These checks are designed to ensure that the Introducer is reputable and financially stable. The core components of the review are:

(a) site visit and stock review;

(b) electronic checks with a credit bureau;

(c) stable and verifiable trading history; and

(d) all relevant regulatory permissions obtained.

After an Introducer is approved, it is subject to an ongoing monitoring programme with a particular focus on complaints. This consists of an annual review of Introducers, including a check of regulatory status and permissions and other key performance indicators for unusual behaviour (for example, unusually high or low volumes of proposals, and efficiency in management of proposals).

Credit underwriting risk

Blue originates Receivables to Obligors which are allocated to a risk tier ranging from Risk Tier 1 to Risk Tier 8, which it considers as "prime" to "near prime" risk tiers. Blue's underwriting process has been designed to be consistent across time. The approach is based on an industry standard scorecard, Risk Navigator from Equifax. In addition to this, Blue enhances the credit decision process with further checks including Blue's own internal scorecard, policy rules, affordability scorecard, fraud and asset checks. The customer must pass all steps in this process in order for their application for finance to be accepted by Blue. For example, if the customer passes the Equifax scorecard but fails a particular policy rule, they will be declined. The credit rules play a key role in respect of the higher risk tiers.

Credit applications are submitted electronically to Blue. The applicant's personal details are provided to allow Blue to assess the creditworthiness of the applicant. The personal details requested include name, address, date of birth, contact telephone numbers, email address, employment history and income.

A credit search and electoral roll enquiry is mandatory on all private individuals. In addition, the applicant must provide an address history for the previous three years, and this history must be verifiable.

Once an application is received, a unique application ID is assigned to it. All applications are screened against Blue's "Credit Decision Engine". An application may be accepted, declined or "referred". If an application is "referred" it will be reviewed by an underwriter who will determine whether further information is required to support a particular application, for example, proof of current address or proof of income. Where such additional information is required, the application will only be taken forward once the relevant information is received and deemed acceptable to Blue (at its discretion).

Underwriters have a credit authority limit depending on experience.

The assessment of each Obligor's creditworthiness will meet the requirements of rules 5.2A.4 and 5.2A.5 of the Consumer Credit (CONC) Sourcebook of the FCA Handbook (which rules were introduced in order to implement the requirements of Article 8 of Directive 2008/48/EC in UK domestic legislation). In particular, the assessment: (i) will be performed on the basis of sufficient information, where appropriate, obtained from the Obligor and, where necessary, on the basis of a consultation of the relevant database, and (ii) will be repeated in accordance with those requirements.

Fraud detection risk

Blue is a member of CIFAS (the United Kingdom's fraud prevention service) and has access to the National Vehicle Crime Intelligence Service, a national police unit that works to protect communities in the UK from vehicle finance crime and associated serious and organised crime. CIFAS operates two databases: the 'National Fraud Database' and the 'Internal Fraud Database'. All loan applications are screened through the CIFAS National Fraud Database. All new staff recruited to Blue are screened through the Internal Fraud Database.

If an application presents a risk associated with fraud, it is referred to Blue's investigations team (or, in the case of lower risk flags, underwriters) for enhanced checks. If the enhanced checks are satisfied, the application is assessed in the usual way.

Blue screens for politically exposed persons, persons on international sanctions lists and special interest persons prior to releasing funds for the acquisition of a motor vehicle. Blue's pay-out team reviews and discounts clear false-positives. All other potential matches are referred to Blue's investigations team for enhanced checks.

Regulatory and compliance risk

Blue has incorporated regulatory compliance factors into its systems as much as possible. At the beginning of any customer application process, a fair processing notice will be displayed which a customer must agree to before beginning the process. Once an application has been made, credit reference agency ("**CRA**") data received in respect of the application is used to highlight any possible affordability or indebtedness issues.

Blue's systems will alert the underwriter where a customer has insufficient verified identity or address data, allowing the underwriter to determine the additional data required and how to obtain this data in order to satisfy anti-money laundering obligations. To maintain compliance with its anti-money laundering obligations, Blue undertakes enhanced due diligence, including investigating the source of any deposit where the total value of the deposit is £7,500 or greater.

During Blue's e-signature process, in satisfaction of CCA requirements, pre-contract credit information and pre-contract explanations are displayed, and acknowledged electronically by the customer before an agreement is presented to the customer for consideration and signing. Further identity verification is conducted during the e-signature process, each action and response throughout this process is recorded.

Servicing and Collections

General

Blue will act as Servicer of the Purchased Receivables for the securitisation transaction. All duties carried out by the Servicer will be undertaken using at least the same standard of care that Blue would exercise if it were administering Receivables in respect of which it held the entire benefit. Blue's servicing and collections systems maintain records for all Receivables, applications of payments, relevant information on customers and account status.

Arrears collections procedure

All HP Agreements are set up with automated regular payments via Direct Debit. At application, a BACS modulus check is performed on the sort code and account number and a Direct Debit mandate is included with the initial loan documentation. It is a condition of the HP Agreement that the customer pays for their loan via Direct Debit.

Blue's collections team, consisting of specialised collection management experts, deals with loans where the regular payment schedule has broken down. This breakdown may be the result of any number of reasons, from simple administrative problems to genuine financial difficulty. Cases that require collections activity are flagged to the collections team via Blue's Collection Management System.

Blue uses a standard arrears collections procedure, which all employees must follow when engaging with customers in arrears, including those who are experiencing a degree of financial stress. The procedure is designed to ensure that all customers are treated fairly and that solutions are aligned to the customers' circumstances.

The collections strategy has been designed to comply with all statutory requirements (including by way of delivery of regulatory notices such as notices of sums in arrears, annual statements and notices of default sums). Blue's focus is to provide customers with a sustainable and affordable solution with the aim of returning customers to being able to satisfy payments when due. If appropriate, Blue may offer certain forbearance options to customers (described in more detail below) and may also provide customers with details of not-for-profit debt advice services as further support whilst they are in arrears.

If a customer misses a direct debit payment, Blue automatically re-presents the direct debit application request and notifies the customer that this will be the case. If payment fails for a second time, Blue will contact the customer by SMS or email to notify them that payments can be made via Blue's customer portal or website.

A customer is considered to be in arrears if they fail to pay their scheduled contractual monthly payment in full.

If a customer does fall into arrears, the first stage of Blue's collections procedures is to make contact with the customer and understand the issue. Where possible, the collections team will resolve the issue by collecting the missing payment. Blue has a contact strategy that uses a combination of SMS, calls, emails and letter activity and which escalates (after taking account of any regulatory considerations and subject to the level of customer engagement) as customers go further into arrears.

Where little or no progress is being made to resolve a customer's arrears, Blue will seek to escalate the collections activity in line with the Credit and Collection Procedures.

If Blue is having problems making contact with the customer, a third party may be used to make contact, including both telephone, letter and home visits.

The relationships with these third parties are monitored on a regular basis to ensure the methods undertaken are in line with Blue's policies.

Termination of the HP Agreements by the Servicer

Blue treats a customer as having defaulted under their HP Agreement if the total amount in arrears under such HP Agreement reaches or exceeds twice the amount of such customer's scheduled contractual monthly payment. A default may also arise for certain other reasons in accordance with Blue's Credit and Collection procedures. Once Blue treats an HP Agreement as being in default, Blue will send the relevant customer a notice of default, specifying a period of time (typically, a period of 19 days) within which the customer must remedy the arrears on such HP Agreement.

The termination of an agreement with a customer can only take place when the date shown on the relevant default notice has expired. When the default notice is issued, information is also provided to the customer detailing the options available to them and the associated costs and impact on their credit file. If a customer does not pay the required amount within the time period set out in the default notice, a notice of termination will be issued by Blue.

The priority for Blue is to recover the vehicle as quickly as possible as this maximises recovery value and provides the best outcome for the customer. This is best secured through a cooperative vehicle return, otherwise Blue will commence efforts to repossess the vehicle, assuming it is financially viable to do so.

In a small number of cases, customers will recommence meeting normal monthly instalments after the issuance of a notice of termination and repossession and, where this is the case, an arrangement is agreed to repay any arrears. Blue will monitor the agreement for a period and, if there are no further issues, rescind the repossession. In all cases, Blue makes every effort to ensure that the best outcome for the customer is achieved.

Debt restructuring

Blue does not reschedule or "re-age" contractual payment schedules of HP Agreements.

Prepayment management

Under the terms of each HP Agreement and as set out in the CCA, a customer has the right to settle the HP Agreement early by paying a settlement amount in accordance with the CCA. These 'Early Settlements' are handled by Blue's collections and customer services teams as a matter of daily business.

Under the Early Settlement Regulations, the relevant customer also has the right to make one or more partial settlements or unscheduled payments during the life of the HP Agreement to reduce their outstanding debt. These activities are handled by Blue's customer services team. Following a partial settlement, the customer has the option to reduce the term of their loan or to reduce their monthly instalment. The Account Management system calculates the revised term or instalment and recalculates the future cash flows accordingly.

Voluntary Termination by a customer

Voluntary Termination is available to a customer if the Servicer has not terminated the HP Agreement.

If Blue terminates an HP Agreement, the customer no longer has the right to voluntarily terminate as the agreement has already ended. They can, however, voluntarily surrender after Blue has terminated the agreement, by returning the vehicle in partial or full and final settlement of their liability.

When a customer voluntarily terminates an agreement, they remain liable to pay half of the total amount payable under the HP Agreement and all arrears of payments due and damages incurred for any other breach of the HP Agreement by the customer prior to such termination. If the customer has not paid such amounts at the time of termination, the customer must make arrangements to satisfy their remaining liability. Accounts with a shortfall balance are managed by Blue's Special Services team who focus on collecting the remaining balance.

When a customer voluntarily terminates an agreement, they must also return the Vehicle in a satisfactory condition and Blue will dispose of the relevant Vehicle as described in the *"Disposals"* section below. The proceeds from the sale of the Vehicle do not change the amounts owed by the customer detailed in the paragraph above but instead will be applied towards the remaining total amount due under the HP Agreement. Any shortfall thereafter will be written off (and any surplus will be for the benefit of Blue).

The customer must give notice in writing of their wish to voluntarily terminate. Blue will accept such notification by letter, fax or email.

Fair treatment and forbearance

Blue remains committed to ensuring that all its customers are treated fairly and that vulnerable and potentially vulnerable customers are effectively identified and appropriately supported.

As would be expected of a prudent lender, Blue continues to review and develop its customer journey, its automated and manual processes and its policies and procedures (and the training and monitoring of staff thereon) which (as required by the FCA and in accordance with CONC, the FCA Principles under the FCA Handbook and any other applicable FCA guidance) encompass a range of forbearance and other support measures and arrangements. Blue may take steps to improve customer outcomes as a result of the implementation of the recommendations and requirements arising from any such reviews and developments.

Blue uses forbearance options to support customers that are vulnerable or in financial difficulty. The collections team has (subject to overriding regulatory requirements) virtually unlimited discretion to take an individual, customer-specific approach to forbearance offered to customers. Accordingly, rather than applying an automatic policy or selecting from a set menu of forbearance options, when a customer notifies Blue that they are in financial distress, the collections team will review the customer's circumstances (including income and expenditure) to determine what forbearance, including payment holidays, (if any) is appropriate. Usually, the financial distress is the result of a short term income shock and can be resolved by Blue entering into an arrangement for the customer to repay any arrears and recommence their contractual payment. If forbearance is granted, the collections team record the length of the forbearance in order to track the average length of forbearance plans granted to customers.

Where Blue is notified that a customer is subject to a breathing space moratorium under the Breathing Space Regulations, that customer may be provided with up to 60 calendar days'

breathing space. During this time, Blue will cease all communication with the customer, except in respect of any required statutory notice, and no additional charges will be applied to the customer's account. Customers will receive professional debt advice to design a plan to support getting their finances back on track.

Recovery, repossession and disposals

Recovery and repossessions

There are four potential scenarios where assets may be recovered:

(a) repossession of vehicles where one-third of the total purchase price has not been paid by the customer ("unprotected goods");

(b) repossession of vehicles following a return of goods, or a court order where one-third of the total purchase price has been paid by the customer ("protected goods");

(c) voluntary termination by the customer, following exercise of the right of termination under Section 99 of the CCA; and

(d) voluntary surrender of the Vehicle by the customer.

The recoveries procedures undertaken by Blue depend on whether the customer is cooperative or non-cooperative and can be summarised as follows:

(a) cooperative – asset collection occurs – the vehicle may be returned by the customer to a mutually convenient geographical location; however, in most cases, an approved third party field agent will be instructed to inspect and thereafter recover the vehicle, together with supporting duplicate keys and documentation, directly from the customer; and

(b) non-cooperative – asset repossession occurs – Blue reviews cases for consideration and instructs agents to repossess vehicles. Blue will also undertake asset recoveries where court orders are required (see below). The repossession of a vehicle takes place when all other efforts to recover the debt have been exhausted.

Repossession activity is managed by Blue, and supported by external agents and law firms where required, working together to ensure all legal and regulatory requirements have been met. Blue works with professional recovery agents who comply with the FLA Vehicle Recovery and Collection Industry Standards. Blue has also contracted the services of tracing and recovery agencies and maintains relationships with the agencies and a range of solicitors, insurance firms and recovery pounds, as well as the police. Blue may also issue proceedings for return of goods orders via a court. Once an agreement has been terminated, repossession of the vehicle will normally take place as soon as practically possible.

In relation to the HP Agreements within the Portfolio, where a customer has paid over a third on their account, the related Vehicle becomes "protected goods" and cannot be repossessed without a court order (for further information, see "*LEGAL AND REGULATORY CONSIDERATIONS – Consumer Credit Act 1974*"). In determining whether to undertake legal action, Blue will consider the value of the Vehicle and the potential costs of pursuing the claim in court.

Disposals

Following collection, the Vehicle is transferred to an approved geographically convenient auction house where it is prepared for a sale at auction. Blue only disposes of vehicles through public auctions. The customer remains liable for all reasonable costs of recovery, together with any legal shortfall arising following disposal.

Debt forgiveness

In very exceptional circumstances (e.g. mental illness, bankruptcy and inability to pay), Blue may exercise debt forgiveness. This might involve full or partial forgiveness of the loan balance. Before debt forgiveness can be exercised, the customer's case first has to undergo a review at a senior level.

Write-offs

Blue may decide to write-off a customer loan if the loan is judged to be 'bad' debt. There is no fixed point after which a loan is declared to be 'bad' debt; the decision to write-off a customer loan is taken on a case-by-case basis. Any such decision has no impact on the customer's obligation to repay their loan and relates only to Blue's own characterisation of the loan.

Other characteristics of the Purchased Receivables

The Purchased Receivables do not include: (i) any transferable securities for the purposes of Article 20(8) of the UK Securitisation Regulation; (ii) any securitisation positions for the purposes of Article 20(9) of the UK Securitisation Regulation; or (iii) any derivatives for the purposes of Article 21(2) of the UK Securitisation Regulation, in each case on the basis that such Purchased Receivables have been entered into substantially on the terms of similar standard documentation for auto loan receivables. For the purposes of Article 20(8) of the UK Securitisation Regulation, the Purchased Receivables contain obligations that are in all material respects contractually binding and enforceable, with full recourse to Borrowers and, where applicable, guarantors, subject to any laws from time to time in effect relating to bankruptcy, liquidation or any other laws or other procedures affecting generally the enforcement of creditors' rights.

THE ISSUER

1. INTRODUCTION

Azure Finance No.3 plc (the "**Issuer**") was incorporated in England and Wales under the Companies Act 2006 on 27 January 2022 (registered number 13876594) as a public company with limited liability. The Issuer was established as a special purpose vehicle for the purposes of issuing the Notes and the Residual Certificates. The registered office of the Issuer is 10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom, telephone +44 (0)20 3855 0285. The authorised share capital of the Issuer is 50,000 ordinary shares of £1, of which all have been issued. One share is fully paid and 49,999 shares are quarter-paid and all shares are held by Holdings. The Issuer is legally and beneficially owned and controlled directly by Holdings. The rights of Holdings as a shareholder in the Issuer are contained in the articles of association of the Issuer and the Issuer will be managed in accordance with those articles and with the provisions of the Companies Act 2006. The Seller does not own directly or indirectly any of the share capital of Holdings or the Issuer. The Issuer has no subsidiaries.

2. PRINCIPAL ACTIVITIES

The Issuer is permitted, pursuant to the terms of its articles of association, inter alia, to issue the Notes and the Residual Certificates and to acquire the Purchased Receivables and the Ancillary Rights.

The Issuer has not engaged, since its incorporation, in any activities other than those incidental to its incorporation, the authorisation and issue of the Notes and the Residual Certificates and of the other documents and matters referred to or contemplated in this Prospectus to which it is or will be a party and matters which are incidental or ancillary to the foregoing.

There is no intention to accumulate surpluses in the Issuer (other than amounts standing to the credit of the Reserve Funds and the Issuer Profit Ledger).

The Issuer will covenant to observe certain restrictions on its activities which are set out in Condition 3 (*Covenants*) and the Residual Certificate Condition 3 (*Covenants*).

3. DIRECTORS AND COMPANY SECRETARY

The directors of the Issuer and their respective business addresses and other principal activities are:

Director	**Business address**	**Principal activities outside of the Issuer**
CSC Directors (No.1) Limited	10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom	Corporate director

Director	**Business address**	**Principal activities outside of the Issuer**
CSC Directors (No.2) Limited	10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom	Corporate director
Lara Nasato	10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom	Director

The company secretary of the Issuer is CSC Corporate Services (UK) Limited.

As at the date hereof, the Issuer has no employees, non-executive directors or premises.

The directors of CSC Directors (No.1) Limited and CSC Directors (No.2) Limited and their business addresses and principal activities are as follows:

Director	**Business address**	**Principal activities outside of the Issuer**
Charmaine De Castro	10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom	Director
Jonathan Hanly	3rd Floor, Fleming Court, Fleming's Place, Dublin 4, Ireland	Director
Constantinos Kleanthous	10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom	Director
Katherine Lagoe	10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom	Director
Catherine Mary Elizabeth McGrath	10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom	Director
Lara Nasato	10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom	Director
John Paul Nowacki	10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom	Director
Dragos Savacenco	10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom	Director
Sukanthapriya Jeyaseelan	10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom	Director

Director	Business address	Principal activities outside of the Issuer
Debra Amy Parsall	10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom	Director
Adrianna Pawelec	10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom	Director
Oreoluwa Salu	10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom	Director
Aline Sternberg	10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom	Director

4. CAPITALISATION STATEMENT

The following table shows the capitalisation of the Issuer as at the date of this Prospectus:

Share capital

Authorised and issued:

50,000 ordinary shares of £1 each, 49,999 issued and paid up as to £0.25 and one issued fully paid share.

£12,500.75 paid.

The accounting reference date of the Issuer is 31 December.

The Notes and the Residual Certificates will be obligations of the Issuer only and will not be guaranteed by, or be the responsibility of, Blue or any other person or entity. It should be noted, in particular, that the Notes and the Residual Certificates will not be obligations of, and will not be guaranteed by, the Transaction Parties, the Arranger, the Joint Lead Managers or any of their respective Affiliates.

HOLDINGS

1. INTRODUCTION

Azure Finance No.3 Holdings Limited ("**Holdings**") was incorporated in England and Wales under the Companies Act 2006 on 27 January 2022 (registered number 13876236) as a private company with limited liability. The registered office of Holdings is at 10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom, telephone +44 (0)20 3855 0285. The authorised share capital of Holdings is one ordinary share of £1, which is issued and is credited as fully paid. The entire issued share capital of Holdings is held on trust for discretionary purposes by CSC Corporate Services (UK) Limited under the terms of a declaration of trust dated 12 March 2022.

2. PRINCIPAL ACTIVITIES OF HOLDINGS

Pursuant to the terms of its articles of association, Holdings is permitted, inter alia, to hold shares in the Issuer. Holdings has not engaged, since its incorporation, in any activities other than those incidental to its incorporation and those matters referred to or contemplated in this Prospectus and any matters which are incidental or ancillary to the foregoing.

3. DIRECTORS AND COMPANY SECRETARY OF HOLDINGS

The directors of Holdings and their respective business addresses and other principal activities are:

Director	**Business address**	**Principal activities outside of the Issuer**
CSC Directors (No.1) Limited	10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom	Corporate director
CSC Directors (No.2) Limited	10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom	Corporate director
Lara Nasato	10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom	Director

The company secretary of Holdings is CSC Corporate Services (UK) Limited.

As at the date hereof, Holdings has no employees, non-executive directors or premises.

The directors of CSC Directors (No.1) Limited and CSC Directors (No.2) Limited and their business addresses and principal activities are as described in the section "The Issuer" above.

THE NOTE TRUSTEE AND SECURITY TRUSTEE

No later than the Closing Date the Issuer will appoint Citicorp Trustee Company Limited as the Note Trustee and the Security Trustee.

Citicorp Trustee Company Limited, whose registered office is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, will act as Note Trustee and Security Trustee in favour of the Secured Creditors in relation to the Notes and the Residual Certificates.

Citicorp Trustee Company Limited was incorporated on 24 December 1928 under the laws of England and Wales and has its registered office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, with a company number 235914.

Citicorp Trustee Company Limited is an indirect wholly-owned subsidiary of Citigroup Inc., a diversified global financial services holding company incorporated in Delaware.

Citicorp Trustee Company Limited is regulated by the UK's Financial Conduct Authority.

The information in the preceding four paragraphs has been provided by Citicorp Trustee Company Limited for use in this Prospectus and Citicorp Trustee Company Limited is solely responsible for the accuracy of the preceding four paragraphs, provided that, with respect to any information included herein and specified to be sourced from Citicorp Trustee Company Limited (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the above information available to it from Citicorp Trustee Company Limited, no facts have been omitted, the omission of which would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy thereof. Except for the foregoing four paragraphs, Citicorp Trustee Company Limited, in its capacity as Note Trustee and as Security Trustee and its affiliates has not been involved in the preparation of, and does not accept responsibility for, this Prospectus.

THE SWAP PROVIDER

For the purposes of the Transaction, the Issuer has appointed BNP Paribas as the Swap Provider.

BNP Paribas' organisation is based on three operating divisions namely (i) Corporate and Institutional Banking (CIB), (ii) Commercial, Personal Banking & Services (CPBS) and (iii) Investment & Protection Services (IPS).

The Corporate and Institutional Banking division combines Global Banking, Global Markets and Securities Services.

The Commercial, Personal Banking & Services division covers:

(i) Commercial & Personal Banking in the euro zone:
- Commercial & Personal Banking in France (CPBF);
- BNL banca commerciale (BNL bc), Italian Commercial & Personal Banking;
- Commercial & Personal Banking in Belgium (CPBB); and
- Commercial & Personal Banking in Luxembourg (CPBL).

(ii) Commercial & Personal Banking outside the euro zone, organised around:
- Europe-Mediterranean, covering Commercial & Personal Banking outside the euro zone and the United States, in particular in Central and Eastern Europe, Turkey and Africa; and
- BancWest in the United States; and

(iii) Specialised businesses, which consists of:
- BNP Paribas Personal Finance;
- Arval and BNP Paribas Leasing Solutions; and
- New Digital Businesses (in particular Nickel, Floa, Lyf) and BNP Paribas Personal Investors.

The Investment & Protection Services division, combines (i) Insurance (BNP Paribas Cardiff) and (ii) Wealth and Asset Management. The Wealth and Asset Management arm includes the following: BNP Paribas Asset Management, BNP Paribas Real Estate, BNP Paribas Principal Investments (management of the BNP Paribas Group's portfolio of unlisted and listed industrial and commercial investments) and BNP Paribas Wealth Management.

BNP Paribas SA is the parent company of the BNP Paribas Group.

As at 31 December 2022, the BNP Paribas Group had consolidated assets of €2,666 billion (compared to €2,634 billion at 31 December 2021), consolidated loans and receivables due from customers of €857 billion (compared to €814 billion at 31 December 2021), consolidated items due to customers of €1,008 billion (compared to €958 billion at 31 December 2021) and shareholders' equity (Group share) of €122 billion (compared to €118 billion at 31 December 2021).

As at 31 December 2022, pre-tax income from continuing activities was €13.6 billion (compared to €12.7 billion as at 31 December 2021). For the year 2022, net income, attributable to equity holders was €10.2 billion (compared to €9.5 billion for the year 2021).

At the date of this Prospectus, the BNP Paribas Group currently has Long Term Senior Preferred debt ratings of "A+" with stable outlook from S&P, "Aa3" with stable outlook from Moody's Investors Service, Inc., "AA-" with stable outlook from Fitch Ratings, Ltd and "AA (low)" with stable outlook from DBRS.

The information contained in this section relates to and has been obtained from BNP Paribas. The information concerning BNP Paribas and the BNP Paribas Group contained herein is furnished solely to provide limited introductory information regarding BNP Paribas and the BNP Paribas Group and does not purport to be comprehensive.

The delivery of the information contained in this section shall not create any implication that there has been no change in the affairs of BNP Paribas or the BNP Paribas Group since the date hereof, or that the information contained or referred to in this section is correct as of any time subsequent to its date.

For up-to-date financial information, including quarterly results since the last fiscal year end, please refer to http://invest.bnpparibas.com/en.

The information in this section has been provided by BNP Paribas for use in this Prospectus and BNP Paribas is solely responsible for the accuracy of such information, provided that, with respect to any information included herein and specified to be sourced from BNP Paribas (i) the Issuer confirms that any such information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the above information available to it from BNP Paribas, no facts have been omitted, the omission of which would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy thereof. Except for this section, BNP Paribas, in its capacity as Swap Provider, has not been involved in the preparation of, and does not accept responsibility for, this Prospectus.

THE CORPORATE SERVICES PROVIDER

Pursuant to the Corporate Services Agreement, the Issuer and Holdings have appointed CSC Capital Markets UK Limited as corporate services provider (the "**Corporate Services Provider**") to provide management, secretarial and administrative services to each of them, including the provision of directors. It is not in any manner associated with the Issuer, Holdings or Blue.

CSC Capital Markets UK Limited has served and is currently serving as corporate services provider for numerous securitisation transactions and programmes.

The information in the preceding paragraph has been provided by CSC Capital Markets UK Limited for use in this Prospectus and CSC Capital Markets UK Limited is solely responsible for the accuracy of the preceding paragraph, provided that, with respect to any information included herein and specified to be sourced from the Corporate Services Provider (i) the Issuer confirms that any such information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information available to it from the Corporate Services Provider, no facts have been omitted, the omission of which would render the reproduced information above inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy thereof. Except for the preceding paragraph, CSC Capital Markets UK Limited, in its capacity as Corporate Services Provider, and its affiliates have not been involved in the preparation of, and do not accept responsibility for, this Prospectus.

THE ACCOUNT BANK, CASH MANAGER, INTEREST DETERMINATION AGENT, REGISTRAR AND PAYING AGENT

No later than the Closing Date, the Issuer will appoint Citibank, N.A., London Branch as Account Bank, Cash Manager, Interest Determination Agent, Registrar and Paying Agent. See "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS — Bank Account Agreement*", "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS — Cash Management Agreement*" and "*SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS — Agency Agreement*".

Citibank, N.A. is a national association formed through its Articles of Association, obtained its charter, 1461, on 17 July 1865 and is governed by the laws of the United States and has its principal business office at 388 Greenwich Street, New York, NY 10013, USA and has in Great Britain a principal branch office situated at Canada Square, Canary Wharf, London E14 5LB with a foreign company number FC001835 and branch number BR001018.

The London Branch of Citibank, N.A. is authorised and regulated by the Office of the Comptroller of the Currency (USA) and authorised by the Prudential Regulation Authority. It is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority.

The information in the preceding two paragraphs has been provided by Citibank, N.A. for use in this Prospectus and Citibank, N.A. is solely responsible for the accuracy of the preceding two paragraphs, provided that, with respect to any information included herein and specified to be sourced from Citibank, N.A. (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the above information available to it from Citibank, N.A. no facts have been omitted, the omission of which would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy thereof. Except for the preceding two paragraphs, Citibank, N.A., in its capacity as Account Bank, Cash Manager, Interest Determination Agent, Registrar and Paying Agent has not been involved in the preparation of, and does not accept responsibility for, this Prospectus.

SUMMARY OF PROVISIONS RELATING TO NOTES IN GLOBAL FORM

Each Class of Notes will initially be issued in global registered form in an aggregate principal amount equal to an initial Aggregate Outstanding Note Principal Amount for such Class.

The Global Note representing the Class A Notes will be held under the NSS and will be deposited with and registered in the name of the Common Safekeeper as nominee for both Euroclear and Clearstream, Luxembourg.

The Global Notes representing the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, Class F Notes and the Class X Notes will be deposited with and registered in the name of the Common Depositary as nominee for Clearstream, Luxembourg and Euroclear in the form of a classical global note (CGN).

The Registrar will maintain a register in which it will register the nominee for the Common Depositary or the Common Safekeeper (as applicable) as the owner of each Global Note.

Upon confirmation by the Common Safekeeper or the Common Depositary (as applicable) that it has custody of the Global Notes, the relevant Clearing Systems will record in book-entry form interests representing beneficial interests in such Global Notes ("**Book-Entry Interests**").

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 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, Euroclear and Clearstream, Luxembourg will determine the identity of the Noteholders for the purposes of making payments to the Noteholders. The record date in respect of the cleared Notes shall be one Clearing System Business Day prior to the relevant Interest Payment Date where "**Clearing System Business Day**" means a day on which each clearing system for which the cleared Notes are being held is open for business.

Holders of Book-Entry Interests in the Global Note will be entitled to receive Notes in definitive registered form (such exchanged notes, "**Definitive Notes**") in the minimum denomination of

£100,000 or a higher integral multiple of £1,000 up to and including £199,000, in exchange for their respective holdings of Book-Entry Interests if an Exchange Event occurs.

Any Definitive Notes issued in exchange for Book-Entry Interests in any Global Note will be registered by the Registrar in such name or names as the Issuer shall instruct the Registrar (based on the instructions of the relevant Clearing System(s)). It is expected that such instructions will be based upon directions received by the relevant Clearing Systems from their participants with respect to ownership of the relevant Book-Entry Interests. Holders of Definitive Notes issued in exchange for Book-Entry Interests in any Global Note will not be entitled to exchange such Definitive Notes for Book-Entry Interests in such Global Note. Any Notes issued in definitive form will be issued in registered form only and will be issued in a minimum denomination of £100,000 and a higher integral multiple of £1,000 up to and including £199,000.

So long as the Notes of any Class are represented in their entirety by any Global Note held on behalf of any Clearing System, notices to the relevant Noteholders shall be given by delivery of the relevant notice to the relevant Clearing System for communication by them to such Noteholders. Any such notice shall be deemed to have been given to the relevant Noteholders on the day on which said notice was given to the relevant Clearing System. So long as the relevant Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes or Class X Notes are admitted to trading and listed on the official list of Euronext Dublin, any such notice shall also be published in accordance with the relevant guidelines of Euronext Dublin by a notification in writing to the Company Announcements Office of Euronext Dublin.

SUMMARY OF PROVISIONS RELATING TO RESIDUAL CERTIFICATES IN GLOBAL FORM

The Residual Certificates will initially be issued in global registered form.

The Global Residual Certificate representing the Residual Certificates will be deposited with and registered in the name of the Common Depositary, as nominee for each of Clearstream, Luxembourg and Euroclear.

The Registrar will maintain a register in which it will register the nominee for the Common Depositary as the holder of the Global Residual Certificate.

Upon confirmation by the Common Depositary that it has been issued with the Global Residual Certificate, the relevant Clearing Systems will record the beneficial interests in the Global Residual Certificate ("**Residual Certificate Book-Entry Interests**") representing beneficial interests in the Residual Certificates attributable thereto.

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 Paying Agent to the order of the Common Depositary, the respective systems will promptly credit their participants' accounts with payments in amounts proportionate to their respective ownership of Book-Entry Interests as shown in the records of Euroclear or Clearstream, Luxembourg. On each record date, Euroclear and Clearstream, Luxembourg will determine the identity of the Certificateholders for the purposes of making payments to the Certificateholders. The record date in respect of the cleared Residual Certificates shall be one Clearing System Business Day prior to the relevant Interest Payment Date where "**Clearing System Business Day**" means a day on which each clearing system for which the cleared Residual Certificates are being held is open for business.

Holders of Residual Certificate Book-Entry Interests in the Global Residual Certificate will be entitled to receive Residual Certificates in definitive registered form (such exchanged residual certificates, "**Definitive Residual Certificates**") in exchange for their respective holdings of Book-Entry Interests if an Exchange Event occurs.

Any Definitive Residual Certificate issued in exchange for Residual Certificate Book-Entry Interests in the Global Residual Certificate will be registered by the Registrar in such name or names as the Issuer shall instruct the Registrar (based on the instructions of the relevant Clearing System(s)). It is expected that such instructions will be based upon directions received by the relevant Clearing Systems from their participants with respect to ownership of the relevant Residual Certificate Book-Entry Interests. Holders of Definitive Residual Certificates issued in exchange for Residual Certificate Book-Entry Interests in the Global Residual Certificate will not be entitled to exchange such Definitive Residual Certificates for Book-Entry Interests in the Global Residual Certificate. Any Residual Certificates issued in definitive form will be issued in registered form only.

So long as the Residual Certificates are represented in their entirety by the Global Residual Certificate held on behalf of any Clearing System, notices to the relevant Certificateholders shall be given by delivery of the relevant notice to the relevant Clearing System for communication by them to such Certificateholders. Any such notice shall be deemed to have been given to the relevant Certificateholders on the day on which said notice was given to the relevant Clearing System.

CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, subject to completion and amendment, will be applicable to any 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 GBP 181,400,000 Class A Notes due 2034 (the "**Class A Notes**"), the GBP 27,100,000 Class B Notes due 2034 (the "**Class B Notes**"), the GBP 18,400,000 Class C Notes due 2034 (the "**Class C Notes**"), the GBP 9,200,000 Class D Notes due 2034 (the "**Class D Notes**"), the GBP 6,100,000 Class E Notes due 2034 (the "**Class E Notes**"), the GBP 3,700,000 Class F Notes due 2034 (the "**Class F Notes**") and the GBP 17,200,000 Class X Notes due 2034 (the "**Class X Notes**"), are constituted by a trust deed (the "**Trust Deed**") dated on or about 20 April 2023 (the "**Closing Date**") between Azure Finance No.3 plc (the "**Issuer**") and Citicorp Trustee Company Limited (the "**Note Trustee**", which expression includes all persons for the time being the trustee or trustees under the Trust Deed) as trustee for, *inter alios*, the Noteholders (as defined in Condition 1 (*Form, denomination and title*)). The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, Class F Notes and the Class X Notes are together referred to as the "**Notes**".

The Notes are secured pursuant to and on the terms set out in a deed of charge (the "**Deed of Charge**") dated on or about the Closing Date between the Issuer and Citicorp Trustee Company Limited (in this capacity, the "**Security Trustee**", which expression includes its permitted successors and assignees) on 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 certain of the Transaction Documents (as defined below), which include an agency agreement (the "**Agency Agreement**") dated on or about the Closing Date between the Issuer, the Note Trustee, the Security Trustee, Citibank, N.A., London Branch as paying agent, whose specified office is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (in such capacity, the "**Paying Agent**", which expression includes its permitted successors and assignees), Citibank, N.A., London Branch as registrar, whose specified office is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (in this capacity, the "**Registrar**", which expression includes its permitted successors and assignees) and Citibank, N.A., London Branch as interest determination agent, whose specified office is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (the "**Interest Determination Agent**", which expression includes its permitted successors and assignees).

The security interests created under the Deed of Charge, and all further security interests created under such document (and any document entered into pursuant thereto, including the Scottish Supplemental Charge), are together referred to as the "**Security**".

The Trust Deed, the Deed of Charge (and any document entered into pursuant thereto, including the Scottish Supplemental Charge and the Issuer Power of Attorney), the corporate services agreement dated on or about the Closing Date between, *inter alios*, the Issuer, Azure Finance No.3 Holdings Limited ("**Holdings**") and CSC Capital Markets UK Limited as corporate services provider (the "**Corporate Services Provider**", which expression includes its permitted successors and assignees) (the "**Corporate Services Agreement**"), a 1992 ISDA master agreement, the schedule thereto, the credit support annex thereto (the "**Credit Support Annex**") and the interest rate swap confirmation thereunder each dated on or about the Closing Date between BNP Paribas as swap provider (the "**Swap Provider**", which expression includes its permitted successors and assignees) and the Issuer (together, the "**Swap Agreement**"), the

Agency Agreement, the Receivables Sale and Purchase Agreement (as defined below) (and the power of attorney granted in favour of the Issuer pursuant to the Receivables Sale and Purchase Agreement), the Servicing Agreement (as defined below), the bank account agreement dated on or about the Closing Date between the Issuer, the Security Trustee and Citibank, N.A., London Branch as account bank (the "**Account Bank**", which expression includes its permitted successors and assignees) (the "**Bank Account Agreement**"), the cash management agreement dated on or about the Closing Date between, *inter alios*, the Issuer and Citibank, N.A., London Branch, as cash manager, whose specified office is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (the "**Cash Manager**") (the "**Cash Management Agreement**"), the standby servicer agreement dated on or about the Closing Date between, *inter alios*, the Issuer, the Standby Servicer and the Servicer (the "**Standby Servicer Agreement**"), the declaration of trust dated on or about the Closing Date granted by the Seller in favour of the Issuer in respect of the Vehicles relating to the Purchased Receivables and any Vehicle Sale Proceeds relative thereto (the "**Vehicle Declaration of Trust**") and the master definitions schedule dated on or about the Closing Date between, *inter alios*, the Issuer, the Seller, the Note Trustee and the Security Trustee (the "**Master Definitions Schedule**") are, together with the Netting Letter, the Global Notes, the Global Residual Certificate, the Collection Account Declarations of Trust, the Issuer ICSDs Agreement, these Conditions and the Residual Certificate 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 accordance with its provisions 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 provisions 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 Paying Agent. The Holders of the Notes are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions contained 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 requires, to the numbered paragraphs of these Conditions. Words and expressions used in these Conditions without definitions have the meanings given to them in the Master Definitions Schedule.

The issue of the Notes and the Residual Certificates was authorised by a resolution of the board of directors of the Issuer passed on 21 March 2023.

1. ***Form, denomination and title***

(a) The Notes are issued in the following form:

(i) 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;

(ii) 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;

(iii) the Class C 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;

(iv) the Class D 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;

(v) the Class E 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;

(vi) the Class F 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; and

(vii) the Class X 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 Notes are offered and sold outside the United States to non-U.S. persons in reliance on Regulation S and will be represented by beneficial interests in the Global Notes.

(c) 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, "**Class A Notes**", "**Class B Notes**", "**Class C Notes**", "**Class D Notes**", "**Class E Notes**", "**Class F Notes**" or "**Class X Notes**" means, with respect to any Note, a Global Note or a Definitive Note, as the case may be, and "**Class A Noteholder**", "**Class B Noteholder**", "**Class C Noteholder**", "**Class D Noteholder**", "**Class E Noteholder**", "**Class F Noteholder**" or "**Class X Noteholder**" means the Holder of a Class A Note, Class B Note, Class C Note, Class D Note, Class E Note, Class F Note or Class X Note, as applicable.

(d) Except as ordered by a court of competent jurisdiction or as required by law, the Issuer, the Note Trustee, the Security Trustee, the Registrar and the Paying Agent (notwithstanding any notice to the contrary and whether or not it is overdue and notwithstanding any notation of ownership or writing on any Note or notice of any previous loss or theft of any 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) 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 any Global Note or Definitive Note and (ii) for all other purposes deem and treat the person in whose name any 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 any 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 in units of £1,000 principal amount of Notes for all purposes other than in respect of 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 in accordance with and subject to its terms.

(e) A Note is not transferable except in accordance with the restrictions described in these Conditions and in the Trust Deed and the Agency Agreement. Any 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 Note 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 and the Agency Agreement to the transferee.

(f) No transfer of Notes will be valid unless entered on the Register and no transfer of Notes will be registered for a period of two Business Days immediately preceding each Interest Payment Date.

(g) Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and Class X Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedure for the time being of Clearstream, Luxembourg and Euroclear, as the case may be.

2. ***Status and Security***

(a) **Status**

The Notes constitute secured, limited recourse obligations of the Issuer, ranking, as between each Class, *pro rata* and *pari passu* without any preference among themselves subject as provided 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 Creditors.

(c) **Application of proceeds**

The Issuer will use the net proceeds of the issue of the Notes to finance the purchase from Blue (the "**Seller**") of a portfolio of Receivables and their Ancillary Rights pursuant to an agreement dated on or about the Closing Date between the Seller, the Issuer, the Security Trustee and the Note Trustee (the "**Receivables Sale and Purchase Agreement**"). The Seller will continue to administer and collect the Purchased Receivables as agent for the Issuer in its capacity as servicer (the "**Servicer**", which expression includes its permitted successors and assignees) under a Servicing Agreement dated on or about the Closing Date between the Servicer, the Issuer, the Note Trustee and the Security Trustee (the "**Servicing Agreement**"). Pursuant to the Swap

Agreement, the Issuer will also pay to the Swap Provider (or there will be paid to the Swap Provider on the Issuer's behalf) the Swap Premium on or about the Closing Date.

(d) **Pre-Acceleration Revenue Priority of Payments**

On each Interest Payment Date falling prior to the service of a Note Acceleration Notice on the Issuer by the Note Trustee, the Issuer will distribute the Available Revenue Receipts on each Interest Payment Date in accordance with the following Pre-Acceleration Revenue Priority of Payments (in each case only if and to the extent that payments or provisions of higher priority have been paid in full):

(a) first, for the Issuer to retain as profit the Issuer Profit Amount on the Issuer Profit Ledger from which the Issuer will discharge its corporate income or corporation tax liability (if any);

(b) then, *pro rata* and *pari passu*, to pay all amounts due under the Transaction Documents to the Security Trustee, any Receiver and to the Note Trustee on account of their fees and expenses (including any legal fees and expenses), claims, costs, liabilities or any indemnity payments together with any amount in respect of VAT (if any) on those amounts as provided for under the Transaction Documents;

(c) then, to pay in the following order of priority:

(i) *pro rata* and *pari passu*, the Senior Expenses then due or overdue and payable by the Issuer (excluding any amounts paid under item (b) above);

(ii) any amount due from the Issuer to the Securitisation Repository, to the Rating Agencies as surveillance or monitoring fees or to the Irish Listing Agent or Euronext Dublin as fees and expenses in connection with the maintenance of the listing of the Notes, together with any amount in respect of VAT (if any) on those amounts as provided for under the Transaction Documents;

(iii) any fees, costs, taxes, expenses, indemnity payments and other amounts properly due and payable to the directors of the Issuer (properly incurred with respect to their duties), legal advisers, tax advisers or auditors of the Issuer, and any other amounts due and payable by the Issuer to third parties in connection with the Issuer's ownership of the Purchased Receivables, the Notes, the Residual Certificates, the establishment, liquidation and/or dissolution of the Issuer, or any annual return, filing, registration and registered office or other company, licence or statutory fees in England (excluding any amounts expressly payable as Senior Expenses); and

(iv) any amounts due and payable by the Issuer to the Swap Provider under the Swap Agreement (save for amounts due and payable by the Issuer to the Swap Provider which are (i) otherwise discharged by the Issuer on such Interest Payment Date, (ii) expressed to be payable to the Swap

Provider without regard to the Priority of Payments, (iii) Swap Provider Subordinated Amounts, or (iv) Swap Excluded Amounts);

(d) then, *pro rata* and *pari passu*, to pay the Servicing Expenses then due or overdue and payable by the Issuer;

(e) then, *pro rata* and *pari passu*, to pay the Class A Noteholders any due and payable Class A Interest Amount on the Class A Notes and any Class A Interest Shortfall;

(f) then, an amount sufficient to eliminate any debit on the Principal Deficiency Sub-ledger (Class A) (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (f));

(g) then, *pro rata* and *pari passu*, to pay the Class B Noteholders any due and payable Class B Interest Amount on the Class B Notes and any Class B Interest Shortfall;

(h) then, to the Senior Reserve Fund in an amount up to the amount required to make the balance of the Senior Reserve Fund equal to the Senior Reserve Fund Required Amount (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (h));

(i) then, an amount sufficient to eliminate any debit on the Principal Deficiency Sub-ledger (Class B) (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (i)) shall be credited to the Principal Deficiency Sub-ledger (Class B);

(j) then, *pro rata* and *pari passu*, to pay the Class C Noteholders any due and payable Class C Interest Amount on the Class C Notes and any Class C Interest Shortfall;

(k) then, an amount sufficient to eliminate any debit on the Principal Deficiency Sub-ledger (Class C) (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (k)) shall be credited to the Principal Deficiency Sub-ledger (Class C);

(l) then, *pro rata* and *pari passu*, to pay the Class D Noteholders any due and payable Class D Interest Amount on the Class D Notes and any Class D Interest Shortfall;

(m) then, an amount sufficient to eliminate any debit on the Principal Deficiency Sub-ledger (Class D) (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (m)) shall be credited to the Principal Deficiency Sub-ledger (Class D);

(n) then, *pro rata* and *pari passu*, to pay the Class E Noteholders any due and payable Class E Interest Amount on the Class E Notes and any Class E Interest Shortfall;

(o) then, an amount sufficient to eliminate any debit on the Principal Deficiency Sub-ledger (Class E) (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (o)) shall be credited to the Principal Deficiency Sub-ledger (Class E);

(p) then, *pro rata* and *pari passu*, to pay the Class F Noteholders any due and payable Class F Interest Amount on the Class F Notes and any Class F Interest Shortfall;

(q) then, an amount sufficient to eliminate any debit on the Principal Deficiency Sub-ledger (Class F) (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (q)) shall be credited to the Principal Deficiency Sub-ledger (Class F);

(r) then, to the Junior Reserve Fund in an amount up to the amount required to make the balance of the Junior Reserve Fund equal to the Junior Reserve Fund Required Amount (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (r));

(s) then, *pro rata* and *pari passu*, to pay the Class X Noteholders any due and payable Class X Interest Amount on the Class X Notes and any Class X Interest Shortfall;

(t) then, *pro rata* and *pari passu*, to pay the Class X Noteholders, in accordance with the respective amounts thereof, principal on the Class X Notes until the Class X Notes are redeemed in full;

(u) then, in or towards payment of any Swap Provider Subordinated Amounts, if any, due and payable to the Swap Provider in respect of the Swap Agreement;

(v) then, to pay any indemnity payments to any party under the Transaction Documents not otherwise payable above; and

(w) then, *pro rata* and *pari passu*, to pay all remaining amounts to the Certificateholders as the Residual Certificate Payments.

On each Interest Payment Date falling prior to the earliest of (i) the service of a Note Acceleration Notice on the Issuer by the Note Trustee, (ii) the Interest Payment Date on which the Clean-Up Call is exercised, (iii) the date on which the Collateralised Notes are redeemed in full and (iv) the Legal Maturity Date, if the Cash Manager determines that:

(i) there will be a Senior Expenses Shortfall and/or a Senior Reserve Revenue Receipts Shortfall following the application of the Available Revenue Receipts (other than any Senior Reserve Fund Release Amount, Junior Reserve Fund Release Amount, Senior Reserve Fund Excess Amount, Junior Reserve Fund Excess Amount or Principal Addition Amount that form part of such Available Revenue Receipts) on such Interest Payment Date, the Issuer shall apply the Senior Reserve Fund Release Amount to pay any amounts remaining due and payable

under items (a) to (e) (inclusive) and (g) above in each case only if and to the extent that payments or provisions of higher priority have been paid in full; or

(ii) there will be a Senior Expenses Shortfall and/or a Junior Reserve Revenue Receipts Shortfall following the application of the Available Revenue Receipts (other than any Senior Reserve Fund Release Amount, Junior Reserve Fund Release Amount, Senior Reserve Fund Excess Amount, Junior Reserve Fund Excess Amount or Principal Addition Amount that form part of such Available Revenue Receipts)) on such Interest Payment Date, the Issuer shall apply the Junior Reserve Fund Release Amount to pay any amounts remaining due and payable under items (a) to (d) (inclusive) and (j), (l), (n) and (p) above in each case only if and to the extent that payments or provisions of higher priority have been paid in full.

(e) **Pre-Acceleration Principal Priority of Payments**

On each Interest Payment Date falling prior to the service of a Note Acceleration Notice on the Issuer by the Note Trustee, the Issuer will distribute the Available Principal Receipts on each Interest Payment Date in accordance with the following Pre-Acceleration Principal Priority of Payments (in each case only if and to the extent that payments or provisions of higher priority have been paid in full):

(a) first, to apply an amount equal to the Principal Addition Amount as Available Revenue Receipts for application towards such items of the Pre-Acceleration Revenue Priority of Payments towards which such amounts may be applied;

(b) then, *pro rata* and *pari passu*, to pay the Class A Noteholders, in accordance with the respective amounts thereof, principal on the Class A Notes;

(c) then, *pro rata* and *pari passu*, to pay the Class B Noteholders, in accordance with the respective amounts thereof, principal on the Class B Notes;

(d) then, *pro rata* and *pari passu*, to pay the Class C Noteholders, in accordance with the respective amounts thereof, principal on the Class C Notes;

(e) then, *pro rata* and *pari passu*, to pay the Class D Noteholders, in accordance with the respective amounts thereof, principal on the Class D Notes;

(f) then, *pro rata* and *pari passu*, to pay the Class E Noteholders, in accordance with the respective amounts thereof, principal on the Class E Notes;

(g) then, *pro rata* and *pari passu*, to pay the Class F Noteholders, in accordance with the respective amounts thereof, principal on the Class F Notes; and

(h) then, to apply any remaining amounts as Available Revenue Receipts ("**Surplus Available Principal Receipts**").

(f) **Enforcement of the Security**

Following the occurrence of an Event of Default and the service of a Note Acceleration Notice in accordance with Condition 10 (*Events of Default*) below, the Security will become enforceable and the Note 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 if so directed by the holders of at least 25% in aggregate Outstanding Note Principal Amount of the Most Senior Class of Notes or if so directed by an Extraordinary Resolution of the Most Senior Class of Notes, subject in each case to the Note Trustee having been indemnified and/or secured and/or prefunded to its satisfaction.

The Note Trustee may at any time, at its discretion (and will do so if it has been so directed by the holders of at least 25% in aggregate Outstanding Note Principal Amount of the Most Senior Class of Notes or if so directed by an Extraordinary Resolution of the Most Senior Class of Notes at the relevant date), subject in each case to the Note Trustee having been indemnified and/or secured and/or pre-funded to its satisfaction, and without notice and in such manner as it deems appropriate:

(a) take such proceedings and/or other steps as it may deem appropriate against or with respect to the Issuer or any other person to enforce its obligations under the Trust Deed, the Transaction Documents or these Conditions and/or take any other proceedings (including lodging an appeal in any proceedings) with respect to or concerning the Issuer; and/or

(b) exercise any of its rights under or in connection with the Trust Deed or any other Transaction Document; and/or

(c) give any directions to the Security Trustee under or in connection with any Transaction Document.

To the extent that the Note Trustee acts in accordance with such directions of the Most Senior Class of Notes, as described above, it will have no obligation to take the interests of any other party into account or to follow any direction given by any other party.

(g) **Post-Acceleration Priority of Payments**

The Deed of Charge sets out the priority of distribution by the Security Trustee, following the service of a Note Acceleration Notice on the Issuer (known as the "**Post-Acceleration Priority of Payments**"), of amounts received or recovered by the Security Trustee (or a receiver appointed on its behalf).

The Security Trustee will apply amounts (other than amounts representing any Excess Swap Collateral and Swap Tax Credits which shall be returned directly to the Swap Provider (and, for the avoidance of doubt, such payment shall be without regard to the relevant Priority of Payments)) received or recovered following the service of a Note Acceleration Notice on the Issuer in the following order of priority (in each case only if and to the extent that payments or provisions of higher priority have been paid in full):

(a) first, for the Issuer to retain as profit the Issuer Profit Amount from which the Issuer will discharge its corporate income or corporation tax liability;

(b) then, *pro rata* and *pari passu*, to pay all amounts due under the Transaction Documents to the Security Trustee, any Receiver and to the Note Trustee on account of their fees and expenses (including any legal fees and expenses), claims, costs, liabilities or any indemnity payments together with any amount in respect of VAT (if any) on those amounts as provided for under the Transaction Documents;

(c) then, to pay in the following order of priority:

(i) *pro rata* and *pari passu*, the Senior Expenses then due or overdue and payable by the Issuer (excluding any amounts paid under item (b) above);

(ii) any amount due from the Issuer to the Securitisation Repository, to the Rating Agencies as surveillance or monitoring fees or to the Irish Listing Agent or Euronext Dublin as fees and expenses in connection with the maintenance of the listing of the Notes, together with any amount in respect of VAT (if any) on those amounts as provided for under the Transaction Documents;

(iii) any fees, costs, taxes, expenses, indemnity payments and other amounts properly due and payable to the directors of the Issuer (properly incurred with respect to their duties), legal advisers, tax advisers or auditors of the Issuer, and any other amounts due and payable by the Issuer to third parties in connection with the Issuer's ownership of the Purchased Receivables, the Notes, the Residual Certificates, the establishment, liquidation and/or dissolution of the Issuer, or any annual return, filing, registration and registered office or other company, licence or statutory fees in England (excluding any amounts expressly payable as Senior Expenses); and

(iv) any amounts due and payable by the Issuer to the Swap Provider under of the Swap Agreement (save for amounts due and payable by the Issuer to the Swap Provider which are (i) otherwise discharged by the Issuer on such Interest Payment Date, (ii) expressed to be payable to the Swap Provider without regard to the Priority of Payments, (iii) Swap Provider Subordinated Amounts, or (iv) Swap Excluded Amounts);

(d) then, to pay the Servicing Expenses then due or overdue and payable by the Issuer;

(e) then, *pro rata* and *pari passu*, to pay the Class A Noteholders amounts in respect of interest and principal due and payable on the Class A Notes until the Class A Notes are redeemed in full;

(f) then, *pro rata* and *pari passu*, to pay the Class B Noteholders amounts in respect of interest and principal due and payable on the Class B Notes until the Class B Notes are redeemed in full;

(g) then, *pro rata* and *pari passu*, to pay the Class C Noteholders amounts in respect of interest and principal due and payable on the Class C Notes until the Class C Notes are redeemed in full;

(h) then, *pro rata* and *pari passu*, to pay the Class D Noteholders amounts in respect of interest and principal due and payable on the Class D Notes until the Class D Notes are redeemed in full;

(i) then, *pro rata* and *pari passu*, to pay the Class E Noteholders amounts in respect of interest and principal due and payable on the Class E Notes until the Class E Notes are redeemed in full;

(j) then, *pro rata* and *pari passu*, to pay the Class F Noteholders amounts in respect of interest and principal due and payable on the Class F Notes until the Class F Notes are redeemed in full;

(k) then, *pro rata* and *pari passu*, to pay the Class X Noteholders amounts in respect of interest and principal due and payable on the Class X Notes until the Class X Notes are redeemed in full;

(l) then, in or towards payment of any Swap Provider Subordinated Amounts, if any, due and payable to the Swap Provider in respect of the Swap Agreement;

(m) then, to pay any corporate income or corporation tax liability not otherwise able to be paid from the Issuer Profit Ledger; and

(n) then, *pro rata* and *pari passu*, to pay all remaining amounts to the Certificateholders as the Residual Certificate Payments.

(h) **Shortfall after application of proceeds**

If the net proceeds of the Security being enforced and liquidated in accordance with 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 accordance with 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 Post-Acceleration Priority of Payments will be extinguished.

(i) **Relationship between the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, Class F Notes and the Class X Notes**

(a) The Notes within each Class will rank *pari passu* and rateably without any preference or priority among themselves as to payments of interest and principal at all times.

(b) Payments of principal on the Class A Notes will at all times rank in priority to payments of principal on the Class B Notes, payments of principal on the Class

B Notes will at all times rank in priority to payments of principal on the Class C Notes, payments of principal on the Class C Notes will at all times rank in priority to payments of principal on the Class D Notes, payments of principal on the Class D Notes will at all times rank in priority to payments of principal on the Class E Notes, payments of principal on the Class E Notes will at all times rank in priority to payments of interest and principal on the Class F Notes, payments of principal on the Class F Notes will at all times rank in priority to payments of interest and principal on the Class X Notes and payments of interest and principal on the Class X Notes will at all times rank in priority to payments on the Residual Certificates, in each case in accordance with the applicable Priority of Payments.

(c) Payments of interest on the Class A Notes will at all times rank in priority to payments of interest on the Class B Notes, payments of interest on the Class B Notes will at all times rank in priority to payments of interest on the Class C Notes, payments of interest on the Class C Notes will at all times rank in priority to payments of interest on the Class D Notes, payments of interest on the Class D Notes will at all times rank in priority to payments of interest on the Class E Notes, payments of interest on the Class E Notes will at all times rank in priority to payments of interest on the Class F Notes, payments of interest on the Class F Notes will at all times rank in priority to payments of interest and principal on the Class X Notes and payments of interest and principal on the Class X Notes will at all times rank in priority to payments on the Residual Certificates, in each case in accordance with the applicable Priority of Payments.

(d) The Residual Certificates are subordinate to all payments due in respect of the Notes.

(e) If the Issuer does not have sufficient Available Revenue Receipts on the relevant Interest Payment Date to meet interest payments on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes in full, any shortfall will first be borne by the Class X Notes and, to the extent that interest due on the Class X Notes on such Interest Payment Date is less than such shortfall, it will secondly be borne by the Class F Notes and, to the extent that interest due on the Class X Notes and the Class F Notes on such Interest Payment Date is less than such shortfall, it will thirdly be borne by the Class E Notes and, to the extent that interest due on the Class X Notes, the Class F Notes and the Class E Notes on such Interest Payment Date is less than such shortfall, it will fourthly be borne by the Class D Notes and, to the extent that interest due on the Class X Notes, the Class F Notes, the Class E Notes and the Class D Notes on such Interest Payment Date is less than such shortfall, it will fifthly be borne by the Class C Notes and, to the extent that interest due on the Class X Notes, the Class F Notes, the Class E Notes, the Class D Notes and the Class C Notes on such Interest Payment Date is less than such shortfall, it will sixthly be borne by the Class B Notes and, to the extent that interest due on the Class X Notes, the Class F Notes, the Class E Notes, the Class D Notes, the Class C Notes and the Class B Notes on such Interest Payment Date is less than such shortfall, it will seventhly be borne by the Class A Notes, in each case *pro rata* and *pari passu* between the Notes of such Class.

(f) No amount of principal of the Class B Notes will become due and payable until redemption and payment in full of the Class A Notes. 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. No amount of principal of the Class D Notes will become due and payable until redemption and payment in full of the Class A Notes, the Class B Notes and the Class C Notes. No amount of principal of the Class E Notes will become due and payable until redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes. No amount of principal of the Class F Notes will become due and payable until redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes. Principal on the Class X Notes will become due and payable (i) under the Pre-Acceleration Revenue Priority of Payments, to the extent there are sufficient amounts available, whether or not the other Classes of Notes have been redeemed in full; and (ii) under the Post-Acceleration Priority of Payments, following redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes.

(g) The Trust Deed contains provisions requiring the Note Trustee to take into account the interests of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Class X Noteholders equally as regards all powers, trusts, authorities, duties and discretions of the Note Trustee (except where expressly provided otherwise), but requiring the Note Trustee in any such case, for so long as any Class A Notes remain outstanding, to take into account only the interests of the Class A Noteholders if, in the opinion of the Note Trustee there is a conflict between the interests of the Class A Noteholders and the interests of the Class B Noteholders and/or the Class C Noteholders and/or the Class D Noteholders and/or the Class E Noteholders and/or the Class F Noteholders and/or the Class X Noteholders and/or the interests of the Certificateholders and, following the redemption in full of the Class A Notes, to take into account only the interests of the Class B Noteholders if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class B Noteholders and the interests of the Class C Noteholders and/or the interests of the Class D Noteholders and/or the interests of the Class E Noteholders and/or the interests of the Class F Noteholders and/or the interests of the Class X Noteholders and/or the interests of the Certificateholders and, following the redemption in full of the Class A Notes and the Class B Notes, to take into account only the interests of the Class C Noteholders if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class C Noteholders and the interests of the Class D Noteholders and/or the interests of the Class E Noteholders and/or the interests of the Class F Noteholders and/or the interests of the Class X Noteholders and/or the interests of the Certificateholders and, following the redemption in full of the Class A Notes, the Class B Notes and the Class C Notes, to take into account only the interests of the Class D Noteholders if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class D Noteholders and the interests of the Class E Noteholders and/or the interests of the Class F Noteholders and/or the interests of the Class X Noteholders and/or the interests of the Certificateholders and, following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, to take into account only the interests of

the Class E Noteholders if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class E Noteholders and the interests of the Class F Noteholders and/or the interests of the Class X Noteholders and/or the interests of the Certificateholders and, following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, to take into account only the interests of the Class F Noteholders if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class F Noteholders and the interests of the Class X Noteholders and/or the interests of the Certificateholders and, following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, to take into account only the interests of the Class X Noteholders if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class X Noteholders and the interests of the Certificateholders.

(h) No Class of Noteholders may request or direct the Note Trustee or the Issuer to take any action or pass any effective Extraordinary Resolution or Ordinary Resolution if the effect of the same would, in the sole opinion of the Note Trustee, be materially prejudicial to the interests of any more senior ranking Class of Noteholders, and neither the Note Trustee nor the Issuer will be responsible to such Class of Noteholders for disregarding any such request, direction or resolution.

(j) **Assumption of no material prejudice**

The Note Trustee will be entitled to assume, for the purposes of exercising any right, power, duty or discretion under or with respect to these Conditions, the Residual Certificate Conditions, the Trust Deed, the Deed of Charge or any of the other Transaction Documents or for the purposes of paragraphs (g) and (h) of Condition 2(i) (*Relationship between the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X 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 of the relevant Class or (ii) if the Note Trustee is satisfied that the current ratings of the Rated Notes will not be affected or (iii) with respect to a non-economic or non-financial matter, if the Note Trustee obtains an opinion of counsel to such effect.

(k) **Funding of Junior Reserve from Senior Reserve**

On the Interest Payment Date on which the Class B Notes are redeemed in full, the Issuer shall debit the Senior Reserve Fund – Junior Reserve Fund Funding Amount. from the Senior Reserve and credit such amount to the Junior Reserve.

3. ***Covenants***

3.1 So long as any of the Notes remains outstanding, the Issuer shall:

(a) comply with and perform all its obligations under the Transaction Documents and use all reasonable endeavours to procure that each other party to any of the Transaction Documents complies with and performs all their respective obligations thereunder;

(b) at all times use all reasonable endeavours to procure that a Servicer is appointed in accordance with the terms of the Servicing Agreement and that a Cash Manager is appointed in accordance with the terms of the Cash Management Agreement;

(c) at all times use its best endeavours to procure that hedging arrangements on terms substantially similar to those in the Swap Agreement are maintained by it;

(d) at all times ensure that its central management and control is exercised in the United Kingdom; and

(e) not become part of any group of companies for VAT purposes.

3.2 So long as any of the Notes remains outstanding, the Issuer will not without the prior consent of the Note Trustee, unless otherwise provided by these Conditions or the Transaction Documents:

(a) carry on any business other than performing its functions and duties and discharging its obligations and liabilities set out in the Transaction Documents and with respect to that business will not engage in any activity whatsoever which is not incidental to or necessary in connection with any of the activities in which the Transaction Documents provide or do anything except:

(i) finance, acquire, hold and dispose of the Purchased Receivables;

(ii) issue, enter into, amend, exchange, repurchase or cancel the Notes and/or the Residual Certificates;

(iii) enter into, amend, consent to any variation of, or release any party from any obligation under, any of the Notes, the Residual Certificates, the Transaction Documents and agreements relating or incidental to the issue and constitution of, and the granting of security for, the Notes and the Residual Certificates;

(iv) own and exercise its rights with respect to the Purchased Receivable and its interests in the Purchased Receivable and perform its obligations with respect to the Security and the Transaction Documents;

(v) preserve and/or exercise and/or enforce any of its rights and perform and observe its obligations under the Notes, the Residual Certificates, the Transaction Documents and agreements relating or incidental to the issue and constitution of, and the granting of security for, the Notes and the Residual Certificates;

(vi) use any of its property or assets in the manner provided in or contemplated by the Transaction Documents; and

(vii) perform any other act incidental to or necessary in connection with the above;

(b) have any employees or own any premises;

(c) incur any financial indebtedness with respect to borrowed money or give any guarantee or indemnity in respect of any financial indebtedness or of any other obligation of any

person or enter into any hedging or derivative contract except under the Notes and the Residual Certificates or pursuant to the Transaction Documents;

(d) create or permit any mortgage, charge, pledge, lien or encumbrance or other security interest over any of its assets or undertaking (other than, for the avoidance of doubt, any security created pursuant to the Deed of Charge or the Scottish Supplemental Charge or as otherwise expressly contemplated by the Transaction Documents);

(e) permit the validity or effectiveness of or the priority of the Security created by the Deed of Charge or the priority of any security interests created or evidenced thereby to be amended, varied, terminated, postponed or discharged, or permit any person or any party to any of the Transaction Documents to which it is a party whose obligations form part of the Security to be released from such obligations;

(f) transfer, sell, lend, use, invest, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire any of its assets or undertakings or any interest, estate, right, title or benefit therein;

(g) pay any dividend or make any other distribution to its shareholders or issue any further shares other than payment of dividends in any accounting period which do not exceed the aggregate amount left to the Issuer after Tax (if any) is charged on the Issuer Profit Amount;

(h) commingle its property or assets with the property or assets of any other person;

(i) consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any person;

(j) have any subsidiaries or subsidiary undertakings (each as defined in the Companies Act 2006);

(k) have an "establishment" (as defined in the UK Insolvency Regulation, the EU Insolvency Regulation and the UNCITRAL Implementing Regulations) or take any action that will cause its "centre of main interests" (for the purposes of the UK Insolvency Regulation, the EU Insolvency Regulation and the UNCITRAL Implementing Regulations) to be located in any jurisdiction other than the United Kingdom or register as a company in any jurisdiction other than England;

(l) issue any shares in the Issuer (other than such shares as are in issue as at the Closing Date);

(m) permit any of the Transaction Documents to which it is a party to become invalid or ineffective or exercise any right to terminate any of the Transaction Documents to which it is a party;

(n) have an interest in any bank account other than the Issuer Accounts and (under the Collection Account Declarations of Trust) the Collection Accounts or open any 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 Creditors;

(o) agree to any modification of, or grant any consent, approval, authorisation or waiver pursuant to, or in connection with, any of the Transaction Documents to which it is a party;

(p) permit any person or any party to any of the Transaction Documents to which it is a party to be released from its obligations;

(q) prejudice its eligibility for its corporation tax liability to be calculated in accordance with regulation 14 of the TSC Regulations;

(r) acquire obligations or securities of its officers or shareholders; and

(s) amend its articles of association or any of its other constitutional documents.

3.3 In giving its consent to the foregoing, the Note 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, in accordance with Condition 12 (*Meetings of Noteholders, amendments, waiver, substitution and exchange*) below.

4. ***Interest***

(a) **Interest calculation**

Each Note shall bear interest on its Outstanding Note Principal Amount from the Closing Date until the close of the day preceding the day on which such Note has been redeemed in full at the rate per annum (expressed as a percentage) equal to the Interest Rate (calculated in the manner set out in Condition 4(e) (*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 Outstanding Note Principal Amount of each Note at the beginning of the relevant Interest Period.

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 any amount due remains outstanding, in which case interest will continue to accrue on the unpaid amount of principal (after as well as before judgment) until the Relevant Date at a rate equal to SONIA as determined daily by the Interest Determination Agent in its sole discretion. 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 Period**

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

(c) **Interest Rate**

The Interest Rate for each Interest Period will be, with respect to:

(i) each Class A Note, Compounded Daily SONIA for the relevant Interest Period plus 0.8% 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 deemed to be zero (the "**Class A Interest Rate**");

(ii) each Class B Note, Compounded Daily SONIA for the relevant Interest Period plus 1.65% 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 deemed to be zero (the "**Class B Interest Rate**");

(iii) each Class C Note, Compounded Daily SONIA for the relevant Interest Period plus 2.75% per annum, provided that, if Compounded Daily SONIA plus the margin for the Class C Notes is less than zero, the Interest Rate will be deemed to be zero (the "**Class C Interest Rate**");

(iv) each Class D Note, Compounded Daily SONIA for the relevant Interest Period plus 3.8% per annum, provided that, if Compounded Daily SONIA plus the margin for the Class D Notes is less than zero, the Interest Rate will be deemed to be zero (the "**Class D Interest Rate**");

(v) each Class E Note, Compounded Daily SONIA for the relevant Interest Period plus 6.35% per annum, provided that, if Compounded Daily SONIA plus the margin for the Class E Notes is less than zero, the Interest Rate will be deemed to be zero (the "**Class E Interest Rate**");

(vi) each Class F Note, Compounded Daily SONIA for the relevant Interest Period plus 9.5% per annum, provided that, if Compounded Daily SONIA plus the margin for the Class F Notes is less than zero, the Interest Rate will be deemed to be zero (the "**Class F Interest Rate**"); and

(vii) each Class X Note, Compounded Daily SONIA for the relevant Interest Period plus 7% per annum, provided that, if Compounded Daily SONIA plus the margin for the Class X Notes is less than zero, the Interest Rate will be deemed to be zero (the "**Class X Interest Rate**").

(d) **SONIA determination**

(i) The Interest Determination Agent will as soon as practicable on each Interest Determination Date determine Compounded Daily SONIA for the related Interest Period.

(ii) If, in respect of any Business Day in the relevant Observation Period, the Interest Determination Agent determines that the SONIA rate is not available on the Screen or has not otherwise been published by the relevant authorised distributors, such SONIA rate shall be: (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant Business Day; plus

(ii) the mean of the spread of the SONIA rate to the Bank Rate over the previous five days on which a SONIA 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.

(iii) Notwithstanding the provisions of these Conditions, in the event the Bank of England publishes guidance as to (i) how SONIA is to be determined or (ii) any rate that is to replace SONIA, the Interest Determination Agent (acting in accordance with the instructions of the Issuer (upon which the Interest Determination Agent shall be entitled to rely conclusively without enquiry or liability) (for the avoidance of doubt, no such instruction shall require the consent of the Noteholders and shall not constitute a Basic Terms Modification)) shall, to the extent that it is reasonably practicable, follow such guidance in order to determine SONIA for the purpose of the Notes for so long as SONIA is not available or has not been published by the authorised distributors.

(iv) In the event that Compounded Daily SONIA cannot be determined in accordance with the foregoing provisions by the Interest Determination Agent, Compounded Daily SONIA shall be (i) that determined as at the last preceding Interest Determination Date or (ii) if there is no such preceding Interest Determination Date, the initial Compounded Daily SONIA which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Closing Date.

(v) Notwithstanding any other provision of these Conditions, if in the Interest Determination Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 4, the Interest Determination Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Interest Determination Agent in writing as to which alternative course of action to adopt. If the Interest Determination Agent is not promptly provided with such direction, or is otherwise unable (other than due to its own gross negligence, wilful default or fraud) to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Interest Determination Agent shall be under no obligation to make such calculation or determination and (in the absence of such gross negligence, wilful default or fraud) shall not incur any liability for not doing so.

(vi) On the occurrence of the events described in Condition 12(b)(iii) (*Amendments and waiver*) (the "**Relevant Time**"), the Issuer (acting on the advice of the Servicer) shall, without undue delay, use commercially reasonable endeavours to propose an Alternative Benchmark Rate in accordance with Condition 12(b)(iii) (*Amendments and waiver*) (the "**Relevant Condition**"). For the avoidance of doubt, if an Alternative Benchmark Rate proposed by or on behalf of the Issuer (including any Alternative Benchmark Rate which was proposed prior to the Relevant Time pursuant to the Relevant Condition) has failed to be implemented in accordance with the Relevant Condition as a result of Noteholder objections to the modification, the Issuer shall not be obliged to propose an Alternative Benchmark Rate under this Condition 4(d).

(vii) In these Conditions (except where otherwise defined):

"**Compounded Daily SONIA**" means, in respect of each Interest Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Interest Determination 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:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_{I-pLBD}\ X\ n_i}{365}-1\right)\right] \text{ x } \frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Interest Period;

"d_0" is the number of Business Days in the relevant Interest Period;

"**i**" is a series of whole numbers from one to d_0, each representing the relevant Business Day in chronological order from, and including, the first Business Day in the relevant Interest Period;

"**LBD**" means a Business Day;

"n_i" means, for any day "i", the number of calendar days from and including such day "i" up to but excluding the following Business Day;

"**p**" means five; and

"**SONIA**$_{\text{i-pLBD}}$" means, in respect of any Business Day falling in the relevant Interest Period, SONIA for the Business Day falling "p" Business Days prior to that Business Day "i".

(e) **Calculations**

(i) The amount of interest payable on each Note for any Interest Period (the "**Interest Amount**") will be calculated by taking the aggregate of (1) the product of the relevant Interest Rate, the Outstanding Note Principal Amount of such Note at the beginning of such Interest Period and the Day Count Fraction and (2) any Interest Shortfall and rounding the resultant figure to the nearest whole penny (half a penny being rounded upwards).

(ii) The Class A Interest Rate, the Class B Interest Rate, the Class C Interest Rate, the Class D Interest Rate, the Class E Interest Rate, the Class F Interest Rate, the Class X Interest Rate and Interest Amounts to be paid on the Notes for each Interest Period will be determined by the Cash Manager. All calculations made by the Interest Determination Agent or the Cash Manager will (in the absence of manifest or proven error) be conclusive for all purposes and binding on the Note Trustee, the Noteholders and all other parties.

(f) **Determination and publication of the Class A Interest Rate, the Class B Interest Rate, the Class C Interest Rate, the Class D Interest Rate, the Class E Interest Rate, the Class F Interest Rate, the Class X Interest Rate and the Interest Amounts**

With respect to each Interest Payment Date, on the Calculation Date preceding such Interest Payment Date, the Interest Determination Agent shall notify the Issuer, the Corporate Services Provider, the Swap Provider, the Registrar, the Paying Agent, the Note Trustee and, on behalf of the Issuer, by means of notification in accordance with Condition 15 (*Notices*), the Noteholders of the following:

(i) the Class A Interest Amount, the Class B Interest Amount, the Class C Interest Amount, the Class D Interest Amount, the Class E Interest Amount, the Class F Interest Amount and the Class X Interest Amount determined pursuant to Condition 4 (*Interest*) and, subject to the sufficiency of Available Revenue Receipts, to be paid on such Interest Payment Date in accordance with the applicable Priority of Payments;

(ii) in the event of the final payment in respect of the Notes pursuant to Condition 5 (*Redemption*), the fact that such payment is the final payment; and

(iii) in the event of the payment of interest and redemption after the service of a Note Acceleration Notice on the Issuer, the amounts of interest and principal to be paid in accordance with Condition 10 (*Events of Default*) and the Post-Acceleration Priority of Payments.

5. ***Redemption***

(a) **Final redemption**

Unless previously redeemed in full as provided below, the Issuer will redeem the Notes at their respective Outstanding Note Principal Amount on the Legal Maturity Date.

The Issuer may not redeem the Notes in whole or in part prior to the Legal Maturity Date except as provided in Condition 5(b) (*Redemption for taxation 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 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 any future payment due on the Notes, required to deduct, withhold or account for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the United Kingdom or any political sub-division thereof or any authority thereof or therein having power to tax or any other tax authority outside the United Kingdom, 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 any material payment on, with respect to, or calculated by reference to, its income or any sum received or receivable by or on behalf of the Issuer from the Purchased Receivables or any of them,

the Issuer will promptly so inform the Note Trustee and will use its reasonable endeavours (which will not require it to incur any loss, excluding immaterial, incidental expenses) to determine within 20 calendar days of such circumstance occurring whether it would be practicable to arrange the substitution of a company incorporated in another jurisdiction approved by the Note Trustee as the principal debtor or to change its tax residence to another jurisdiction approved by the Note Trustee (provided that the Issuer will only use such reasonable endeavours 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 any of such measures would be practicable, it will have a further period of 60 calendar days to effect such substitution or change of tax residence. If, however, it determines within 20 calendar days of such circumstance occurring that none of such measures would be practicable or if, having determined that any of such measures would be practicable, it is unable so to avoid such withholding or deduction or tax or imposition within such further period of 60 calendar days, then the Issuer may, at its election, but will not be obliged to, at any time thereafter give not more than 60 nor less than 30 calendar days' (or such shorter period expiring on or before the latest date permitted by relevant law) irrevocable notice to the Note Trustee, the Paying Agent, the Registrar, the Swap Provider and the Noteholders, in accordance with Condition 15 (*Notices*), of its intention to redeem the Notes and of the date fixed for redemption (which must be an Interest Payment Date falling after the expiry of such notice period) and will on such date redeem all but not some only of the Notes at their Outstanding Note Principal Amounts together with accrued interest to that date, provided that, prior to the publication of any such irrevocable notice of redemption, the Issuer will deliver to the Note Trustee a certificate signed by two directors of the Issuer stating that the Issuer is entitled 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 Note Trustee will be entitled 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**

The Issuer will redeem the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes subject to the Available Principal Receipts and in accordance with the Pre-Acceleration Principal Priority of Payments and will redeem the Class X Notes subject to Available Revenue Receipts and in accordance with the Pre-Acceleration Revenue Priority of Payments.

(d) **Clean-Up Call**

(i) On any Interest Payment Date on which the Aggregate Outstanding Note Principal Amount of the Collateralised Notes is equal to or less than 10% of the Aggregate Outstanding Note Principal Amount of the Collateralised Notes as at the Closing Date, the Seller will (provided that on the relevant Interest Payment Date no Note Acceleration Notice has been served on the Issuer) have the option under the Receivables Sale and Purchase Agreement (the "**Clean-Up Call**") to repurchase all Purchased Receivables then outstanding against payment of the Final Repurchase Price, subject to the following requirements (the "**Clean-Up Call Conditions**"):

(1) the Final Repurchase Price must be at least equal to the sum of (A) the aggregate Outstanding Note Principal Amount of all Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and Class X Notes plus (B) accrued interest thereon plus (C) all claims of any creditors of the Issuer ranking prior to the claims of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Class X Noteholders according to the applicable Priority of Payments that would otherwise remain outstanding after application of any Available Revenue Receipts (excluding the balance of any Reserve Fund on that Interest Payment Date) and Available Principal Receipts (including, for the avoidance of doubt, all amounts standing to the credit of the Transaction Account under paragraph (e) of the definition of Available Principal Receipts (other than the balance on the Issuer Profit Ledger) on the date which is two Business Days prior to the Repurchase Date, but excluding any Final Repurchase Price and excluding the balance of any Reserve Fund on that Interest Payment Date) applied on such Interest Payment Date under items (a) to (t) (inclusive) of the Pre-Acceleration Revenue Priority of Payments and items (a) to (g) (inclusive) of the Pre-Acceleration Principal Priority of Payments or items (a) to (k) (inclusive) of the Post-Acceleration Priority of Payments; and

(2) the Seller shall have notified the Issuer and the Note Trustee of its intention to exercise the Clean-Up Call at least 10 calendar days prior to the contemplated settlement date of the Clean-Up Call.

(ii) Upon payment in full of the amounts specified in Condition 5(d)(i)(1) above to, or for the order of, the Noteholders, no Noteholders shall be entitled to receive any further payments of interest or principal.

(e) **Cancellation**

Any Notes redeemed in full or, as the case may be, in part by the Issuer will promptly be cancelled in full or, as the case may be, in part in which case they will not be resold or re-issued and the obligations of the Issuer under any such Notes will be discharged.

If the Issuer redeems some of the Class A Notes and/or the Class B Notes and/or the Class C Notes and/or the Class D Notes and/or the Class E Notes and/or the Class F Notes and/or the Class X Notes and such Notes are represented by Global Notes, such partial redemption will be effected in accordance 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 outstanding note principal amounts**

On (or as soon as practicable after) each Interest Determination Date, the Cash Manager, acting on behalf of the Issuer, will determine (based on information provided to the Cash Manager by the Issuer or the Servicer via the Monthly Report) the following:

(i) the amount of principal payable in respect of each Class A Note, each Class B Note, each Class C Note, each Class D Note, each Class E Note, each Class F Note and each Class X Note pursuant to Condition 5 (*Redemption*) and the applicable Priority of Payments and the Interest Period and the Class A Interest Amount, the Class B Interest Amount, the Class C Interest Amount, the Class D Interest Amount, the Class E Interest Amount, the Class F Interest Amount and the Class X Interest Amount determined pursuant to Condition 4 (*Interest*) and, subject to the sufficiency of Available Revenue Receipts, to be paid on such Interest Payment Date in accordance with the applicable Priority of Payments; and

(ii) the Aggregate Outstanding Note Principal Amount of Class A Notes, the Aggregate Outstanding Note Principal Amount of Class B Notes, the Aggregate Outstanding Note Principal Amount of Class C Notes, the Aggregate Outstanding Note Principal Amount of Class D Notes, the Aggregate Outstanding Note Principal Amount of Class E Notes, the Aggregate Outstanding Note Principal Amount of Class F Notes and the Aggregate Outstanding Note Principal Amount of Class X Notes as from such Interest Payment Date,

and will cause notice of each determination of the principal payable and the Outstanding Note Principal Amount of a Note of each Class to be given to the Note Trustee, the Paying Agent, the Registrar, the Issuer and the Noteholders (in accordance with Condition 15 (*Notices*)) as soon as reasonably practicable and, in any case, by not 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 principal payable and the Outstanding Note Principal Amount of a Note will in each case (in the absence of manifest or proven error) be final and binding on all persons.

6. ***Additional interest and subordination***

(a) **Additional interest on the Class A Notes**

If the aggregate funds (computed in accordance with the provisions of the Cash Management Agreement) available to the Issuer on any Interest Payment Date for application in or towards the payment of any Interest Amount due with respect to the Class A Notes on such Interest Payment Date pursuant to Condition 4 (*Interest*) are not sufficient to satisfy in full the aggregate amount of interest so due (the "**Class A Interest Shortfall**"), the Issuer will create a provision in its accounts equal to such shortfall and such shortfall will accrue interest in accordance with Condition 4(c)(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, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes**

(i) For so long as any of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes or the Class X Notes remain outstanding, if the aggregate funds (computed in accordance with the provisions of 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 with respect to any Class of Notes (other than the Most Senior Class of 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 with respect to such Class of Notes on such Interest Payment Date (the "**Class B Interest Shortfall**" in the case of Class B Notes, the "**Class C Interest Shortfall**" in the case of Class C Notes, the "**Class D Interest Shortfall**" in the case of Class D Notes, the "**Class E Interest Shortfall**" in the case of Class E Notes, the "**Class F Interest Shortfall**" in the case of Class F Notes and the "**Class X Interest Shortfall**" in the case of Class X Notes and any of the foregoing or any Class A Interest Shortfall an "**Interest Shortfall**"), there will be payable on such Interest Payment Date by way of interest with respect to each Note of such Class (notwithstanding Condition 4 (*Interest*)) only a pro rata share of such aggregate funds on such Interest Payment Date.

(ii) If there is an Interest Shortfall in respect of any Class of Notes (other than the Most Senior Class of Notes), the Issuer will create a provision in its accounts for the shortfall equal to the amount by which the aggregate amount of interest paid with respect to such Class of Notes on any Interest Payment Date in accordance with this Condition falls short of the aggregate amount of interest payable with respect to such Class of Notes on that date pursuant to Condition 4 (*Interest*). Such shortfall will accrue interest in accordance with Condition 4(c) (*Interest Rate*) during such period as 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 Note of such Class on the next succeeding Interest Payment Date. If, on the final Interest Payment Date (or on any earlier redemption of such Class of 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 such Class of Notes in full, on the date of such redemption).

(iii) Upon redemption of the Class A Notes in full, the provisions of Condition 6(a) (*Additional interest on the Class A Notes*) will apply to the next Most Senior Class of Notes then outstanding. For the avoidance of doubt, non-payment of interest for any Class of Notes (other than the Most Senior Class of Notes at the relevant time) will not constitute an Event of Default.

(c) **Principal on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes**

(i) The Class B Noteholders will not be entitled to any payment of the principal on the Class B Notes while any Class A Note remains outstanding. The Class C Noteholders will not be entitled to any payment of the principal on the Class C Notes while any Class A Note or Class B Note remains outstanding. The Class D Noteholders will not be entitled to any payment of the principal on the Class D Notes while any Class A Note, Class B Note or Class C Note remains outstanding. The Class E Noteholders will not be entitled to any payment of the principal on the Class E Notes while any Class A Note, Class B Note, Class C Note or Class D Note remains outstanding. The Class F Noteholders will not be entitled to any payment of the principal on the Class F Notes while any Class A Note, Class B Note, Class C Note, Class D Note or Class E Note remains outstanding.

(ii) If, on any Interest Payment Date or any other date on which a payment of principal is due on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes or the Class X Notes, the aggregate funds (computed in accordance with the provisions of 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 any such Class of Notes then outstanding on such date are not sufficient to pay in full all principal due (otherwise than pursuant to this Condition 6(c)) on such Class of Notes on such date, there will be payable on such date by way of principal on such Class of 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 notified to the Paying Agent at least two Business Days prior to the due date for the relevant payment.

(b) **Payments subject to applicable laws, etc.**

All payments are subject in all cases to:

(i) any applicable fiscal or other laws, regulations and directives; and

(ii) FATCA,

but without prejudice to the provisions of Condition 8 (*Taxation*). No commission or expenses will be charged to the Noteholders with respect to such payments.

(c) **Payments on Global Notes**

Payments of principal and interest on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes

represented by any Global Note will (subject as provided below) be made in the manner specified above with respect to 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 any Global Note, distinguishing between any payment of principal and any 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 provisions applicable to payments**

The Holder of a Global Note will be the only person entitled to receive payments on Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, the Class F Notes and Class X 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 with respect to 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, Class B Notes, Class C Notes, Class D Notes, Class E Notes, the Class F Notes and Class X Notes represented by such Global Note must look solely to Clearstream, Luxembourg or Euroclear, as the case may be, for its share of each payment so made by the Issuer to, or to the order of, the Holder of such Global Note.

(e) **Appointment of Agents**

The Paying Agent, the Registrar, the Interest Determination Agent and the Cash Manager initially appointed by the Issuer and their respective specified offices are listed at the beginning of these Conditions. The Paying Agent, the Registrar, the Interest Determination Agent and the Cash Manager act solely as agents of the Issuer (unless an Event of Default has occurred, when such agents may be required to act as agents of the Note Trustee) and do not assume any obligation or relationship of agency or trust for or with any Noteholders. The Issuer reserves the right at any time (in accordance with the Agency Agreement or the Cash Management Agreement, as applicable) to vary or terminate the appointment of the Paying Agent, the Registrar, the Interest Determination Agent or the Cash Manager and to appoint other Paying Agents, Registrars, Interest Determination Agents or Cash Managers, provided that the Issuer will at all times maintain (i) a Cash Manager, (ii) a Registrar, (iii) an Interest Determination Agent and (iv) a Paying Agent.

Notice of any such change or any change of any specified office will promptly be given to the Noteholders in accordance with Condition 15 (*Notices*).

(f) **Non-business days**

If any date for payment on any Note is not a Business Day, the Holder shall not be entitled to payment until the next day which is a Business Day notwithstanding that the Holder shall not be paid any interest or other sum with respect to such postponed payment.

(g) **Limited recourse**

(i) No amounts will be payable by the Issuer except in accordance with the Priorities of Payments (excluding any Permitted Exceptions and Permitted Revenue

Withdrawals) and any payment obligations of the Issuer under the Notes may only be satisfied from the amounts received by it under or in connection with the Transaction Documents.

(ii) If the Security constituted by or pursuant to the Deed of Charge is enforced, and, after payment of all other claims (if any) ranking in priority to or *pari passu* with the claims of any of the Secured Creditors under the Deed of Charge, the remaining proceeds of such enforcement are insufficient to pay in full all amounts due to such Secured Creditors and all other claims ranking *pari passu* to the claims of such Secured Creditors, then the claims of each such Secured Creditor and person with any *pari passu* or junior-ranking claim against the Issuer will be limited to their respective shares (if any) of such remaining proceeds (as determined in accordance with the provisions of the Deed of Charge) and, after payment to each such person of its respective share of such remaining proceeds (if any), the obligations of the Issuer to each such person 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 prevail.

8. ***Taxation***

All payments of principal and interest on the Notes will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of any nature by the Issuer or the Paying Agent unless required by law (or pursuant to FATCA), in which case the Issuer or the 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 the Paying Agent will be obliged to make any additional payments to Noteholders for such withholding or deduction.

Notwithstanding the foregoing, if any taxes referred to in Condition 5(b) (*Redemption for taxation reasons*) arise and, subject as provided 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 any amounts from its payments on the Notes, then the amounts payable or to be paid, as the case may be, on the Notes will be proportionately reduced by an amount equal to such insufficiency or deduction. No such reduction will constitute 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 Legal Maturity Date with respect to such Notes. After the date on which a Note becomes void, no claim may be made with respect to such Note.

10. ***Events of Default***

If any of the following events (each an "**Event of Default**") occurs, the Note Trustee at its absolute discretion may, and, if so directed by the holders of at least 25% in aggregate

Outstanding Note Principal Amount of the Most Senior Class of Notes or if so directed by an Extraordinary Resolution of the Most Senior Class of Notes (subject, in each case, to the Note Trustee being indemnified and/or secured and/or prefunded to its satisfaction), shall, deliver a Note Acceleration Notice to the Issuer, the Security Trustee, the Account Bank, the Cash Manager and the 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 Outstanding Note Principal Amount together with accrued interest:

(a) a default occurs in the payment of interest on any Interest Payment Date in respect of the Most Senior Class of Notes (and such default is not remedied within 14 Business Days of its occurrence);

(b) the Issuer defaults in the payment of principal on the Most Senior Class of Notes when due, and such default continues for a period of 7 Business Days;

(c) the Issuer fails to perform or observe any of its other material obligations under these Conditions or the Transaction Documents and such failure continues for a period of 30 calendar days following written notice from the Note Trustee or any other Secured Creditors;

(d) an Insolvency Event occurs in respect of the Issuer; or

(e) the Deed of Charge (or any security interest purported to be created thereunder) shall, for any reason, cease to be in full force and effect or be declared to be null and void, or the validity or enforceability thereof shall be contested by the Issuer or the Issuer shall deny that it has any or further liability or obligation under the Deed of Charge (or with respect thereto).

For the avoidance of doubt, a failure to pay any interest or principal due in respect of any Class of Notes which is not, on the relevant date, the Most Senior Class of Notes shall not constitute an Event of Default other than on the Final Redemption Date.

Upon any Note Acceleration Notice being delivered by the Note Trustee in accordance with the terms of this Condition 10, notice to that effect will be given by the Note Trustee to all Noteholders in accordance with Condition 15 (*Notices*).

11. ***Enforcement and non-petition***

Only the Note 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 Creditors. No other Secured Creditor is entitled to proceed against the Issuer. Neither the Note Trustee nor any Secured Creditor 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 thereof distributed in accordance with Condition 2 (*Status and Security*), and any such liability will be extinguished. None of the Note Trustee, the Security Trustee or any other Secured Creditor will be entitled, until the expiry of one year and one day after the Final Redemption Date, 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 Note Trustee and the Security Trustee, as the case may be, in accordance with this Condition 11, will, except as otherwise directed in writing by the holders of at least 25% in aggregate Outstanding Note Principal Amount of the Most Senior Class of Notes (in relation to enforcement action only) or directed by the Most Senior Class of Notes acting 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 Note Trustee, have absolute and uncontrolled discretion as to the exercise and non-exercise of all rights, powers, authorities or discretions conferred upon them by or under the Trust Deed, the Deed of Charge or any Transaction Document to which they are a party or conferred upon 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 prevail.

12. ***Meetings of Noteholders, amendments, waiver, substitution and exchange***

(a) **Meetings of Noteholders**

(i) The Trust Deed contains provisions for convening separate meetings of each of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class X Noteholders and the Certificateholders to consider any matter affecting their interests, including the sanctioning by a resolution passed at a meeting convened and held in accordance with the Trust Deed by at least 75% of votes cast (an "**Extraordinary Resolution**") of a modification of these Conditions or the provisions of any of the Transaction Documents.

(ii) Subject as provided below, the quorum at any meeting of Noteholders of any Class for passing an Ordinary Resolution will be one or more persons holding or representing at least 20% of the Outstanding Note Principal Amount of the relevant Class of Notes then outstanding, or, at any adjourned meeting, one or more persons being or representing a Noteholder of the relevant Class, whatever the Outstanding Note Principal Amount of the Notes of such Class held or represented by it or them.

(iii) Subject as provided below, the quorum at any meeting of Noteholders of any Class for passing an Extraordinary Resolution will be one or more persons holding or representing at least 50% of the Outstanding Note Principal Amount of the relevant Class of Notes or, at any adjourned meeting, one or more persons being or representing a Noteholder of the relevant Class, whatever the Outstanding Note Principal Amount of the Notes of such Class held or represented by them.

(iv) The quorum at any meeting of Noteholders of any Class for passing an Extraordinary Resolution to:

(1) sanction a modification of the date of maturity of the Notes;

(2) sanction a modification of the date of payment of principal or interest in respect of the Notes or, where applicable, of the method of calculating the date of payment of principal or interest in respect of the Notes, or of the method of calculating the date of payment in respect of the Residual Certificates;

(3) sanction a modification of the amount of principal or the rate of interest payable in respect of the Notes or, where applicable, of the method of calculating the amount payable of any principal or interest in respect of the Notes, or of the method of calculating the amounts payable in respect of the Residual Certificates (including, in relation to any Class of Notes or the Residual Certificates, if any such modification is proposed for any Class of Notes ranking senior to such Class or the Residual Certificates in the Priorities of Payments);

(4) alter the currency in which payments under the Notes or Residual Certificates are to be made;

(5) alter the quorum or majority required in relation to this exception;

(6) sanction any scheme or proposal for the sale, conversion or cancellation of the Notes or the Residual Certificates;

(7) alter any of the provisions contained in this exception; or

(8) make any change to the definition of Basic Terms Modification,

(each, a "**Basic Terms Modification**") shall be one or more persons holding or representing at least 66⅔% of the Outstanding Note Principal Amount of the relevant Class of Notes or, at any adjourned meeting, one or more persons holding or representing at least 25% of the Outstanding Note Principal Amount of such Class. For the avoidance of doubt, a Benchmark Rate Modification shall not be a Basic Terms Modification.

(v) Subject to paragraph (vii) below and except in the case of an Extraordinary Resolution directing the Note Trustee to give a Note Acceleration Notice, as to which the provisions of Condition 10 (*Events of Default*) shall apply:

(1) (subject as provided in paragraph (3) below) an Extraordinary Resolution passed at any meeting of the Most Senior Class of Notes shall be binding on (A) all Noteholders of such Class and each other Class and (B) the Certificateholders, irrespective of the effect upon them;

(2) no Extraordinary Resolution of any Class of Noteholders or the Certificateholders (other than an Extraordinary Resolution referred to in paragraph (3) below) shall be effective for any purpose unless either (A) the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of any more senior ranking Classes of Noteholders, (B) it

is sanctioned by an Extraordinary Resolution of each of the more senior ranking Classes of Noteholders or (C) none of the more senior ranking Classes of Notes remains outstanding; and

(3) no Extraordinary Resolution involving a Basic Terms Modification that is passed by the holders of one Class of Notes or the Certificateholders shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each other Class of Notes then outstanding and the Certificateholders.

(vi) Subject to paragraph (vii) below:

(1) an Ordinary Resolution passed at any meeting of the holders of a particular Class of Notes shall be binding on all Noteholders of such Class (irrespective of the effect upon them); and

(2) no Ordinary Resolution of any Class of Noteholders or the Certificateholders shall be effective for any purpose unless either (A) the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of any more senior ranking Classes of Noteholders or (B) it is sanctioned by an Ordinary Resolution of each of the more senior ranking Classes of Noteholders or (C) none of the more senior ranking Classes of Notes remains outstanding.

(vii) A resolution which in the opinion of the Note Trustee affects the interests of the holders of the Notes of only one Class or the Residual Certificates only shall be deemed to have been duly passed if passed at a meeting (or by a separate resolution in writing) of the holders of that Class of Notes or of the Certificateholders.

(b) **Amendments and waiver**

(i) The Note Trustee may, and may direct the Security Trustee to, without the consent or sanction of the Noteholders, the Certificateholders or the other Secured Creditors, but subject to the receipt of written consent from each of the Secured Creditors party to the Transaction Document being modified (such consent or sanction to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document), at any time and from time to time concur with the Issuer or any other person in making any modification:

(1) to these Conditions or any Transaction Document (excluding in relation to a Basic Terms Modification) which in the opinion of the Note Trustee will not be materially prejudicial to the interests of the holders of the Collateralised Notes or, if the Collateralised Notes have been redeemed in full, the holders of the Most Senior Class of Notes; or

(2) to these Conditions or any Transaction Document (including in relation to a Basic Terms Modification) if in the opinion of the Note Trustee such

modification is of a formal, minor or technical nature or to correct a manifest error,

provided that neither the Note Trustee nor the Security Trustee shall be obliged to agree to any modification which, in its sole opinion, would have the effect of (i) exposing it to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing its obligations or duties, or decreasing its rights, powers, authorisations, discretions, indemnification or protections, in the Transaction Documents and/or these Conditions.

(ii) Notwithstanding the provisions of Condition 12(b)(i), the Note Trustee shall be obliged, and shall direct the Security Trustee, without any consent or sanction of the Noteholders, the Certificateholders or the other Secured Creditors, but subject to the receipt of written consent from each of the Secured Creditors party to the Transaction Document being modified (such consent or sanction to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document), to concur with the Issuer in making any modification (other than a Basic Terms Modification which, for the avoidance of doubt, shall not include a Benchmark Rate Modification) to these Conditions and/or any Transaction Document that the Issuer considers necessary or advisable or (in relation to paragraphs (1) and (2) below only) as proposed by the Swap Provider pursuant to Condition 12(b)(ii)(1)(B):

(1) for the purpose of complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time, provided that:

(A) the Issuer certifies in writing to the Note Trustee and the Security Trustee that such modification is necessary to comply with such criteria or, as the case may be, is solely to implement and reflect such criteria; and

(B) in the case of any modification to a Transaction Document or these Conditions proposed by the Swap Provider in order (x) to remain eligible to perform its role in such capacity in conformity with such criteria and/or (y) to avoid taking action which it would otherwise be required to take to enable it to continue performing such role (including, without limitation, posting collateral or advancing funds):

(aa) the Swap Provider certifies in writing to the Issuer and the Note Trustee and the Security Trustee that such modification is necessary for the purposes described in paragraph (B)(x) and/or (y) above;

(bb) either:

(i) the Swap Provider obtains from each of the Rating Agencies a Rating Agency Confirmation

and, if relevant, delivers a copy of each such confirmation to the Issuer and the Note Trustee and the Security Trustee; or

(ii) the Swap Provider certifies in writing to the Note Trustee and the Security Trustee that the Rating Agencies have been informed of the proposed modification and none of the Rating Agencies has indicated that such modification would result in (x) a downgrade, qualification, withdrawal or suspension of the then current ratings assigned to the Rated Notes by such Rating Agency or (y) such Rating Agency placing any such Notes on rating watch negative (or equivalent); and

(cc) the Swap Provider pays all costs and expenses (including legal fees) incurred by the Issuer, the Note Trustee and the Security Trustee in connection with such modification;

(2) in order to enable the Issuer and/or the Swap Provider to comply with any obligation which applies to it under UK EMIR, EU EMIR, EU MiFID II, UK MiFIR, EU MiFIR, UK MiFID II, EU SFTR, UK SFTR, EU CRR or UK CRR (as applicable), provided that the Issuer or the Swap Provider, as appropriate, certifies to the Note Trustee and the Security Trustee and the Swap Provider or the Issuer, as applicable, in writing that such modification is required solely for the purpose of enabling it to satisfy such obligation and has been drafted solely to such effect;

(3) for the purpose of complying with any requirements of (i) Article 6 of the UK Securitisation Regulation, Article 6 of the EU Securitisation Regulation or Section 15G of the Exchange Act, including as a result of the adoption of additional regulatory technical standards or other secondary legislation or regulation in relation to the UK Securitisation Regulation, the EU Securitisation Regulation or Section 15G of the Exchange Act, (ii) any other risk retention legislation or regulations or official guidance in relation thereto in relation to securitisation transactions, or (iii) UK CRR or EU CRR, provided that the Issuer (or the Servicer on its behalf) certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(4) for the purpose of enabling the Notes to be (or to remain) listed on Euronext Dublin or a replacement recognised stock exchange, provided that the Issuer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(5) for the purposes of enabling the Issuer or any of the other Transaction Parties to comply with FATCA (or any voluntary agreement entered into

with a taxing authority in relation thereto), provided that the Issuer or the relevant Transaction Party, as applicable, certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(6) for the purpose of enabling the Issuer to open any custody account for the receipt of any collateral posted by the Swap Provider under the Swap Agreement in the form of securities;

(7) in order to allow the Issuer to open additional accounts with an additional account bank or to move the Issuer Accounts to be held with an alternative account bank with the Required Ratings, provided that the Issuer has certified to the Note Trustee and the Security Trustee that (i) such action would not have an adverse effect on the then current ratings of the Most Senior Class of Notes, and (ii) if a new account bank agreement is entered into, such agreement will be entered into on substantially the same terms as the Bank Account Agreement, provided further that, if the Issuer determines that it is not practicable to agree terms substantially similar to those set out in the Bank Account Agreement with such replacement account bank and the Issuer certifies in writing to the Note Trustee and the Security Trustee that the terms upon which it is proposed the replacement bank will be appointed are reasonable commercial terms taking into account the then prevailing current market conditions, whereupon a replacement agreement will be entered into on such reasonable commercial terms and the Note Trustee and the Security Trustee shall be entitled to rely absolutely on such certification without any liability to any person for so doing (notwithstanding that the fee payable to the replacement account bank may be higher or other terms may differ materially from those on which the previously appointed bank agreed to act);

(8) for so long as the Class A Notes are intended to be held in a manner which will allow for Eurosystem eligibility, for the purpose of achieving or maintaining such eligibility, provided that the Issuer (or the Servicer on its behalf) certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(9) for the purpose of complying with any changes in the requirements (including, but not limited to, transparency and/or investor due diligence) of and/or enabling the Issuer or the Seller to comply with an obligation in respect of the direct or indirect application of the requirements of the UK Securitisation Regulation and/or the indirect application of the requirements of the EU Securitisation Regulation, together with any relevant laws, regulations, technical standards, rules, other implementing legislation, official guidance or policy statements, in each case as amended, varied or substituted from time to time after the Closing Date (including the appointment of a third party to assist with the Issuer's reporting obligations in relation thereto), provided that the Issuer (or the Servicer on its behalf) certifies to the Note Trustee and the Security

Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect; and

(10) for the purpose of complying with any changes in the requirements of the UK CRA Regulation or the EU CRA Regulation after the Closing Date, including as a result of the adoption of regulatory technical standards in relation to the UK CRA Regulation or the EU CRA Regulation or regulations or official guidance in relation thereto, provided that the Issuer (or the Servicer on its behalf) provides a written certificate to the Note Trustee and the Security Trustee certifying that such modification is required solely for such purpose and has been drafted solely to such effect,

(any such modification pursuant to Conditions 12(b)(ii)(1) to (10) (inclusive) above being a "**Modification**" and the certificate to be provided by the Issuer, the Swap Provider or the relevant Transaction Party, as the case may be, pursuant to Conditions 12(b)(ii)(1) to (10) (inclusive) above being a "**Modification Certificate**").

(iii) Notwithstanding the provisions of Conditions 12(b)(i) and 12(b)(ii) above, the Note Trustee shall be obliged, and shall direct the Security Trustee, without any consent or sanction of the Noteholders, the Certificateholders or the other Secured Creditors, but subject to the receipt of written consent from each of the Secured Creditors party to the Transaction Document being modified (such consent or sanction to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document), to concur with the Issuer in making any modification to these Conditions, the Residual Certificate Conditions and/or any Transaction Document that the Issuer considers necessary or advisable for the purpose of changing the benchmark rate in respect of the Notes from SONIA (the "**Applicable Benchmark Rate**") to an alternative benchmark rate (any such rate, an "**Alternative Benchmark Rate**") and making such other amendments to these Conditions or any other Transaction Document as are necessary or advisable in the reasonable judgment of the Issuer (or the Servicer on its behalf) to facilitate the changes envisaged by this Condition 12(b)(iii) (for the avoidance of doubt, this may include changing the benchmark rate referred to in any interest rate hedging or cap agreement, for the purpose of aligning any such hedging or cap agreement with a proposed Benchmark Rate Modification pursuant to this Condition 12(b)(iii), or modifications to when the Interest Rate applicable to any Class of Notes is calculated and/or notified to Noteholders or other such consequential modifications) (a "**Benchmark Rate Modification**"), provided that the Servicer, on behalf of the Issuer, certifies to the Interest Determination Agent, the Note Trustee and the Security Trustee in writing (such certificate, a "**Benchmark Rate Modification Certificate**") that:

(A) such Benchmark Rate Modification is being undertaken due to any one or more of the following:

(aa) a material disruption to the Applicable Benchmark Rate, a material change in the methodology of calculating the

Applicable Benchmark Rate or the Applicable Benchmark Rate ceasing to exist or be published, or the administrator of the Applicable Benchmark Rate having used a fallback methodology for calculating the Applicable Benchmark Rate for a period of at least 30 calendar days; or

(bb) the insolvency or cessation of business of the administrator of the Applicable Benchmark Rate (in circumstances where no successor administrator has been appointed); or

(cc) a public statement or publication of information by or on behalf of the administrator of the Applicable Benchmark Rate announcing that it has ceased or will cease to provide the Applicable Benchmark Rate permanently or indefinitely (provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Applicable Benchmark Rate) with effect from a date no later than six months after the proposed effective date of such Benchmark Rate Modification; or

(dd) a public statement or publication of information by the regulatory supervisor of the administrator of the Applicable Benchmark Rate, the Bank of England, the FCA or the PRA, an insolvency official with jurisdiction over the administrator of the Applicable Benchmark Rate, or a court or entity with similar jurisdiction or a resolution authority with jurisdiction over the administrator of the Applicable Benchmark Rate, which states that the administrator of the Applicable Benchmark Rate has ceased or will cease to provide the Applicable Benchmark Rate permanently or indefinitely (provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Applicable Benchmark Rate) with effect from a date no later than six months after the proposed effective date of such Benchmark Rate Modification; or

(ee) a public statement or publication of information by the regulatory supervisor of the administrator of the Applicable Benchmark Rate, the Bank of England, the FCA or the PRA that means the Applicable Benchmark Rate will be prohibited from being used or that its use is subject to restrictions or adverse consequences with effect from a date no later than six months after the proposed effective date of such Benchmark Rate Modification; or

(ff) a change in the generally accepted market practice in the publicly listed asset backed floating rate notes market to refer to a benchmark rate endorsed in a public statement by the Bank of England, the FCA or the PRA or any relevant committee or other body established, sponsored or approved by any of the foregoing, including the Working Group on Sterling Risk-Free Reference Rates, despite the continued existence of the Applicable Benchmark Rate; or

(gg) it having become unlawful and/or impossible and/or impracticable for the Interest Determination Agent or the Issuer to calculate any payments due to be made to any Noteholder using the Applicable Benchmark Rate; or

(hh) it being the reasonable expectation of the Issuer (or the Servicer on its behalf) that any of the events specified in sub-paragraphs (aa) or (bb) will occur or exist within six months of the proposed effective date of such Benchmark Rate Modification; or

(ii) the Issuer and the Swap Provider agree to apply an alternative fallback (and make alternative adjustments, amendments and payments) in respect of the transaction under the Swap Agreement following the occurrence of a Benchmark Trigger Event thereunder; or

(jj) an alternative manner of calculating the Applicable Benchmark Rate being introduced and becoming a standard means of calculating interest for similar transactions; or

(kk) pursuant to Condition 12(b)(vii);

(B) such Alternative Benchmark Rate is any one or more of the following:

(aa) a benchmark rate published, endorsed, approved or recognised as a replacement to the Applicable Benchmark Rate by the Bank of England, the FCA or the PRA, any other regulator in the United Kingdom or the European Union, 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, including the Working Group on Sterling Risk-Free Reference Rates (which, for the avoidance of doubt, may be an alternative benchmark rate together with a specified adjustment factor which may increase or decrease the relevant alternative benchmark rate); or

(bb) a benchmark rate utilised in a material number of publicly-listed new issues of asset backed floating rate notes denominated in Sterling in the six months prior to the proposed effective date of such Benchmark Rate Modification; or

(cc) a benchmark rate utilised in a publicly listed new issue of Sterling-denominated asset-backed floating rate notes where the originator of the relevant assets is Blue or an Affiliate thereof; or

(dd) such other benchmark rate as the Issuer (or the Servicer on its behalf) reasonably determines, provided that this option may only be used if the Issuer (or the Servicer on its behalf) certifies to the Note Trustee and the Security Trustee that, in the reasonable opinion of the Issuer (or the Servicer on its behalf), neither Condition 12(b)(iii)(B)(aa) nor Condition 12(b)(iii)(B)(bb) above is applicable and/or practicable in the context of the Transaction, and sets out the rationale in the Benchmark Rate Modification Certificate for choosing the proposed Alternative Benchmark Rate; and

(C) the same Alternative Benchmark Rate will be applied to all Classes of Notes issued in the same currency; and

(D) the details of and the rationale for any Note Rate Maintenance Adjustment proposed in accordance with Condition 12(b)(iv)(2)(E) are as set out in the Modification Noteholder Notice (as defined below); and

(E) the modifications proposed are required solely for the purpose of applying the Alternative Benchmark Rate and making consequential modifications to the Conditions, the Residual Certificate Conditions or any Transaction Document which are, as reasonably determined by the Issuer (or the Servicer on its behalf), necessary or advisable, and the modifications have been drafted solely to such effect; and

(F) the consent of each Secured Creditor which has a right to consent to such modification pursuant to the provisions of the Transaction Documents has been obtained (evidence of which shall be provided by the Issuer to the Note Trustee and the Security Trustee with the Benchmark Rate Modification Certificate) and no other consents are required to be obtained in relation to the Benchmark Rate Modification (for the avoidance of doubt, the consent of the Noteholders and Certificateholders will not be required); and

(G) each of the Note Trustee, the Security Trustee, the Interest Determination Agent and the Cash Manager is satisfied that it has been, or will be, reimbursed in respect of all fees, costs and expenses (including properly incurred legal fees) incurred by it in connection with the Benchmark Rate Modification,

provided that:

(H) the Benchmark Rate Modification Certificate shall be provided to the Interest Determination Agent, the Note Trustee and the Security Trustee in draft form not less than five Business Days prior to the date on which the Modification Noteholder Notice (as defined below) is sent to Noteholders; and

(I) the Benchmark Rate Modification Certificate shall be provided to the Interest Determination Agent, the Note Trustee and the Security Trustee in final form not less than two Business Days prior to the date on which the Benchmark Rate Modification takes effect; and

(J) a copy of the Modification Noteholder Notice (as defined below) provided to Noteholders pursuant to Condition 12(b)(iv)(2) shall be appended to the Benchmark Rate Modification Certificate.

(iv) In respect of any Benchmark Rate Modification under Condition 12(b)(iii) and any Modification under Condition 12(b)(ii) (other than in the case of a Modification pursuant to Conditions 12(b)(ii)(2), (3) and (5) above), it shall also be required that:

(1) other than in the case of a Modification pursuant to Condition 12(b)(ii)(1)(B) above, either:

(A) the Issuer (or the Servicer on its behalf) obtains from each of the Rating Agencies a Rating Agency Confirmation and, if relevant, it has provided a copy of any Rating Agency Confirmation to the Note Trustee and the Security Trustee with the Modification Certificate or the Benchmark Rate Modification Certificate (as applicable); or

(B) the Issuer certifies in the Modification Certificate or the Benchmark Rate Modification Certificate (as applicable) that it has given the Rating Agencies at least 10 Business Days' prior written notice of the proposed Modification or Benchmark Rate Modification and none of the Rating Agencies has indicated that such Modification or Benchmark Rate Modification would result in (x) a downgrade, qualification, withdrawal or suspension of the then current ratings assigned to any Class of the Rated Notes by such Rating Agency or (y) such Rating

Agency placing any such Notes on rating watch negative (or equivalent); and

(2) the Issuer has provided written notice of the proposed Modification or Benchmark Rate Modification to the Noteholders of each Class, at least 40 calendar days prior to the date on which it is proposed that the Modification or Benchmark Rate Modification would take effect, in accordance with Condition 15 (*Notices*) and by publication on Bloomberg on the "Company Filings" screen relating to the Notes (such notice, the "**Modification Noteholder Notice**") confirming the following:

(A) the period during which Noteholders of the Most Senior Class of Notes on the date specified to be the Modification Record Date, which shall be five Business Days from the date of the Modification Noteholder Notice (the "**Modification Record Date**"), may object to the proposed Modification or Benchmark Rate Modification (which notice period shall commence at least 40 calendar days prior to the date on which it is proposed that the Modification or Benchmark Rate Modification would take effect and continue for a period not less than 30 calendar days) and the method by which they may object; and

(B) the sub-paragraph(s) of Condition 12(b)(ii)(1) to (10) under which the Modification is being proposed or the sub-paragraph(s) of Condition 12(b)(iii)(A) under which the Benchmark Rate Modification is being proposed; and

(C) in the case of a Benchmark Rate Modification, which Alternative Benchmark Rate is proposed to be adopted pursuant to Condition 12(b)(iii)(C), and, where Condition 12(b)(iii)(C)(dd) is being applied, the rationale for choosing the proposed Alternative Benchmark Rate; and

(D) in the case of a Benchmark Rate Modification, details of any consequential modifications that the Issuer has agreed will be made to any hedging agreement to which it is a party for the purpose of aligning any such hedging agreement with the proposed Benchmark Rate Modification, if the proposed Benchmark Rate Modification takes effect. The Issuer shall use reasonable endeavours to agree modifications to each hedging agreement where commercially appropriate so that the Transaction is hedged following the Benchmark Rate Modification to at least a similar extent as prior to the Benchmark Rate Modification and that such modifications shall take effect no later than 30 calendar days from the date on which the Benchmark Rate Modification takes effect. If (i) no modifications are proposed to be made to hedging agreements; and/or (ii) modifications will be made to hedging agreements but will not result in the Transaction being at least similarly hedged; and/or (iii) modifications to any hedging agreement would take effect

later than 30 calendar days from the date on which the Benchmark Rate Modification takes effect, the Issuer shall set out in the Modification Noteholder Notice the rationale for this; and

(E) in the case of a Benchmark Rate Modification, details of the adjustment which the Issuer proposes to make (if any) to the margin payable on each Class of Notes which are the subject of the Benchmark Rate Modification in order to, so far as reasonably and commercially practicable, preserve what would have been the expected Interest Rate applicable to each such Class of Notes had no such Benchmark Rate Modification been effected (the "**Note Rate Maintenance Adjustment**"), provided that

(aa) in the event that the Bank of England, the FCA or the PRA or any relevant committee or other body established, sponsored or approved by any of the foregoing, including the Working Group on Sterling Risk-Free Reference Rates, has published, endorsed, approved or recognised a rate maintenance adjustment mechanism which could be used in the context of a transition from the Applicable Benchmark Rate to the Alternative Benchmark Rate, then the Issuer shall propose that rate maintenance adjustment mechanism as the Note Rate Maintenance Adjustment, or otherwise the Issuer shall set out in the Modification Noteholder Notice the rationale for concluding that this is not a commercial and reasonable approach in relation to the Notes and the proposed Benchmark Rate Modification; or

(bb) in the event that it has become generally accepted market practice in the publicly listed asset backed floating rate notes, Eurobond or swaps market to use a particular rate maintenance adjustment mechanism in the context of a transition from the Applicable Benchmark Rate to the Alternative Benchmark Rate, then the Issuer shall propose that rate maintenance adjustment mechanism as the Note Rate Maintenance Adjustment, or otherwise the Issuer shall set out in the Modification Noteholder Notice the rationale for concluding that this is not a commercial and reasonable approach in relation to the Notes and the proposed Benchmark Rate Modification; or

(cc) in the event that neither (aa) nor (bb) above apply, the Issuer shall use reasonable endeavours to propose an alternative Note Rate Maintenance Adjustment as reasonably determined by the Issuer (or the Servicer on its behalf) and shall set out the rationale for the proposal or otherwise the Issuer shall set out in the Modification Noteholder Notice the rationale for concluding that this is not a commercial and

reasonable approach in relation to the Notes and the proposed Benchmark Rate Modification; and

(dd) if any Note Rate Maintenance Adjustment is proposed, the Note Rate Maintenance Adjustment applicable to each Class of Notes other than the Most Senior Class of Notes shall be at least equal to that applicable to the Most Senior Class of Notes. In circumstances where the Issuer proposes a lower Note Rate Maintenance Adjustment on any Class of Notes other than the Most Senior Class of Notes than that which is proposed for the Most Senior Class of Notes or another Class of Notes which ranks senior to the Class of Notes to which the lower Note Rate Maintenance Adjustment is proposed to be made, the Benchmark Rate Modification will not be made unless an Extraordinary Resolution is passed in favour of such modification in accordance with this Condition 12 by the Noteholders of each Class of Notes outstanding on the Modification Record Date to which the lower Note Rate Maintenance Adjustment is proposed to be made; and

(ee) for the avoidance of doubt, the Note Rate Maintenance Adjustment may effect an increase or a decrease to the margin or may be set at zero; and

(F) details of (i) other amendments which the Issuer proposes to make (if any) to these Conditions or any other Transaction Document and (ii) any new, supplemental or additional documents into which the Issuer proposes to enter to facilitate the changes envisaged pursuant to this Condition 12(b)(ii);

(3) Noteholders holding or representing at least 10% of the Outstanding Note Principal Amount of the Most Senior Class of Notes outstanding (or, if the Notes have been redeemed in full, Certificateholders holding at least 10% in number of the Residual Certificates in issue) on the Modification Record Date have not contacted the Issuer or the Note Trustee in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes or Residual Certificates may be held) within such notification period notifying the Issuer or the Note Trustee that such Noteholders (or Certificateholders, as the case may be) do not consent to the Modification or Benchmark Rate Modification.

If Noteholders representing at least 10% of the Outstanding Note Principal Amount of the Most Senior Class of Notes outstanding (or, if the Notes have been redeemed in full, Certificateholders holding at least 10% in number of the Residual Certificates then in issue) on the Modification Record Date have notified the Issuer or the Note Trustee in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes or Residual Certificates may

be held) within the notification period referred to above that they do not consent to the Modification or Benchmark Rate Modification, then such Modification or Benchmark Rate Modification will not be made unless an Extraordinary Resolution of the holders of the Most Senior Class of Notes outstanding on the Modification Record Date is passed in favour of such Modification or Benchmark Rate Modification in accordance with Schedule 4 (*Provisions for Meetings of the Noteholders and the Certificateholders*) to the Trust Deed, provided that (A) in circumstances where the Issuer proposes a lower Note Rate Maintenance Adjustment on any Class of Notes other than the Most Senior Class than that which is proposed for the Most Senior Class of Notes or another Class of Notes which ranks senior to the Class of Notes to which the lower Note Rate Maintenance Adjustment is proposed to be made, such Extraordinary Resolution shall be passed by the holders of the Most Senior Class of Notes then outstanding and by the holders of each Class of Notes then outstanding to which the lower Note Rate Maintenance Adjustment is proposed to be made, and (B) in other circumstances, such Extraordinary Resolution shall be passed by the holders of the Most Senior Class of Notes then outstanding.

Objections made in writing other than through the applicable clearing system must be accompanied by evidence to the Note Trustee's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes (or Certificateholder's holding of the Residual Certificates, as the case may be) on the Modification Record Date.

(v) Other than where specifically provided in Condition 12(b)(ii) or 12(b)(iii) or any Transaction Document:

(1) when implementing any Modification or Benchmark Rate Modification pursuant to Condition 12(b)(ii) or 12(b)(iii):

(A) (save, in respect of Modifications pursuant to Condition 12(b)(ii) only, to the extent the Note Trustee considers that the proposed Modification would constitute a Basic Terms Modification), the Note Trustee shall not consider the interests of the Noteholders, any other Secured Creditor or any other person and shall act and rely solely and without investigation or liability on any Modification Certificate or Benchmark Rate Modification Certificate (or other certificate or evidence provided to it by the Issuer (or the Servicer on its behalf) or the relevant Transaction Party, as the case may be, pursuant to Condition 12(b)(ii) or 12(b)(iii)) and shall not be liable to the Noteholders, any other Secured Creditor or any other person for so acting or relying, irrespective of whether any such Modification or Benchmark Rate Modification is or may be materially prejudicial to the interests of any such person; and

(B) neither the Interest Determination Agent, the Note Trustee nor the Security Trustee shall be obliged to agree to any Modification or Benchmark Rate Modification which, in its sole opinion, would have the effect of (i) exposing it to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing its obligations or duties, or decreasing its rights, powers, authorisations, discretions, indemnification or protections, in the Transaction Documents and/or these Conditions.

(vi) Any Modification or Benchmark Rate Modification shall be binding on all Noteholders and Certificateholders and shall be notified by the Issuer as soon as reasonably practicable to:

(1) so long as any of the Notes rated by the Rating Agencies remains outstanding, each Rating Agency; and

(2) the Secured Creditors; and

(3) the Noteholders in accordance with Condition 15 (*Notices*).

(vii) Following the making of a Benchmark Rate Modification, if it becomes generally accepted market practice in the publicly listed asset backed floating rate notes market to use a benchmark rate of interest which is different from the Alternative Benchmark Rate which had already been adopted by the Issuer in respect of the Notes pursuant to a Benchmark Rate Modification, the Issuer is entitled to propose a further Benchmark Rate Modification pursuant to Condition 12(b)(iii).

(viii) The Note Trustee may, and may direct the Security Trustee to, without the consent or sanction of the Noteholders, the Certificateholders or the other Secured Creditors and without prejudice to its rights in respect of any subsequent breach or Event of Default or Potential Event of Default, at any time and from time to time, but only if and insofar as in its opinion the interests of the Most Senior Class of Notes shall not be materially prejudiced thereby, waive or authorise any breach or proposed breach by the Issuer or any other person of any of the covenants or provisions contained in these Conditions, the Residual Certificate Conditions or any other Transaction Document or determine that any Event of Default or Potential Event of Default shall not be treated as such for the purposes of these Conditions.

(ix) Notwithstanding Condition 12(b)(i), the Issuer shall not request or agree to any amendment to the Transaction Documents without the prior written consent of the Swap Provider if the proposed amendment would affect the amount, timing or priority of any payments or deliveries due to be made by it or to the Swap Provider or adversely affect any of the Swap Provider's rights to consent to amendments to the Transaction Documents. Prior to the making of any such amendment, the Issuer shall (i) certify in writing to the Note Trustee that the consent of the Swap Provider has been obtained or (ii) certify in writing to the Note Trustee and the Swap Provider that the consent of the Swap Provider is not required for such

amendment. The Note Trustee shall be entitled to rely absolutely on such certifications without liability to any person for so doing and without enquiry.

(c) **Additional Modifications**

(i) Notwithstanding Condition 12(b) (Amendments and waiver) above, the Issuer may modify the terms of the Collection Account Declarations of Trust without the consent of the Note Trustee provided that such modification is made in accordance with the terms of the relevant Collection Account Declaration of Trust and does not adversely affect the rights or obligations of the Issuer thereunder (for the avoidance of doubt, and without limitation, a modification to a Collection Account Declaration of Trust will adversely affect the rights or obligations of the Issuer if it has the effect of reducing any amount held on trust for the Issuer or which the Issuer is entitled to receive under that Collection Account Declaration of Trust). Condition 12(b)(iv) above shall not apply to a modification made to a Collection Account Declaration of Trust in accordance with the terms of this Condition 12(c)(i).

(ii) In connection with any substitution of principal debtor referred to in Condition 5(b) (Redemption for taxation reasons), the Note Trustee may also agree, without the consent of the Noteholders or the other Secured Creditors, to a change in the laws governing these Conditions and/or any of the Transaction Documents, provided that such change would not, in the opinion of the Note Trustee, be materially prejudicial to the interests of the Noteholders.

(d) **Substitution and exchange**

(i) Subject to the more detailed provisions of the Trust Deed and subject to such amendment of the Trust Deed, the Deed of Charge and any other Transaction Documents and such other conditions as the Note 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, but without the consent of the Noteholders or any of the other Secured Creditors, the Note 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, the Notes and the Residual Certificates and replacement for it under the Deed of Charge and any other Transaction Documents, provided that the Rating Agencies confirm that such substitution will not adversely affect the then current rating of each Class of Rated Notes, or (ii) the exchange of the Notes and the Residual Certificates, in whole but not in part only, for other securities or instruments having substantially the same rights and benefits as the Notes and the Residual Certificates, provided that the then current rating of each Class of Rated Notes by the Rating Agencies is attributed to any such new securities or instruments. Such substitution or exchange will be subject to the relevant provisions of the Trust Deed and the other Transaction Documents and to such amendments of the Trust Deed and the other Transaction Documents as the Note 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, the Notes and the Residual Certificates and replacement for it under the Deed of Charge and any other Transaction Documents by a company or other entity

incorporated in some other jurisdiction (approved by the Note Trustee) if the Issuer becomes subject to any form of tax on its income or payments on the Notes. Any such substitution will be binding on the Noteholders.

(ii) The Note Trustee may, without the consent of the Noteholders or any of the other Secured Creditors, 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 Note 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 Note Trustee with an opinion of counsel satisfactory to the Note Trustee to the effect that the change of residency of the Issuer will not cause any withholding or deduction to be made on payments on the Notes or the Residual Certificates.

(e) **Entitlement of the Note Trustee**

Where, in connection with the exercise of its powers, trusts, authorities or discretions (including, without limitation those with respect to any proposed amendment, waiver, authorisation or substitution) in relation to these Conditions or any other Transaction Document, the Note Trustee is required to take into account the interests of the Noteholders as a Class it will have regard to general interests of such Class and, without prejudice to the generality of the foregoing, will not take into account the consequences of such exercise for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and the Note Trustee will not be entitled to require, nor will any Noteholders be entitled to claim, from the Issuer or any other person any indemnification or payment for any tax consequence of any exercise for individual Noteholders.

13. ***Indemnification of the Note Trustee and the Security Trustee***

The Trust Deed, the Deed of Charge and certain other of the Transaction Documents contain provisions for the indemnification of the Note Trustee and the Security Trustee and for their relief from responsibility including for the exercise of any rights under the Trust Deed and the other Transaction Documents (including, but without limitation, with respect to the Security), for the sufficiency and enforceability of the Trust Deed and the other Transaction Documents (which the Note Trustee has not investigated) and the validity, sufficiency and enforceability of the Deed of Charge and for taking proceedings to enforce payment unless, in each case, indemnified and/or secured and/or prefunded to its satisfaction. The Note Trustee and the Security Trustee and any of their affiliates are entitled to enter into business transactions with the Issuer, any subsidiary or other affiliate of the Issuer or any other party to the Transaction Documents or any obligor with respect to any of the Security or any of their subsidiary, holding or associated companies and to act as trustee or security trustee for the holders of any securities issued by any of them without, in any such case, accounting to the Noteholders for any profit resulting therefrom.

The Note Trustee and the Security Trustee are exempted from liability with respect to any loss or theft or reduction in value of the assets which are subject to the Security and from any obligation to insure or to cause the insuring of the assets which are subject to the Security.

The Trust Deed and the Deed of Charge provide that the Note Trustee or the Security Trustee will be obliged to take action on behalf of the Noteholders and the other Secured Creditors in certain circumstances, provided always that the Note Trustee and/or the Security Trustee (as the case may be) is indemnified and/or secured and/or prefunded to its satisfaction. Further, the Note Trustee will not be obliged to act on behalf of the Noteholders or any other Secured Creditors where it would not have the power to do so by virtue of any applicable law or where such action would be illegal in any 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 Note Trustee, the Registrar or the 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***

All notices to the Noteholders hereunder, and in particular the notifications mentioned in Condition 10 (*Events of Default*), shall be delivered to Euroclear and Clearstream, Luxembourg for communication by them to the Noteholders. Any such notice shall be deemed to have been given to all Noteholders on the date on which such notice was delivered to Euroclear and Clearstream, Luxembourg and (so long as the relevant Notes are admitted to trading and listed on the official list of Euronext Dublin) any notice shall also be published in accordance with the relevant guidelines of Euronext Dublin by a notification in writing to the Company Announcement Office of Euronext Dublin.

Any notice to the Noteholders will be validly given if transmitted individually to the address set out in the Register for such Noteholder. While any of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes are represented by a Global Note, such notice may be given to any Holder of a Class A Note, Class B Note, Class C Note, Class D Note, Class E Note, Class F Note and Class X Note through Clearstream, Luxembourg and/or Euroclear, as the case may be, in such manner as the Registrar and Clearstream, Luxembourg and/or Euroclear, as the case may be, may approve for this purpose.

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 the Notes 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.

CONDITIONS OF THE RESIDUAL CERTIFICATES

The following is the text of the terms and conditions which, subject to completion and amendment, will be applicable to any Residual Certificates represented by the Global Residual Certificate in global form and the Residual Certificates in definitive form issued in exchange for the Residual Certificate in global form and which will be endorsed on such residual certificates.

The 100,000 residual certificates (the "**Residual Certificates**") are constituted by a trust deed (the "**Trust Deed**") dated on or about 20 April 2023 (the "**Closing Date**") between Azure Finance No.3 plc (the "**Issuer**") and Citicorp Trustee Company Limited (the "**Note Trustee**", which expression includes all persons for the time being the trustee or trustees under the Trust Deed) as trustee for, *inter alios*, the Certificateholders (as defined in Residual Certificate Condition 1 (*Form and title*)).

The Residual Certificates are secured pursuant to and on the terms set out in a deed of charge (the "**Deed of Charge**") dated on or about the Closing Date between the Issuer and Citicorp Trustee Company Limited (in this capacity, the "**Security Trustee**", which expression includes its permitted successors and assignees) on 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 certain of the Transaction Documents (as defined below) which include an agency agreement (the "**Agency Agreement**") dated on or about the Closing Date between the Issuer, the Note Trustee, the Security Trustee, Citibank, N.A., London Branch as paying agent, whose specified office is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (in such capacity, the "**Paying Agent**", which expression includes its permitted successors and assignees), Citibank, N.A., London Branch as registrar, whose specified office is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (the "**Registrar**", which expression includes its permitted successors and assignees) and Citibank, N.A., London Branch as interest determination agent, whose specified office is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (the "**Interest Determination Agent**", which expression includes its permitted successors and assignees).

The security interests created under the Deed of Charge, and all further security interests created under such document (and any document entered into pursuant thereto, including the Scottish Supplemental Charge), are together referred to as the "**Security**".

The Trust Deed, the Deed of Charge (and any document entered into pursuant thereto, including the Scottish Supplemental Charge and the Issuer Power of Attorney), the corporate services agreement dated on or about the Closing Date between, *inter alios*, the Issuer, Azure Finance No.3 Holdings Limited ("**Holdings**") and CSC Capital Markets UK Limited as corporate services provider (the "**Corporate Services Provider**", which expression includes its permitted successors and assignees) (the "**Corporate Services Agreement**"), a 1992 ISDA master agreement, the schedule thereto, the credit support annex thereto (the "**Credit Support Annex**") and the interest rate swap confirmation thereunder each dated on or about the Closing Date between BNP Paribas as swap provider (the "**Swap Provider**", which expression includes its permitted successors and assignees) and the Issuer (together, the "**Swap Agreement**"), the Agency Agreement, the Receivables Sale and Purchase Agreement (as defined below) (and the power of attorney granted in favour of the Issuer pursuant to the Receivables Sale and Purchase Agreement), the Servicing Agreement (as defined below), the bank account agreement dated on or about the Closing Date between the Issuer, the Security Trustee and Citibank, N.A., London

Branch as account bank (the "**Account Bank**", which expression includes its permitted successors and assignees) (the "**Bank Account Agreement**"), the cash management agreement dated on or about the Closing Date between, *inter alios*, the Issuer and Citibank, N.A., London Branch, as cash manager, whose specified office is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (the "**Cash Manager**") (the "**Cash Management Agreement**"), the standby servicer agreement dated on or about the Closing Date between, *inter alios*, the Issuer, the Standby Servicer and the Servicer (the "**Standby Servicer Agreement**"), the declaration of trust dated on or about the Closing Date granted by the Seller in favour of the Issuer in respect of the Vehicles relating to the Purchased Receivables and any Vehicle Sale Proceeds relative thereto (the "**Vehicle Declaration of Trust**") and the master definitions schedule dated on or about the Closing Date between, *inter alios*, the Issuer, the Seller, the Note Trustee and the Security Trustee (the "**Master Definitions Schedule**") are, together with the Netting Letter, the Global Notes, the Global Residual Certificate, the Collection Account Declarations of Trust, the Issuer ICSDs Agreement, the Conditions and these Residual Certificate 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 accordance with its provisions 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 "**Residual Certificate Conditions**") are subject to the detailed provisions 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 Paying Agent. The holders of the Residual Certificates are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions contained in the Trust Deed and the Deed of Charge and those applicable to them in the Agency Agreement and the other Transaction Documents.

References to "**Residual Certificate Conditions**" are, unless the context otherwise requires, to the numbered paragraphs of these Residual Certificate Conditions. Words and expressions used in these Residual Certificate Conditions without definitions have the meanings given to them in the Master Definitions Schedule.

The issue of the Notes and the Residual Certificates was authorised by a resolution of the board of directors of the Issuer passed on 21 March 2023.

1. Form and title

(a) The Residual Certificates are issued in registered global form;

(b) The Residual Certificates are offered and sold outside the United States to non-U.S. persons in reliance on Regulation S and will be represented by beneficial interests in the Global Residual Certificate;

(c) 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 Certificateholders and the particulars of such Residual Certificates held by them and all transfers, advances, payments cancellations and replacements of such Residual Certificates. In these Residual Certificate Conditions, "**Residual Certificates**" means, with respect to any

Residual Certificate, the Global Residual Certificate or a Definitive Residual Certificate, as the case may be and "**Certificateholder**" means the holder of a Residual Certificate;

(d) Except as ordered by a court of competent jurisdiction or as required by law, the Issuer, the Note Trustee, the Security Trustee, the Registrar and the Paying Agent (notwithstanding any notice to the contrary and whether or not it is overdue and notwithstanding any notation of ownership or writing on any Residual Certificate or notice of any previous loss or theft of any Residual Certificate) may (i) for the purpose of making payment on or on account of any Residual Certificate deem and treat the person (or, in the case of a joint holding, the first named person) in whose name any Global Residual Certificate or Definitive Residual Certificate is registered at that time in the Register (which will be conclusive evidence of such holding in the absence of manifest error) as the absolute owner of such Residual Certificate and all rights under such Residual Certificate 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 any Global Residual Certificate or Definitive Residual Certificate and (ii) for all other purposes deem and treat the person in whose name any Global Residual Certificate or Definitive Residual Certificate is registered at the relevant time in the Register as the absolute owner of and of all rights under such Residual Certificate 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 any Global Residual Certificate or Definitive Residual Certificate. Notwithstanding the above, so long as any of the Residual Certificates are represented by the Global Residual Certificate, the term "**Certificateholders**" will include the persons then set out in the records of Euroclear and/or Clearstream, Luxembourg, as the holders of a particular number of Residual Certificates for all purposes other than in respect of payments on the Residual Certificates, the right to which will be vested as against the Issuer solely in the holder of the Global Residual Certificate in accordance with and subject to its terms;

(e) A Residual Certificate is not transferable except in accordance with the restrictions described in these Residual Certificate Conditions and in the Trust Deed and the Agency Agreement. Any 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 Note Trustee or any intermediary. Each transferor of a Residual Certificate agrees to provide notice of the transfer restrictions set out in these Residual Certificate Conditions and in the Trust Deed and the Agency Agreement to the transferee;

(f) No transfer of Residual Certificates will be valid unless entered on the Register and no transfer of Residual Certificates will be registered for a period of two Business Days immediately preceding each Interest Payment Date; and

(g) Residual Certificates which are represented by the Global Residual Certificate will be transferable only in accordance with the rules and procedure for the time being of Clearstream, Luxembourg and Euroclear, as the case may be.

2. Status and Security

(a) Status

The Residual Certificates constitute secured, limited recourse obligations of the Issuer, ranking *pro rata* and *pari passu* without any preference among themselves. Residual Certificate Payments will be made subject to and in accordance with the Pre-Acceleration Priority of Payments or the Post-Acceleration Priority of Payments, as applicable.

(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 Creditors.

(c) Application of proceeds

The Issuer will use the aggregate proceeds of the issue of the Notes to finance the purchase from Blue (the "**Seller**") of a portfolio of Receivables and their Ancillary Rights pursuant to an agreement dated on or about the Closing Date between the Seller, the Issuer, the Security Trustee and the Note Trustee (the "**Receivables Sale and Purchase Agreement**"). The Seller will continue to administer and collect the Purchased Receivables as agent for the Issuer in its capacity as servicer (the "**Servicer**", which expression includes its permitted successors and assignees) under a Servicing Agreement dated on or about the Closing Date between the Servicer, the Issuer, the Note Trustee and the Security Trustee (the "**Servicing Agreement**").

(d) Pre-Acceleration Revenue Priority of Payments

On each Interest Payment Date falling prior to the service of a Note Acceleration Notice on the Issuer by the Note Trustee, the Issuer will distribute the Available Revenue Receipts on each Interest Payment Date in accordance with the following Pre-Acceleration Revenue Priority of Payments (in each case only if and to the extent that payments or provisions of higher priority have been paid in full):

(a) first, for the Issuer to retain as profit the Issuer Profit Amount on the Issuer Profit Ledger from which the Issuer will discharge its corporate income or corporation tax liability (if any);

(b) then, *pro rata* and *pari passu*, to pay all amounts due under the Transaction Documents to the Security Trustee, any Receiver and to the Note Trustee on account of their fees and expenses (including any legal fees and expenses), claims, costs, liabilities or any indemnity payments together with any amount in respect of VAT (if any) on those amounts as provided for under the Transaction Documents;

(c) then, to pay in the following order of priority:

(i) *pro rata* and *pari passu*, the Senior Expenses then due or overdue and payable by the Issuer (excluding any amounts paid under item (b) above);

(ii) any amount due from the Issuer to the Securitisation Repository, to the Rating Agencies as surveillance or monitoring fees or to the Irish Listing Agent or Euronext Dublin as fees and expenses in connection with the maintenance of the listing of the Notes, together with any amount in respect of VAT (if any) on those amounts as provided for under the Transaction Documents;

(iii) any fees, costs, taxes, expenses, indemnity payments and other amounts properly due and payable to the directors of the Issuer (properly incurred with respect to their duties), legal advisers, tax advisers or auditors of the Issuer, and any other amounts due and payable by the Issuer to third parties in connection with the Issuer's ownership of the Purchased Receivables, the Notes, the Residual Certificates, the establishment, liquidation and/or dissolution of the Issuer, or any annual return, filing, registration and registered office or other company, licence or statutory fees in England (excluding any amounts expressly payable as Senior Expenses); and

(iv) any amounts due and payable by the Issuer to the Swap Provider under the Swap Agreement (save for amounts due and payable by the Issuer to the Swap Provider which are (i) otherwise discharged by the Issuer on such Interest Payment Date, (ii) expressed to be payable to the Swap Provider without regard to the Priority of Payments (iii) Swap Provider Subordinated Amounts, or (iv) Swap Excluded Amounts);

(d) then, *pro rata* and *pari passu*, to pay Servicing Expenses then due or overdue and payable by the Issuer;

(e) then, *pro rata* and *pari passu*, to pay the Class A Noteholders any due and payable Class A Interest Amount on the Class A Notes and any Class A Interest Shortfall;

(f) then, an amount sufficient to eliminate any debit on the Principal Deficiency Sub-ledger (Class A) (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (f));

(g) then, *pro rata* and *pari passu*, to pay the Class B Noteholders any due and payable Class B Interest Amount on the Class B Notes and any Class B Interest Shortfall;

(h) then, to the Senior Reserve Fund in an amount up to the amount required to make the balance of the Senior Reserve Fund equal to the Senior Reserve Fund Required Amount (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (h));

(i) then, an amount sufficient to eliminate any debit on the Principal Deficiency Sub-ledger (Class B) (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (i)) shall be credited to the Principal Deficiency Sub-ledger (Class B);

(j) then, *pro rata* and *pari passu*, to pay the Class C Noteholders any due and payable Class C Interest Amount on the Class C Notes and any Class C Interest Shortfall;

(k) then, an amount sufficient to eliminate any debit on the Principal Deficiency Sub-ledger (Class C) (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (k)) shall be credited to the Principal Deficiency Sub-ledger (Class C);

(l) then, *pro rata* and *pari passu*, to pay the Class D Noteholders any due and payable Class D Interest Amount on the Class D Notes and any Class D Interest Shortfall;

(m) then, an amount sufficient to eliminate any debit on the Principal Deficiency Sub-ledger (Class D) (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (m)) shall be credited to the Principal Deficiency Sub-ledger (Class D);

(n) then, *pro rata* and *pari passu*, to pay the Class E Noteholders any due and payable Class E Interest Amount on the Class E Notes and any Class E Interest Shortfall;

(o) then, an amount sufficient to eliminate any debit on the Principal Deficiency Sub-ledger (Class E) (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (o)) shall be credited to the Principal Deficiency Sub-ledger (Class E);

(p) then, *pro rata* and *pari passu*, to pay the Class F Noteholders any due and payable Class F Interest Amount on the Class F Notes and any Class F Interest Shortfall;

(q) then, an amount sufficient to eliminate any debit on the Principal Deficiency Sub-ledger (Class F) (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (q)) shall be credited to the Principal Deficiency Sub-ledger (Class F);

(r) then, to the Junior Reserve Fund in an amount up to the amount required to make the balance of the Junior Reserve Fund equal to the Junior Reserve Fund Required Amount (or, if there are insufficient amounts available to do so, all amounts remaining for application under this item (r));

(s) then, *pro rata* and *pari passu*, to pay the Class X Noteholders any due and payable Class X Interest Amount on the Class X Notes and any Class X Interest Shortfall;

(t) then, *pro rata* and *pari passu*, to pay the Class X Noteholders, in accordance with the respective amounts thereof, principal on the Class X Notes until the Class X Notes are redeemed in full;

(u) then, in or towards payment of any Swap Provider Subordinated Amounts, if any, due and payable to the Swap Provider in respect of the Swap Agreement;

(v) then, to pay any indemnity payments to any party under the Transaction Documents not otherwise payable above; and

(w) then, *pro rata* and *pari passu*, to pay all remaining amounts to the Certificateholders as the Residual Certificate Payments.

On each Interest Payment Date falling prior to the earliest of (i) the service of a Note Acceleration Notice on the Issuer by the Note Trustee, (ii) the Interest Payment Date on which the Clean-Up Call is exercised, (iii) the date on which the Collateralised Notes are redeemed in full and (iv) the Legal Maturity Date, if the Cash Manager determines that:

(i) there will be a Senior Expenses Shortfall and/or a Senior Reserve Revenue Receipts Shortfall following the application of the Available Revenue Receipts (other than any Senior Reserve Fund Release Amount, Junior Reserve Fund Release Amount, Senior Reserve Fund Excess Amount, Junior Reserve Fund Excess Amount or Principal Addition Amount that form part of such Available Revenue Receipts) on such Interest Payment Date the Issuer shall apply the Senior Reserve Fund Release Amount (as described in paragraph (g) of the definition of "*Available Revenue Receipts*") to pay any amounts remaining due and payable under items (a) to (e) (inclusive) and (g) above in each case only if and to the extent that payments or provisions of higher priority have been paid in full; or

(ii) there will be a Senior Expenses Shortfall and/or a Junior Reserve Revenue Receipts Shortfall following the application of the Available Revenue Receipts (other than any Senior Reserve Fund Release Amount, Junior Reserve Fund Release Amount, Senior Reserve Fund Excess Amount, Junior Reserve Fund Excess Amount or Principal Addition Amount that form part of such Available Revenue Receipts) on such Interest Payment Date the Issuer shall apply the Junior Reserve Fund Release Amount to pay any amounts remaining due and payable under items (a) to (d) (inclusive) and (j), (l), (n) and (p) above in each case only if and to the extent that payments or provisions of higher priority have been paid in full.

(e) **Enforcement of the Security**

Following the occurrence of an Event of Default and the service of a Note Acceleration Notice in accordance with Residual Certificate Condition 8 (*Events of Default*) below the Security will become enforceable and the Note Trustee may at its discretion direct the Security Trustee to take action to enforce the Security, and, following redemption of the Notes in full, will direct the Security Trustee to take such action to enforce the Security if so directed by the holders of at least 25% in number of the Residual Certificates then in

issue or if so directed by an Extraordinary Resolution of the Certificateholders, subject in each case to the Note Trustee having been indemnified and/or secured and/or pre-funded to its satisfaction.

The Note Trustee may at any time, at its discretion (and, following redemption of the Notes in full, will do so if it has been so directed by the holders of at least 25% in number of the Residual Certificates then in issue or if so directed by an Extraordinary Resolution of the Certificateholders), subject in each case to the Note Trustee having been indemnified and/or secured and/or pre-funded 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 with respect to the Issuer or any other person to enforce its obligations under the Trust Deed, the Transaction Documents or these Residual Certificate Conditions and/or take any other proceedings (including lodging an appeal in any proceedings) with respect to or concerning the Issuer; and/or

(ii) exercise any of its rights under or in connection with the Trust Deed or any other Transaction Document; and/or

(iii) give any directions to the Security Trustee under or in connection with any Transaction Document.

To the extent that the Note Trustee acts in accordance with such directions of the Certificateholders, as described above, it will have no obligation to take the interests of any other party into account or to follow any direction given by any other party.

(f) **Post-Acceleration Priority of Payments**

The Deed of Charge sets out the priority of distribution by the Security Trustee, following the service of a Note Acceleration Notice on the Issuer (known as the "**Post-Acceleration Priority of Payments**"), of amounts received or recovered by the Security Trustee (or a receiver appointed on its behalf).

The Security Trustee will apply amounts (other than amounts representing any Excess Swap Collateral and Swap Tax Credits which shall be returned directly to the Swap Provider (and, for the avoidance of doubt, such payment shall be without regard to the relevant Priority of Payments)) received or recovered following the service of a Note Acceleration Notice on the Issuer in the following order of priority (in each case only if and to the extent that payments or provisions of higher priority have been paid in full):

(a) first, for the Issuer to retain as profit the Issuer Profit Amount from which the Issuer will discharge its corporate income or corporation tax liability;

(b) then, *pro rata* and *pari passu*, to pay all amounts due under the Transaction Documents to the Security Trustee, any Receiver and to the Note Trustee on account of their fees and expenses (including any legal fees and expenses), claims, costs, liabilities or any indemnity payments together with any amount in

respect of VAT (if any) on those amounts as provided for under the Transaction Documents;

(c) then, to pay in the following order of priority:

(i) *pro rata* and *pari passu*, the Senior Expenses then due or overdue and payable by the Issuer (excluding any amounts paid under item (b) above);

(ii) any amount due from the Issuer to the Securitisation Repository, to the Rating Agencies as surveillance or monitoring fees or to the Irish Listing Agent or Euronext Dublin as fees and expenses in connection with the maintenance of the listing of the Notes, together with any amount in respect of VAT (if any) on those amounts as provided for under the Transaction Documents;

(iii) any fees, costs, taxes, expenses, indemnity payments and other amounts properly due and payable to the directors of the Issuer (properly incurred with respect to their duties), legal advisers, tax advisers or auditors of the Issuer, and any other amounts due and payable by the Issuer to third parties in connection with the Issuer's ownership of the Purchased Receivables, the Notes, the Residual Certificates, the establishment, liquidation and/or dissolution of the Issuer, or any annual return, filing, registration and registered office or other company, licence or statutory fees in England (excluding any amounts expressly payable as Senior Expenses); and

(iv) any amounts due and payable by the Issuer to the Swap Provider under of the Swap Agreement (save for amounts due and payable by the Issuer to the Swap Provider which are (i) otherwise discharged by the Issuer on such Interest Payment Date, (ii) expressed to be payable to the Swap Provider without regard to the Priority of Payments (iii) Swap Provider Subordinated Amounts, or (iv) Swap Excluded Amounts);

(d) then, to pay the Servicing Expenses then due or overdue and payable by the Issuer;

(e) then, *pro rata* and *pari passu*, to pay the Class A Noteholders amounts in respect of interest and principal due and payable on the Class A Notes until the Class A Notes are redeemed in full;

(f) then, *pro rata* and *pari passu*, to pay the Class B Noteholders amounts in respect of interest and principal due and payable on the Class B Notes until the Class B Notes are redeemed in full;

(g) then, *pro rata* and *pari passu*, to pay the Class C Noteholders amounts in respect of interest and principal due and payable on the Class C Notes until the Class C Notes are redeemed in full;

(h) then, *pro rata* and *pari passu*, to pay the Class D Noteholders amounts in respect of interest and principal due and payable on the Class D Notes until the Class D Notes are redeemed in full;

(i) then, *pro rata* and *pari passu*, to pay the Class E Noteholders amounts in respect of interest and principal due and payable on the Class E Notes until the Class E Notes are redeemed in full;

(j) then, *pro rata* and *pari passu*, to pay the Class F Noteholders amounts in respect of interest and principal due and payable on the Class F Notes until the Class F Notes are redeemed in full;

(k) then, *pro rata* and *pari passu*, to pay the Class X Noteholders amounts in respect of interest and principal due and payable on the Class X Notes until the Class X Notes are redeemed in full;

(l) then, in or towards payment of any Swap Provider Subordinated Amounts, if any, due and payable to the Swap Provider in respect of the Swap Agreement;

(m) then, to pay any corporate income or corporation tax liability not otherwise able to be paid from the Issuer Profit Ledger; and

(n) then, *pro rata* and *pari passu*, to pay all remaining amounts to the Certificateholders as the Residual Certificate Payments.

(g) **Shortfall after application of proceeds**

If the net proceeds of the Security being enforced and liquidated in accordance with the Deed of Charge are not sufficient, after payment of all other claims ranking in priority to the Residual Certificates, to cover all payments due on the Residual Certificates, the obligations of the Issuer under the Residual Certificates will be limited to such net proceeds and such net proceeds will be applied in accordance with the Deed of Charge and no other assets of the Issuer will be available for any further payments on the Residual Certificates. 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 Post-Acceleration Priority of Payments will be extinguished.

(h) **Relationship between the Notes and the Residual Certificates**

(i) The Residual Certificates are subordinate to all payments due in respect of the Notes.

(ii) The Trust Deed contains provisions requiring the Note Trustee to take into account the interests of the Certificateholders equally as regards all powers, trusts, authorities, duties and discretions of the Note Trustee (except where expressly provided otherwise), but requiring the Note Trustee, in any such case, for so long as any Notes remain outstanding, to take into account only the interests of the Noteholders (or the relevant Class thereof) if, in the opinion of the

Note Trustee, there is a conflict between the interests of the Noteholders (or any Class thereof) and the interests of the Certificateholders.

(iii) For so long as any Notes remain outstanding, none of the Certificateholders may request or direct the Note Trustee or the Issuer to take any action or pass any effective Extraordinary Resolution or Ordinary Resolution if the effect of the same would, in the sole opinion of the Note Trustee, be materially prejudicial to the interests of the Noteholders (or any Class thereof), and neither the Note Trustee nor the Issuer will be responsible to the Certificateholders for disregarding any such request, direction or resolution.

(i) **Assumption of no material prejudice**

The Note Trustee will be entitled to assume, for the purposes of exercising any right, power, duty or discretion under or with respect to these Residual Certificate Conditions, the Conditions, the Trust Deed, the Deed of Charge or any of the other Transaction Documents or for the purposes of Residual Certificate Condition 2(h) (*Relationship between the Notes and the Residual Certificates*), that to do so will not be materially prejudicial to the interests of the Certificateholders (i) if it has obtained the consent of the Certificateholders or (ii) with respect to a non-economic or non-financial matter, if the Note Trustee obtains an opinion of counsel to such effect.

(j) **Funding of Junior Reserve from Senior Reserve**

On the Interest Payment Date on which the Class B Notes are redeemed in full, the Issuer shall debit the Senior Reserve Fund – Junior Reserve Fund Funding Amount. from the Senior Reserve and credit such amount to the Junior Reserve.

3. Covenants

3.1 So long as any of the Residual Certificates remains outstanding, the Issuer shall:

(a) comply with and perform all its obligations under the Transaction Documents and use all reasonable endeavours to procure that each other party to any of the Transaction Documents complies with and performs all their respective obligations thereunder;

(b) at all times use all reasonable endeavours to procure that a Servicer is appointed in accordance with the terms of the Servicing Agreement and that a Cash Manager is appointed in accordance with the terms of the Cash Management Agreement;

(c) at all times use its best endeavours to procure that hedging arrangements on terms substantially similar to those in the Swap Agreement are maintained by it;

(d) at all times ensure that its central management and control is exercised in the United Kingdom; and

(e) not become part of any group of companies for VAT purposes.

3.2 So long as any of the Residual Certificates remains outstanding, the Issuer will not without the prior consent of the Note Trustee, unless otherwise provided by these Residual Certificate Conditions or the Transaction Documents:

(a) carry on any business other than performing its functions and duties and discharging its obligations and liabilities set out in the Transaction Documents and with respect to that business will not engage in any activity whatsoever which is not incidental to or necessary in connection with any of the activities in which the Transaction Documents provide or do anything except:

(i) finance, acquire, hold and dispose of the Purchased Receivables;

(ii) issue, enter into, amend, exchange, repurchase or cancel the Notes and/or the Residual Certificates;

(iii) enter into, amend, consent to any variation of, or release any party from any obligation under, any of the Notes, the Residual Certificates the Transaction Documents and agreements relating or incidental to the issue and constitution of, and the granting of security for, the Notes and the Residual Certificates;

(iv) own and exercise its rights with respect to the Purchased Receivable and its interests in the Purchased Receivable and perform its obligations with respect to the Security and the Transaction Documents;

(v) preserve and/or exercise and/or enforce any of its rights and perform and observe its obligations under the Notes, the Residual Certificates, the Transaction Documents and agreements relating or incidental to the issue and constitution of, and the granting of security for, the Notes and the Residual Certificates;

(vi) use any of its property or assets in the manner provided in or contemplated by the Transaction Documents; and

(vii) perform any other act incidental to or necessary in connection with the above;

(b) have any employees or own any premises;

(c) incur any financial indebtedness with respect to borrowed money or give any guarantee or indemnity in respect of any financial indebtedness or of any other obligation of any person or enter into any hedging or derivative contract except under the Notes and the Residual Certificates or pursuant to the Transaction Documents;

(d) create or permit any mortgage, charge, pledge, lien or encumbrance or other security interest over, any of, its assets or undertaking (other than, for the avoidance of doubt, any security created pursuant to the Deed of Charge or the Scottish Supplemental Charge or as otherwise expressly contemplated by the Transaction Documents);

(e) permit the validity or effectiveness of or the priority of the Security created by the Deed of Charge or the priority of any security interests created or evidenced thereby to be amended, varied, terminated, postponed or discharged, or permit any person or any party

to any of the Transaction Documents to which it is a party whose obligations form part of the Security to be released from such obligations;

(f) transfer, sell, lend, use, invest, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire any of its assets or undertakings or any interest, estate, right, title or benefit therein;

(g) pay any dividend or make any other distribution to its shareholders or issue any further shares other than payment of dividends in any accounting period which do not exceed the aggregate amount left to the Issuer after Tax (if any) is charged on the Issuer Profit Amount;

(h) commingle its property or assets with the property or assets of any other person;

(i) consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any person;

(j) have any subsidiaries or subsidiary undertakings (each as defined in the Companies Act 2006);

(k) have an "establishment" (as defined in the UK Insolvency Regulation, EU Insolvency Regulation and the UNCITRAL Implementing Regulations) or take any action that will cause its "centre of main interests" (for the purposes of the UK Insolvency Regulation, EU Insolvency Regulation and the UNCITRAL Implementing Regulations) to be located in any jurisdiction other than the United Kingdom or register as a company in any jurisdiction other than England;

(l) issue any shares in the Issuer (other than such shares as are in issue as at the Closing Date);

(m) permit any of the Transaction Documents to which it is a party to become invalid or ineffective or exercise any right to terminate any of the Transaction Documents to which it is a party;

(n) have an interest in any bank account other than the Issuer Accounts and (under the Collection Account Declarations of Trust) the Collection Accounts or open any 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 Creditors;

(o) agree to any modification of, or grant any consent, approval, authorisation or waiver pursuant to, or in connection with, any of the Transaction Documents to which it is a party;

(p) permit any person or any party to any of the Transaction Documents to which it is a party to be released from its obligations;

(q) prejudice its eligibility for its corporation tax liability to be calculated in accordance with regulation 14 of the TSC Regulations;

(r) acquire obligations or securities of its officers or shareholders; and

(s) amend its articles of association or any of its other constitutional documents.

3.3 In giving its consent to the foregoing, the Note 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 Certificateholders, in accordance with Residual Certificate Condition 10 (*Meetings of Certificateholders and Noteholders, amendments, waiver, substitution and exchange*) below.

4. Residual Certificate Payments

(a) **Right to Residual Certificate Payments**

Each Residual Certificate represents a pro rata entitlement to receive Residual Certificate Payments.

(b) **Payment**

A Residual Certificate Payment may be payable in respect of the Residual Certificates on each Interest Payment Date and each date on which amounts are to be applied in accordance with the Post-Acceleration Priority of Payments.

(c) **Determination and publication of Residual Certificate Payment and Residual Certificate Payment Amount**

With respect to each Interest Payment Date, on the Calculation Date preceding such Interest Payment Date, the Cash Manager shall determine the Residual Certificate Payment payable on such Interest Payment Date and the Residual Certificate Payment Amount payable in respect of each Residual Certificate on such Interest Payment Date and shall notify the Issuer, the Corporate Services Provider, the Swap Provider, the Registrar, the Paying Agent, the Note Trustee and, on behalf of the Issuer, by means of notification in accordance with Residual Certificate Condition 13 (*Notices*), the Certificateholders of the Residual Certificate Payment and the Residual Certificate Payment Amount.

All calculations made by the Cash Manager will (in the absence of manifest or proven error) be conclusive for all purposes and binding on the Note Trustee, the Certificateholders and all other parties.

(d) **Termination of Payments**

Following application of all Available Revenue Receipts and Available Principal Receipts pursuant to the applicable Priority of Payments on the Interest Payment Date on which the Clean-Up Call is exercised, no Certificateholder shall be entitled to receive any further Residual Certificate Payments.

Following the redemption in full of the Notes (including in accordance with Condition 5(b) (*Redemption for taxation reasons*) and Condition 5(d) (*Clean-Up Call*)) the

realisation of the Charged Property and payment of the proceeds of realisation in accordance with the applicable Priority of Payments, no more Residual Certificate Payments will be made by the Issuer and the Residual Certificates shall be cancelled.

5. Payments

(a) **Method of payment**

Except as provided below, payments on the Residual Certificates will be made by transfer to a Sterling account maintained by the payee with a bank as specified by the payee and notified to the Paying Agent at least two Business Days prior to the due date for the relevant payment.

(b) **Payments subject to applicable laws, etc.**

All payments are subject in all cases to:

(i) any applicable fiscal or other laws, regulations and directives; and

(ii) FATCA,

but without prejudice to the provisions of Residual Certificate Condition 6 (*Taxation*). No commission or expenses will be charged to the Certificateholders with respect to such payments.

(c) **Payments on Global Residual Certificate**

Payments made on Residual Certificates represented by the Global Residual Certificate will (subject as provided below) be made in the manner specified above with respect to Definitive Residual Certificates and otherwise in the manner specified in the Global Residual Certificate through Clearstream, Luxembourg and/or Euroclear. A record of payment made for the Global Residual Certificate 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 provisions applicable to payments**

The holder of the Global Residual Certificate will be the only person entitled to receive payments on Residual Certificates represented by such Global Residual Certificate and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Residual Certificate with respect to each amount so paid. Each of the persons shown in the records of Clearstream, Luxembourg or Euroclear as the beneficial holder of Residual Certificates represented by such Global Residual Certificate must look solely to Clearstream, Luxembourg or Euroclear, as the case may be, for its share of each payment so made by the Issuer to, or to the order of, the holder of such Global Residual Certificate.

(e) **Appointment of Agents**

The Paying Agent, the Registrar, the Interest Determination Agent and the Cash Manager initially appointed by the Issuer and their respective specified offices are listed at the beginning of these Residual Certificate Conditions. The Paying Agent, the Registrar, the Interest Determination Agent and the Cash Manager act solely as agents of the Issuer (unless an Event of Default has, when such agents may be required to act as agents of the Note Trustee) and do not assume any obligation or relationship of agency or trust for or with any Certificateholders. The Issuer reserves the right at any time (in accordance with the Agency Agreement or the Cash Management Agreement, as applicable) to vary or terminate the appointment of the Paying Agent, the Registrar, the Interest Determination Agent or the Cash Manager and to appoint other Paying Agents, Registrars, Interest Determination Agents or Cash Managers, provided that the Issuer will at all times maintain (i) a Cash Manager, (ii) a Registrar, (iii) an Interest Determination Agent and (iv) a Paying Agent.

Notice of any such change or any change of any specified office will promptly be given to the Certificateholders in accordance with Residual Certificate Condition 13 (*Notices*).

(f) **Non-business days**

If any date for payment on any Residual Certificate is not a Business Day, the Certificateholder shall not be entitled to payment until the next day which is a Business Day notwithstanding that the Certificateholder shall not be paid any interest or other sum with respect to such postponed payment.

(g) **Limited recourse**

(i) No amounts will be payable by the Issuer except in accordance with the Priorities of Payments (excluding any Permitted Exceptions and Permitted Revenue Withdrawals) and any payment obligations of the Issuer under the Residual Certificates may only be satisfied from the amounts received by it under or in connection with the Transaction Documents.

(ii) If the Security constituted by or pursuant to the Deed of Charge is enforced, and, after payment of all other claims (if any) ranking in priority to or *pari passu* with the claims of any of the Secured Creditors under the Deed of Charge, the remaining proceeds of such enforcement are insufficient to pay in full all amounts due to such Secured Creditors and all other claims ranking *pari passu* to the claims of such Secured Creditors, then the claims of each such Secured Creditor and person with any *pari passu* or junior-ranking claim against the Issuer will be limited to their respective shares (if any) of such remaining proceeds (as determined in accordance with the provisions of the Deed of Charge) and, after payment to each such person of its respective share of such remaining proceeds (if any), the obligations of the Issuer to each such person will be extinguished in full.

(iii) The provisions of this Residual Certificate Condition 5(g) will survive the termination of these Residual Certificate Conditions. In the case of discrepancy

between this Residual Certificate Condition 5(g) and any other provision, the provisions of this Residual Certificate Condition 5(g) will prevail.

6. Taxation

All payments on the Residual Certificates will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of any nature by the Issuer or the Paying Agent unless required by law (or pursuant to FATCA), in which case the Issuer or the 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 the Paying Agent will be obliged to make any additional payments to Certificateholders for such withholding or deduction.

7. Prescription

The Residual Certificates will become void unless claims for payment are made within 10 years of the Legal Maturity Date with respect to such Residual Certificates. After the date on which a Residual Certificate becomes void, no claim may be made with respect to such Residual Certificate.

8. Events of Default

If any of the following events (each an "**Event of Default**") occurs, the Note Trustee at its absolute discretion may, and, provided all of the Notes have been redeemed in full, if so directed by the holders of at least 25% in number of the Residual Certificates then in issue or if so directed by an Extraordinary Resolution of the Certificateholders (subject, in each case, to the Note Trustee being indemnified and/or secured and/or prefunded to its satisfaction), shall, deliver a Note Acceleration Notice to the Issuer, the Security Trustee, the Account Bank, the Cash Manager and the Paying Agent declaring that any Residual Certificate Payments pursuant to the Residual Certificates are immediately due and payable and each such Residual Certificate Payment will accordingly become immediately due and payable, without further action or formality:

(a) a default occurs in the payment of any amount due in respect of the Residual Certificates (and such default is not remedied within 14 Business Days of its occurrence);

(b) the Issuer fails to perform or observe any of its other material obligations under these Residual Certificate Conditions or the Transaction Documents and such failure continues for a period of 30 calendar days following written notice from the Note Trustee or any other Secured Creditors;

(c) an Insolvency Event occurs in respect of the Issuer; or

(d) the Deed of Charge (or any security interest purported to be created thereunder) shall, for any reason, cease to be in full force and effect or be declared to be null and void, or the validity or enforceability thereof shall be contested by the Issuer or the Issuer shall deny that it has any or further liability or obligation under the Deed of Charge (or with respect thereto).

Upon any Note Acceleration Notice being delivered by the Note Trustee in accordance with the terms of this Residual Certificate Condition 8, notice to that effect will be given by the Note Trustee to all Certificateholders in accordance with Residual Certificate Condition 13 (*Notices*).

9. Enforcement and non-petition

Only the Note 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 Creditors. No other Secured Creditor is entitled to proceed against the Issuer. Neither the Note Trustee nor any Secured Creditor 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 thereof distributed in accordance with Residual Certificate Condition 2 (*Status and Security*), and any such liability will be extinguished. None of the Note Trustee, the Security Trustee or any other Secured Creditor will be entitled, until the expiry of one year and one day after the Final Redemption Date, 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 Note Trustee and the Security Trustee, as the case may be, in accordance with this Residual Certificate Condition 9, will, except as otherwise directed in writing by the holders of at least 25% in aggregate of Outstanding Note Principal Amount of the Most Senior Class of Notes (in relation to enforcement action only) or directed by the Most Senior Class of Notes acting 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 Note Trustee, have absolute and uncontrolled discretion as to the exercise and non-exercise of all rights, powers, authorities or discretions conferred upon them by or under the Trust Deed, the Deed of Charge or any Transaction Document to which they are a party or conferred upon them by operation of law.

The provisions of this Residual Certificate Condition 9 will survive the termination of these Residual Certificate Conditions. In the case of discrepancy between this Residual Certificate Condition 9 and any other provision, the provisions of this Residual Certificate Condition 9 will prevail.

10. Meetings of Certificateholders and Noteholders, amendments, waiver, substitution and exchange

(a) **Meetings of Certificateholders and Noteholders**

(i) The Trust Deed contains provisions for convening separate meetings of each of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class X Noteholders and the Certificateholders to consider any matter affecting their interests, including the sanctioning by a resolution passed at a meeting convened and held in accordance with the Trust Deed by at least 75% of votes cast (an "**Extraordinary Resolution**") of a modification of these Residual

Certificate Conditions, the Conditions or the provisions of any of the Transaction Documents.

(ii) Subject as provided below, the quorum at any meeting of Certificateholders for passing an Ordinary Resolution will be one or more persons holding or representing at least 20% in number of the Residual Certificates then in issue, or, at any adjourned meeting, one or more persons being or representing a Certificateholder, whatever the number of Residual Certificates held or represented by it or them.

(iii) Subject as provided below, the quorum at any meeting of Certificateholders for passing an Extraordinary Resolution will be one or more persons holding or representing at least 50% in number of the Residual Certificates then in issue or, at any adjourned meeting, one or more persons being or representing a Certificateholder, whatever the number of Residual Certificates held or represented by them.

(iv) The quorum at any meeting of Certificateholders for passing an Extraordinary Resolution to:

(1) sanction a modification of the date of maturity of the Notes;

(2) sanction a modification of the date of payment of principal or interest in respect of the Notes or, where applicable, of the method of calculating the date of payment of principal or interest in respect of the Notes, or of the method of calculating the date of payment in respect of the Residual Certificates;

(3) sanction a modification of the amount of principal or the rate of interest payable in respect of the Notes or, where applicable, of the method of calculating the amount payable of any principal or interest in respect of the Notes, or of the method of calculating the amounts payable in respect of the Residual Certificates (including, in relation to any Class of Notes or the Residual Certificates, if any such modification is proposed for any Class of Notes ranking senior to such Class or the Residual Certificates in the Priorities of Payments);

(4) alter the currency in which payments under the Notes or Residual Certificates are to be made;

(5) alter the quorum or majority required in relation to this exception;

(6) sanction any scheme or proposal for the sale, conversion or cancellation of the Notes or the Residual Certificates;

(7) alter any of the provisions contained in this exception; or

(8) make any change to the definition of Basic Terms Modification,

(each, a "**Basic Terms Modification**") shall be one or more persons holding or representing at least 66⅔% in number of the Residual Certificates then in issue or, at any adjourned meeting, one or more persons holding or representing at least 25% in number of the Residual Certificates then in issue. For the avoidance of doubt, a Benchmark Rate Modification shall not be a Basic Terms Modification.

(v) Subject to paragraph (vii) below and except in the case of an Extraordinary Resolution directing the Note Trustee to give a Note Acceleration Notice, as to which the provisions of Residual Certificate Condition 8 (*Events of Default*) shall apply:

(1) (subject as provided in paragraph (3) below) an Extraordinary Resolution passed at any meeting of the Most Senior Class of Notes shall be binding on (A) all Noteholders of such Class and each other Classes and (B) the Certificateholders, irrespective of the effect upon them;

(2) no Extraordinary Resolution of any Class of Noteholders or the Certificateholders (other than an Extraordinary Resolution referred to in paragraph (3) below) shall be effective for any purpose unless either (A) the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of any more senior ranking Classes of Noteholders, (B) it is sanctioned by an Extraordinary Resolution of each of the more senior ranking Classes of Noteholders or (C) none of the more senior ranking Classes of Notes remains outstanding; and

(3) no Extraordinary Resolution involving a Basic Terms Modification that is passed by the holders of one Class of Notes or the Certificateholders shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each other Class of Notes then outstanding and the Certificateholders.

(vi) Subject to paragraph (vii) below:

(1) an Ordinary Resolution passed at any meeting of the holders of a particular Class of Notes shall be binding on all Noteholders of such Class (irrespective of the effect upon them); and

(2) no Ordinary Resolution of any Class of Noteholders or the Certificateholders shall be effective for any purpose unless either (A) the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of any more senior ranking Classes of Noteholders or (B) it is sanctioned by an Ordinary Resolution of each of the more senior ranking Classes of Noteholders or (C) none of the more senior ranking Classes of Notes remains outstanding.

(vii) A resolution which in the opinion of the Note Trustee affects the interests of the holders of the Notes of only one Class or the Residual Certificates only shall be deemed to have been duly passed if passed at a meeting (or by a separate

resolution in writing) of the holders of that Class of Notes or of the Certificateholders.

(b) **Amendments and waiver**

(i) The Note Trustee may, and may direct the Security Trustee to, without the consent or sanction of the Noteholders, the Certificateholders or the other Secured Creditors, but subject to the receipt of written consent from each of the Secured Creditors party to the Transaction Document being modified (such consent or sanction to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document), at any time and from time to time concur with the Issuer or any other person in making any modification:

(1) to these Residual Certificate Conditions, the Conditions or any Transaction Document (excluding in relation to a Basic Terms Modification) which in the opinion of the Note Trustee will not be materially prejudicial to the interests of the holders of the Collateralised Notes or, if the Collateralised Notes have been redeemed in full, the holders of the Most Senior Class of Notes; or

(2) to these Residual Certificate Conditions, the Conditions or any Transaction Document (including in relation to a Basic Terms Modification) if in the opinion of the Note Trustee such modification is of a formal, minor or technical nature or to correct a manifest error,

provided that neither the Note Trustee nor the Security Trustee shall be obliged to agree to any modification which, in its sole opinion, would have the effect of (i) exposing it to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing its obligations or duties, or decreasing its rights, powers, authorisations, discretions, indemnification or protections, in the Transaction Documents and/or these Conditions.

(ii) Notwithstanding the provisions of Residual Certificate Condition 10(b)(i), the Note Trustee shall be obliged, and shall direct the Security Trustee, without any consent or sanction of the Noteholders, the Certificateholders or the other Secured Creditors, but subject to the receipt of written consent from each of the Secured Creditors party to the Transaction Document being modified (such consent or sanction to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document), to concur with the Issuer in making any modification (other than a Basic Terms Modification which, for the avoidance of doubt, shall not include a Benchmark Rate Modification) to these Residual Certificate Conditions, the Conditions and/or any Transaction Document that the Issuer considers necessary or advisable or (in relation to paragraphs (1) and (2) below only) as proposed by the Swap Provider pursuant to Residual Certificate Condition 10(b)(ii)(1)(B):

(1) for the purpose of complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time, provided that:

(A) the Issuer certifies in writing to the Note Trustee and the Security Trustee that such modification is necessary to comply with such criteria or, as the case may be, is solely to implement and reflect such criteria; and

(B) in the case of any modification to a Transaction Document, the Conditions or these Residual Certificate Conditions proposed by the Swap Provider in order (x) to remain eligible to perform its role in such capacity in conformity with such criteria and/or (y) to avoid taking action which it would otherwise be required to take to enable it to continue performing such role (including, without limitation, posting collateral or advancing funds):

(aa) the Swap Provider certifies in writing to the Issuer and the Note Trustee and the Security Trustee that such modification is necessary for the purposes described in paragraph (B)(x) and/or (y) above

(bb) either:

(i) the Swap Provider obtains from each of the Rating Agencies a Rating Agency Confirmation and, if relevant, delivers a copy of each such confirmation to the Issuer and the Note Trustee and the Security Trustee; or

(ii) the Swap Provider certifies in writing to the Note Trustee and the Security Trustee that the Rating Agencies have been informed of the proposed modification and none of the Rating Agencies has indicated that such modification would result in (x) a downgrade, qualification, withdrawal or suspension of the then current ratings assigned to the Rated Notes by such Rating Agency or (y) such Rating Agency placing any such Notes on rating watch negative (or equivalent); and

(cc) the Swap Provider pays all costs and expenses (including legal fees) incurred by the Issuer, the Note Trustee and the Security Trustee in connection with such modification;

(2) in order to enable the Issuer and/or the Swap Provider to comply with any obligation which applies to it under UK EMIR, EU EMIR, EU MiFID II, UK MiFIR, EU MiFIR, UK MiFID II, EU SFTR, UK SFTR, EU CRR or UK CRR

(as applicable) provided that the Issuer or the Swap Provider, as appropriate, certifies to the Note Trustee and the Security Trustee and the Swap Provider or the Issuer, as applicable, in writing that such modification is required solely for the purpose of enabling it to satisfy such obligation and has been drafted solely to such effect;

(3) for the purpose of complying with any requirements of (i) Article 6 of the UK Securitisation Regulation, Article 6 of the EU Securitisation Regulation or Section 15G of the Exchange Act, including as a result of the adoption of additional regulatory technical standards or other secondary legislation or regulation in relation to the UK Securitisation Regulation, the EU Securitisation Regulation, Section 15G of the Exchange Act, (ii) any other risk retention legislation or regulations or official guidance in relation thereto in relation to securitisation transactions, or (iii) UK CRR or EU CRR;, provided that the Issuer (or the Servicer on its behalf) certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(4) for the purpose of enabling the Notes to be (or to remain) listed on Euronext Dublin or a replacement recognised stock exchange, provided that the Issuer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(5) for the purposes of enabling the Issuer or any of the other Transaction Parties to comply with FATCA (or any voluntary agreement entered into with a taxing authority in relation thereto), provided that the Issuer or the relevant Transaction Party, as applicable, certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(6) for the purpose of enabling the Issuer to open any custody account for the receipt of any collateral posted by the Swap Provider under the Swap Agreement in the form of securities;

(7) for so long as the Class A Notes are intended to be held in a manner which will allow for Eurosystem eligibility, for the purpose of achieving or maintaining such eligibility provided that the Issuer (or the Servicer on its behalf) certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(8) for the purpose of complying with any changes in the requirements of the UK Securitisation Regulation and/or EU Securitisation Regulation, including relating to the treatment of the Notes as a simple, transparent and standardised securitisation, and any related regulatory technical standards authorised under the UK Securitisation Regulation and/or EU Securitisation Regulation or regulations or official guidance in relation

thereto, provided that the Issuer (or the Servicer on its behalf) certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(9) in order to allow the Issuer to open additional accounts with an additional account bank or to move the Issuer Accounts to be held with an alternative account bank with the Required Ratings, provided that the Issuer has certified to the Note Trustee and the Security Trustee that (i) such action would not have an adverse effect on the then current ratings of the Most Senior Class of Notes, and (ii) if a new account bank agreement is entered into, such agreement will be entered into on substantially the same terms as the Bank Account Agreement, provided further that, if the Issuer determines that it is not practicable to agree terms substantially similar to those set out in the Bank Account Agreement with such replacement account bank and the Issuer certifies in writing to the Note Trustee and the Security Trustee that the terms upon which it is proposed the replacement bank will be appointed are reasonable commercial terms taking into account the then prevailing current market conditions, whereupon a replacement agreement will be entered into on such reasonable commercial terms and the Note Trustee and the Security Trustee shall be entitled to rely absolutely on such certification without any liability to any person for so doing (notwithstanding that the fee payable to the replacement account bank may be higher or other terms may differ materially from those on which the previously appointed bank agreed to act); and

(10) for the purpose of complying with any changes in the requirements of the UK CRA Regulation and the EU CRA Regulation after the Closing Date, including as a result of the adoption of regulatory technical standards in relation to the UK CRA Regulation and the EU CRA Regulation or regulations or official guidance in relation thereto, provided that the Issuer (or the Servicer on its behalf) provides a written certificate to the Note Trustee and the Security Trustee certifying that such modification is required solely for such purpose and has been drafted solely to such effect,

(any such modification pursuant to Residual Certificate Conditions 10(b)(ii)(1) to (10) (inclusive) above being a "**Modification**" and the certificate to be provided by the Issuer, the Swap Provider or the relevant Transaction Party, as the case may be, pursuant to Residual Certificate Conditions 10(b)(ii)(1) to (10) (inclusive) above being a "**Modification Certificate**").

(iii) Notwithstanding the provisions of Residual Certificate Conditions 10(b)(i) and 10(b)(ii) above, the Note Trustee shall be obliged, and shall direct the Security Trustee, without any consent or sanction of the Noteholders, the Certificateholders or the other Secured Creditors, but subject to the receipt of written consent from each of the Secured Creditors party to the Transaction Document being modified (such consent or sanction to be

conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document), to concur with the Issuer in making any modification to the Conditions, these Residual Certificate Conditions and/or any Transaction Document that the Issuer considers necessary or advisable for the purpose of changing the benchmark rate in respect of the Notes from SONIA (the "**Applicable Benchmark Rate**") to an alternative benchmark rate (any such rate, an "**Alternative Benchmark Rate**") and making such other amendments to these Residual Certificate Conditions or any other Transaction Document as are necessary or advisable in the reasonable judgment of the Issuer (or the Servicer on its behalf) to facilitate the changes envisaged by this Residual Certificate Condition 10(b)(iii) (for the avoidance of doubt, this may include changing the benchmark rate referred to in any interest rate hedging or cap agreement, for the purpose of aligning any such hedging or cap agreement with a proposed Benchmark Rate Modification pursuant to this Residual Certificate Condition 10(b)(iii), or modifications to when the Interest Rate applicable to any Class of Notes is calculated and/or notified to Noteholders or other such consequential modifications) (a "**Benchmark Rate Modification**"), provided that the Servicer, on behalf of the Issuer, certifies to the Interest Determination Agent, the Note Trustee and the Security Trustee in writing (such certificate, a "**Benchmark Rate Modification Certificate**"):

(1) such Benchmark Rate Modification is being undertaken due to any one or more of the following:

(A) a material disruption to the Applicable Benchmark Rate, a material change in the methodology of calculating the Applicable Benchmark Rate or the Applicable Benchmark Rate ceasing to exist or be published, or the administrator of the Applicable Benchmark Rate having used a fallback methodology for calculating the Applicable Benchmark Rate for a period of at least 30 calendar days; or

(B) the insolvency or cessation of business of the administrator of the Applicable Benchmark Rate (in circumstances where no successor administrator has been appointed); or

(C) a public statement or publication of information by or on behalf of the administrator of the Applicable Benchmark Rate announcing that it has ceased or will cease to provide the Applicable Benchmark Rate permanently or indefinitely (provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Applicable Benchmark Rate) with effect from a date no later than six months after the

proposed effective date of such Benchmark Rate Modification; or

(D) a public statement or publication of information by the regulatory supervisor of the administrator of the Applicable Benchmark Rate, the Bank of England, the FCA or the PRA, an insolvency official with jurisdiction over the administrator of the Applicable Benchmark Rate, or a court or entity with similar jurisdiction or a resolution authority with jurisdiction over the administrator of the Applicable Benchmark Rate, which states that the administrator of the Applicable Benchmark Rate has ceased or will cease to provide the Applicable Benchmark Rate permanently or indefinitely (provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Applicable Benchmark Rate) with effect from a date no later than six months after the proposed effective date of such Benchmark Rate Modification; or

(E) a public statement or publication of information by the regulatory supervisor of the administrator of the Applicable Benchmark Rate, the Bank of England, the FCA or the PRA that means the Applicable Benchmark Rate will be prohibited from being used or that its use is subject to restrictions or adverse consequences with effect from a date no later than six months after the proposed effective date of such Benchmark Rate Modification; or

(F) a change in the generally accepted market practice in the publicly listed asset backed floating rate notes market to refer to a benchmark rate endorsed in a public statement by the Bank of England, the FCA or the PRA or any relevant committee or other body established, sponsored or approved by any of the foregoing, including the Working Group on Sterling Risk-Free Reference Rates, despite the continued existence of the Applicable Benchmark Rate; or

(G) it having become unlawful and/or impossible and/or impracticable for the Interest Determination Agent or the Issuer to calculate any payments due to be made to any Noteholder using the Applicable Benchmark Rate; or

(H) it being the reasonable expectation of the Issuer (or the Servicer on its behalf) that any of the events specified in sub-paragraphs (aa) or (bb) will occur or exist within six

months of the proposed effective date of such Benchmark Rate Modification; or

(I) the Issuer and the Swap Provider agree to apply an alternative fallback (and make alternative adjustments, amendments and payments) in respect of the transaction under the Swap Agreement following the occurrence of a Benchmark Trigger Event thereunder; or

(J) an alternative manner of calculating the Applicable Benchmark Rate being introduced and becoming a standard means of calculating interest for similar transactions; or

(K) pursuant to Residual Certificate Condition 10(b)(vii);

(2) such Alternative Benchmark Rate is any one or more of the following:

(A) a benchmark rate published, endorsed, approved or recognised as a replacement to the Applicable Benchmark Rate by the Bank of England, the FCA or the PRA, any other regulator in the United Kingdom or the European Union, 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, including the Working Group on Sterling Risk-Free Reference Rates (which, for the avoidance of doubt, may be an alternative benchmark rate together with a specified adjustment factor which may increase or decrease the relevant alternative benchmark rate); or

(B) a benchmark rate utilised in a material number of publicly-listed new issues of asset backed floating rate notes denominated in Sterling in the six months prior to the proposed effective date of such Benchmark Rate Modification; or

(C) a benchmark rate utilised in a publicly listed new issue of Sterling-denominated asset-backed floating rate notes where the originator of the relevant assets is Blue or an Affiliate thereof; or

(D) such other benchmark rate as the Issuer (or the Servicer on its behalf) reasonably determines, provided that this option may only be used if the Issuer (or the Servicer on its behalf) certifies to the Note Trustee and the Security Trustee that, in the reasonable opinion of the Issuer (or the Servicer on its behalf), neither paragraph (A) nor (B)

above is applicable and/or practicable in the context of the Transaction, and sets out the rationale in the Benchmark Rate Modification Certificate for choosing the proposed Alternative Benchmark Rate; and

(3) the same Alternative Benchmark Rate will be applied to all Classes of Notes issued in the same currency; and

(4) the details of and the rationale for any Note Rate Maintenance Adjustment proposed in accordance with Residual Certificate Condition 10(b)(iv)(2)(E) are as set out in the Modification Noteholder Notice (as defined below); and

(5) the modifications proposed are required solely for the purpose of applying the Alternative Benchmark Rate and making consequential modifications to the Conditions, the Residual Certificate Conditions or any Transaction Document which are, as reasonably determined by the Issuer (or the Servicer on its behalf), necessary or advisable, and the modifications have been drafted solely to such effect; and

(6) the consent of each Secured Creditor which has a right to consent to such modification pursuant to the provisions of the Transaction Documents has been obtained (evidence of which shall be provided by the Issuer to the Note Trustee and the Security Trustee with the Benchmark Rate Modification Certificate) and no other consents are required to be obtained in relation to the Benchmark Rate Modification (for the avoidance of doubt, the consent of the Noteholders and Certificateholders will not be required); and

(7) each of the Note Trustee, the Security Trustee, the Interest Determination Agent and the Cash Manager is satisfied that it has been, or will be, reimbursed in respect of all fees, costs and expenses (including properly incurred legal fees) incurred by it in connection with the Benchmark Rate Modification,

provided that:

(8) the Benchmark Rate Modification Certificate shall be provided to the Interest Determination Agent, the Note Trustee and the Security Trustee in draft form not less than five Business Days prior to the date on which the Modification Noteholder Notice (as defined below) is sent to Noteholders; and

(9) the Benchmark Rate Modification Certificate shall be provided to the Interest Determination Agent, the Note Trustee and the Security Trustee in final form not less than two Business Days

prior to the date on which the Benchmark Rate Modification takes effect; and

(10) a copy of the Modification Noteholder Notice (as defined below) shall be appended to the Benchmark Rate Modification Certificate.

(iv) In respect of any Benchmark Rate Modification under Residual Certificate Condition 10(b)(iii) and any Modification under Residual Certificate Condition 10(b)(ii) (other than in the case of a Modification pursuant to Residual Certificate Conditions 10(b)(ii)(2), (3) and (5) above), it shall also be required that:

(1) other than in the case of a Modification pursuant to Residual Certificate Condition 10(b)(ii)(1)(B) above, either:

(A) the Issuer (or the Servicer on its behalf) obtains from each of the Rating Agencies a Rating Agency Confirmation and, if relevant, it has provided a copy of any Rating Agency Confirmation to the Note Trustee and the Security Trustee with the Modification Certificate or the Benchmark Rate Modification Certificate (as applicable); or

(B) the Issuer certifies in the Modification Certificate or the Benchmark Rate Modification Certificate (as applicable) that it has given the Rating Agencies at least 10 Business Days' prior written notice of the proposed Modification or Benchmark Rate Modification and none of the Rating Agencies has indicated that such Modification or Benchmark Rate Modification would result in (x) a downgrade, qualification or, withdrawal or suspension of the then current ratings assigned to any Class of the Rated Notes by such Rating Agency or (y) such Rating Agency placing any such Notes on rating watch negative (or equivalent); and

(2) the Issuer has provided written notice of the proposed Modification or Benchmark Rate Modification to the Certificateholders, at least 40 calendar days' prior to the date on which it is proposed that the Modification or Benchmark Rate Modification would take effect, in accordance with Residual Certificate Condition 13 (*Notices*) and by publication on Bloomberg on the "Company Filings" screen relating to the Notes (such notice, the "**Modification Noteholder Notice**") confirming the following:

(A) the period during which Noteholders of the Most Senior Class of Notes on the date specified to be the

Modification Record Date, which shall be five Business Days from the date of the Modification Noteholder Notice (the "**Modification Record Date**"), may object to the proposed Modification or Benchmark Rate Modification (which notice period shall commence at least 40 calendar days prior to the date on which it is proposed that the Modification or Benchmark Rate Modification would take effect and continue for a period not less than 30 calendar days) and the method by which they may object; and

(B) the sub-paragraph(s) of Condition 10(b)(ii)(1) to (10) under which the Modification is being proposed or the sub-paragraph(s) of Condition 12(b)(iii)(A) under which the Benchmark Rate Modification is being proposed; and

(C) in the case of a Benchmark Rate Modification, which Alternative Benchmark Rate is proposed to be adopted pursuant to Condition 12(b)(iii)(C), and, where Condition 12(b)(iii)(C)(dd) is being applied, the rationale for choosing the proposed Alternative Benchmark Rate; and

(D) in the case of a Benchmark Rate Modification, details of any consequential modifications that the Issuer has agreed will be made to any hedging agreement to which it is a party for the purpose of aligning any such hedging agreement with the proposed Benchmark Rate Modification, if the proposed Benchmark Rate Modification takes effect. The Issuer shall use reasonable endeavours to agree modifications to each hedging agreement where commercially appropriate so that the Transaction is hedged following the Benchmark Rate Modification to at least a similar extent as prior to the Benchmark Rate Modification and that such modifications shall take effect no later than 30 calendar days from the date on which the Benchmark Rate Modification takes effect. If (i) no modifications are proposed to be made to hedging agreements; and/or (ii) modifications will be made to hedging agreements but will not result in the Transaction being similarly hedged; and/or (iii) modifications to any hedging agreement would take effect later than 30 calendar days from the date on which the Benchmark Rate Modification takes effect, the Issuer shall set out in the Modification Noteholder Notice the rationale for this; and

(E) in the case of a Benchmark Rate Modification, details of the adjustment which the Issuer proposes to make (if any) to the margin payable on each Class of Notes which

are the subject of the Benchmark Rate Modification in order to, so far as reasonably and commercially practicable, preserve what would have been the expected Interest Rate applicable to each such Class of Notes had no such Benchmark Rate Modification been effected (the "**Note Rate Maintenance Adjustment**"), provided that

(aa) in the event that the Bank of England, the FCA or the PRA or any relevant committee or other body established, sponsored or approved by any of the foregoing, including the Working Group on Sterling Risk-Free Reference Rates, has published, endorsed, approved or recognised a rate maintenance adjustment mechanism which could be used in the context of a transition from the Applicable Benchmark Rate to the Alternative Benchmark Rate, then the Issuer shall propose that rate maintenance adjustment mechanism as the Note Rate Maintenance Adjustment, or otherwise the Issuer shall set out in the Modification Noteholder Notice the rationale for concluding that this is not a commercial and reasonable approach in relation to the Notes and the proposed Benchmark Rate Modification; or

(bb) in the event that it has become generally accepted market practice in the publicly listed asset backed floating rate notes, Eurobond or swaps market to use a particular rate maintenance adjustment mechanism in the context of a transition from the Applicable Benchmark Rate to the Alternative Benchmark Rate, then the Issuer shall propose that rate maintenance adjustment mechanism as the Note Rate Maintenance Adjustment, or otherwise the Issuer shall set out in the Modification Noteholder Notice the rationale for concluding that this is not a commercial and reasonable approach in relation to the Notes and the proposed Benchmark Rate Modification; or

(cc) in the event that neither (aa) nor (bb) above apply, the Issuer shall use reasonable endeavours to propose an alternative Note Rate Maintenance Adjustment as reasonably determined by the Issuer (or the Servicer on its behalf) and shall set out the rationale for the

proposal or otherwise the Issuer shall set out in the Modification Noteholder Notice the rationale for concluding that this is not a commercial and reasonable approach in relation to the Notes and the proposed Benchmark Rate Modification; and

(dd) if any Note Rate Maintenance Adjustment is proposed, the Note Rate Maintenance Adjustment applicable to each Class of Notes other than the Most Senior Class of Notes shall be at least equal to that applicable to the Most Senior Class of Notes. In circumstances where the Issuer proposes a lower Note Rate Maintenance Adjustment on any Class of Notes other than the Most Senior Class of Notes than that which is proposed for the Most Senior Class of Notes or another Class of Notes which ranks senior to the Class of Notes to which the lower Note Rate Maintenance Adjustment is proposed to be made, the Benchmark Rate Modification will not be made unless an Extraordinary Resolution is passed in favour of such modification in accordance with this Residual Certificate Condition 10 (*Meetings of Certificateholders and Noteholders, amendments, waiver, substitution and exchange*) by the Noteholders of each Class of Notes outstanding on the Modification Record Date to which the lower Note Rate Maintenance Adjustment is proposed to be made; and

(ee) for the avoidance of doubt, the Note Rate Maintenance Adjustment may effect an increase or a decrease to the margin or may be set at zero; and

(F) details of (i) other amendments which the Issuer proposes to make (if any) to these Residual Certificate Conditions or any other Transaction Document and (ii) any new, supplemental or additional documents into which the Issuer proposes to enter to facilitate the changes envisaged pursuant to this Residual Certificate Condition 10(b)(ii).

(3) Noteholders holding or representing at least 10% of the Outstanding Note Principal Amount of the Most Senior Class of Notes outstanding (or, if the Notes have been redeemed in full, Certificateholders holding at least 10% in number of the Residual Certificates in issue) on the Modification Record Date have not

contacted the Issuer or the Note Trustee in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes or Residual Certificates may be held) within such notification period notifying the Issuer or the Note Trustee that such Noteholders (or Certificateholders, as the case may be) do not consent to the Modification or Benchmark Rate Modification.

If Noteholders representing at least 10% of the Outstanding Note Principal Amount of the Most Senior Class of Notes outstanding (or, if the Notes have been redeemed in full, Certificateholders holding at least 10% in number of the Residual Certificates then in issue) on the Modification Record Date have notified the Issuer or the Note Trustee in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes or Residual Certificates may be held) within the notification period referred to above that they do not consent to the Modification or Benchmark Rate Modification, then such Modification or Benchmark Rate Modification will not be made unless an Extraordinary Resolution of the holders of the Most Senior Class of Notes outstanding on the Modification Record Date is passed in favour of such Modification or Benchmark Rate Modification in accordance with Schedule 4 (*Provisions for Meetings of the Noteholders and the Certificateholders*) to the Trust Deed, provided that (A) in circumstances where the Issuer proposes a lower Note Rate Maintenance Adjustment on any Class of Notes other than the Most Senior Class than that which is proposed for the Most Senior Class of Notes or another Class of Notes which ranks senior to the Class of Notes to which the lower Note Rate Maintenance Adjustment is proposed to be made, such Extraordinary Resolution shall be passed by the holders of the Most Senior Class of Notes then outstanding and by the holders of each Class of Notes then outstanding to which the lower Note Rate Maintenance Adjustment is proposed to be made, and (B) in other circumstances, such Extraordinary Resolution shall be passed by the holders of the Most Senior Class of Notes then outstanding.

Objections made in writing other than through the applicable clearing system must be accompanied by evidence to the Note Trustee's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes (or Certificateholder's holding of the Residual Certificates, as the case may be) on the Modification Record Date.

(v) Other than where specifically provided in Residual Certificate Condition 10(b)(ii) or 10(b)(iii) or any Transaction Document:

(1) when implementing any Modification or Benchmark Rate Modification pursuant to Residual Certificate Condition 10(b)(ii):

(A) (save, in respect of Modifications pursuant to Residual Certificate Condition 10(b)(ii) only, to the extent the Note Trustee considers that the proposed Modification would constitute a Basic Terms Modification), the Note Trustee shall not consider the interests of the Certificateholders, any other Secured Creditor or any other person and shall act and rely solely and without investigation or liability on any Modification Certificate or Benchmark Rate Modification Certificate (or other certificate or evidence provided to it by the Issuer (or the Servicer on its behalf) or the relevant Transaction Party, as the case may be, pursuant to Residual Certificate Condition 10(b)(ii) or 10(b)(iii)) and shall not be liable to the Certificateholders, any other Secured Creditor or any other person for so acting or relying, irrespective of whether any such Modification or Benchmark Rate Modification is or may be materially prejudicial to the interests of any such person; and

(B) neither the Interest Determination Agent, the Note Trustee nor the Security Trustee shall be obliged to agree to any Modification or Benchmark Rate Modification which, in its sole opinion, would have the effect of (i) exposing it to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing its obligations or duties, or decreasing its rights, powers, authorisations, discretions, indemnification or protections, in the Transaction Documents and/or these Residual Certificate Conditions.

(vi) Any Modification or Benchmark Rate Modification shall be binding on all Noteholders and Certificateholders and shall be notified by the Issuer as soon as reasonably practicable to:

(1) so long as any of the Notes rated by the Rating Agencies remains outstanding, each Rating Agency; and

(2) the Secured Creditors; and

(3) the Certificateholders in accordance with Residual Certificate Condition 13 (*Notices*).

(vii) Following the making of a Benchmark Rate Modification, if it becomes generally accepted market practice in the publicly listed asset backed floating rate notes market to use a benchmark rate of interest which is

different from the Alternative Benchmark Rate which had already been adopted by the Issuer in respect of the Notes pursuant to a Benchmark Rate Modification, the Issuer is entitled to propose a further Benchmark Rate Modification pursuant to Residual Certificate Condition 10(b)(iii).

(viii) The Note Trustee may, and may direct the Security Trustee to, without the consent or sanction of the Noteholders, the Certificateholders or the other Secured Creditors and without prejudice to its rights in respect of any subsequent breach or Event of Default or Potential Event of Default, at any time and from time to time, but only if and insofar as in its opinion the interests of the Most Senior Class of Notes shall not be materially prejudiced thereby, waive or authorise any breach or proposed breach by the Issuer or any other person of any of the covenants or provisions contained in the Conditions, these Residual Certificate Conditions or any other Transaction Document or determine that any Event of Default or Potential Event of Default shall not be treated as such for the purposes of the Conditions or these Residual Certificate Conditions.

(ix) Notwithstanding Condition 10(b)(i), the Issuer shall not request or agree to any amendment to the Transaction Documents without the prior written consent of the Swap Provider if the proposed amendment would affect the amount, timing or priority of any payments or deliveries due to be made by it or to the Swap Provider or adversely affect any of the Swap Provider's rights to consent to amendments to the Transaction Documents. Prior to the making of any such amendment, the Issuer shall (i) certify as such in writing to the Note Trustee that the consent of the Swap Provider has been obtained or (ii) if applicable, certify in writing to the Note Trustee and the Swap Provider that the consent of the Swap Provider is not required for such amendment. The Note Trustee shall be entitled to rely absolutely on such certifications without liability to any person for so doing and without enquiry.

(c) **Additional Modifications**

(i) Notwithstanding Residual Certificate Condition 10(b) (*Amendments and waiver*) above, the Issuer may modify the terms of the Collection Account Declarations of Trust without the consent of the Note Trustee provided that such modification is made in accordance with the terms of the relevant Collection Account Declaration of Trust and does not adversely affect the rights or obligations of the Issuer thereunder (for the avoidance of doubt, and without limitation, a modification to a Collection Account Declaration of Trust will adversely affect the rights or obligations of the Issuer if it has the effect of reducing any amount held on trust for the Issuer or which the Issuer is entitled to receive under that Collection Account Declaration of Trust). Residual Certificate Condition 10(b)(iv) above shall not apply to a modification made to a Collection Account Declaration of Trust in accordance with the terms of this Residual Certificate Condition 10(c)(i).

(ii) In connection with any substitution of principal debtor referred to in Condition 5(b) (*Redemption for taxation reasons*), the Note Trustee may also agree, without the consent of the Certificateholders or the other Secured Creditors, to a change in

the laws governing these Residual Certificate Conditions and/or any of the Transaction Documents, provided that such change would not, in the opinion of the Note Trustee, be materially prejudicial to the interests of the Certificateholders.

(d) **Substitution and exchange**

(i) Subject to the more detailed provisions of the Trust Deed and subject to such amendment of the Trust Deed, the Deed of Charge and any other Transaction Documents and such other conditions as the Note Trustee may require, including as to satisfaction that the interests of the Certificateholders will not be materially prejudiced by the substitution or exchange and as to the transfer of the Security, but without the consent of the Certificateholders or any of the other Secured Creditors, the Note 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, the Notes and the Residual Certificates and replacement for it under the Deed of Charge and any other Transaction Documents, provided that the Rating Agencies confirm that such substitution will not adversely affect the then current rating of each Class of Rated Notes, or (ii) the exchange of the Notes and the Residual Certificates, in whole but not in part only, for other securities or instruments having substantially the same rights and benefits as the Notes and the Residual Certificates, provided that the then current rating of each Class of Rated Notes by the Rating Agencies is attributed to any such new securities or instruments. Such substitution or exchange will be subject to the relevant provisions of the Trust Deed and the other Transaction Documents and to such amendments of the Trust Deed and the other Transaction Documents as the Note 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, the Notes and the Residual Certificates and replacement for it under the Deed of Charge and any other Transaction Documents by a company or other entity incorporated in some other jurisdiction (approved by the Note Trustee) if the Issuer becomes subject to any form of tax on its income or payments on the Notes or the Residual Certificates. Any such substitution will be binding on the Certificateholders.

(ii) The Note Trustee may, without the consent of the Certificateholders or any of the other Secured Creditors, 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 Note Trustee may require in order that such change is fully effective and complies with such other requirements in the interests of the Certificateholders as it may request and (ii) the Issuer provides the Note Trustee with an opinion of counsel satisfactory to the Note Trustee to the effect that the change of residency of the Issuer will not cause any withholding or deduction to be made on payments on the Notes or the Residual Certificates.

(e) **Entitlement of the Note Trustee**

Where, in connection with the exercise of its powers, trusts, authorities or discretions (including, without limitation those with respect to any proposed amendment, waiver,

authorisation or substitution) in relation to these Residual Certificate Conditions or any other Transaction Document, the Note Trustee is required to take into account the interests of the Certificateholders it will have regard to the general interests of the Certificateholders and, without prejudice to the generality of the foregoing, will not take into account the consequences of such exercise for individual Certificateholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and the Note Trustee will not be entitled to require, nor will any Certificateholders be entitled to claim, from the Issuer or any other person any indemnification or payment for any tax consequence of any exercise for individual Certificateholders.

11. Indemnification of the Note Trustee and the Security Trustee

The Trust Deed, the Deed of Charge and certain other of the Transaction Documents contain provisions for the indemnification of the Note Trustee and the Security Trustee and for their relief from responsibility including for the exercise of any rights under the Trust Deed and the other Transaction Documents (including, but without limitation, with respect to the Security), for the sufficiency and enforceability of the Trust Deed and the other Transaction Documents (which the Note Trustee has not investigated) and the validity, sufficiency and enforceability of the Deed of Charge and for taking proceedings to enforce payment unless, in each case, indemnified and/or secured and/or prefunded to its satisfaction. The Note Trustee and the Security Trustee and any of their affiliates are entitled to enter into business transactions with the Issuer, any subsidiary or other affiliate of the Issuer or any other party to the Transaction Documents or any obligor with respect to any of the Security or any of their subsidiary, holding or associated companies and to act as trustee or security trustee for the holders of any securities issued by any of them without, in any such case, accounting to the Certificateholders for any profit resulting therefrom.

The Note Trustee and the Security Trustee are exempted from liability with respect to any loss or theft or reduction in value of the assets which are subject to the Security and from any obligation to insure or to cause the insuring of the assets which are subject to the Security.

The Trust Deed and the Deed of Charge provide that the Note Trustee or the Security Trustee will be obliged to take action on behalf of the Certificateholders and the other Secured Creditors in certain circumstances, provided always that the Note Trustee and/or the Security Trustee (as the case may be) is indemnified and/or secured and/or prefunded to its satisfaction. Further, the Note Trustee will not be obliged to act on behalf of the Certificateholders or any other Secured Creditors where it would not have the power to do so by virtue of any applicable law or where such action would be illegal in any applicable jurisdiction.

12. Replacement of Residual Certificates

If a Residual Certificate 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 Note Trustee, the Registrar or the Paying Agent may require and otherwise as the Issuer may require. Mutilated or defaced Residual Certificates must be surrendered before replacements will be issued.

13. Notices

While the Residual Certificates are represented by the Global Residual Certificate, notices to Certificateholders will be valid if submitted to Euroclear and/or Clearstream, Luxembourg for communication by them to Certificateholders. Any notice delivered to Euroclear and/or Clearstream, Luxembourg, as aforesaid, shall be deemed to have been given on the day of such delivery.

While the Residual Certificates are represented by Definitive Residual Certificates, the Note Trustee shall be at liberty to sanction any method of giving notice to the Certificateholders if, in its opinion, such method is reasonable having regard to market practice then prevailing and provided that notice of such other method is given to the Certificateholders in such manner as the Note Trustee shall deem appropriate.

14. Governing law and jurisdiction

(a) The Residual Certificates and all non-contractual obligations arising out of or in connection with the Residual Certificates 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 Residual Certificates (including a dispute relating to the existence, validity or termination of the Residual Certificates or any non-contractual obligation arising out of or in connection with the Residual Certificates) 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).

15. Rights of third parties

No person will have any right to enforce any term or condition of the Residual Certificates 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.

TAXATION

The following information is a general discussion of certain tax consequences of the acquisition, ownership and disposal of Notes and the Residual Certificates. 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 or the Residual Certificates. It does not purport to be a complete analysis of all tax considerations relating to the Notes and the Residual Certificates. This discussion does not consider any specific facts or circumstances that may apply to a particular holder or prospective holder. This overview is based on the laws of England and Wales currently in force and as applied at the date of this Prospectus, which are subject to change, possibly with retroactive or retrospective effect.

The following information is not intended as tax or legal advice and the comments below are of a general nature only. It should be read in conjunction with the section entitled "*RISK FACTORS*". Potential investors in the Notes or the Residual Certificates are urged to satisfy themselves as to the overall tax consequences of purchasing, holding and/or selling the Notes or the Residual Certificates and, therefore, to consult their professional tax advisors.

Withholding tax on the Notes

Interest on the Notes will be payable without withholding or deduction for or on account of United Kingdom income tax provided that the Notes are and remain (i) "listed on a recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007 (the "**Income Tax Act**" or (ii) admitted to trading on a "multilateral trading facility" operated by a "regulated recognised stock exchange" within the meaning of section 987 of the Income Tax Act. Euronext Dublin is currently a recognised stock exchange and, provided that the Notes are and remain listed and admitted to trading on the regulated 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 Notes will be payable without withholding or deduction for or on account of United Kingdom income tax.

If the Notes cease to be "listed on a recognised stock exchange" or admitted to trading on a "multilateral trading facility" operated by a "regulated 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) any direction to the contrary from HM Revenue and Customs in respect of such relief as may be available pursuant to the provisions 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 specified in sections 930 to 938 of the Income Tax Act and, potentially, under the Qualifying Private Placement Regulations 2015.

Withholding tax on the Residual Certificates

Amounts payable in respect of the Residual Certificates will be payable without withholding or deduction for or on account of United Kingdom income tax.

As the Residual Certificates do not constitute a debt, payments made in respect of the Residual Certificates will not be payments of interest. The Taxation of Securitisation Companies (Amendment) Regulations 2018 remove the obligation for a securitisation company to apply

withholding tax to payments it makes which are "annual payments". This covers residual payments made under the Residual Certificates.

U.S. Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting or related requirements. The Issuer may be a foreign financial institution for these purposes.

A number of jurisdictions (including the United Kingdom) have entered into, or agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of 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 provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes and the Residual Certificates, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes and the Residual Certificates, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes and the Residual Certificates characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for the purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer). In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes and the Residual Certificates, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE

SUBSCRIPTION OF THE NOTES

The Joint Lead Managers, the Arranger, the Issuer and the Seller are parties to the Subscription Agreement. Pursuant to the Subscription Agreement and the Joint Lead Managers have agreed, subject to certain conditions, to subscribe, or to procure subscriptions, for:

(a) £172,300,000 of the Class A Notes at the issue price of 100 per cent. of the aggregate principal amount of the Class A Notes;

(b) £25,700,000 of the Class B Notes at the issue price of 100 per cent. of the aggregate principal amount of the Class B Notes;

(c) £17,400,000 of the Class C Notes at the issue price of 100 per cent. of the aggregate principal amount of the Class C Notes;

(d) £8,700,000 of the Class D Notes at the issue price of 100 per cent. of the aggregate principal amount of the Class D Notes;

(e) £5,700,000 of the Class E Notes at the issue price of 100 per cent. of the aggregate principal amount of the Class E Notes;

(f) £3,500,000 of the Class F Notes at the issue price of 100 per cent. of the aggregate principal amount of the Class F Notes; and

(g) £17,200,000 of the Class X Notes at the issue price of 100 per cent. of the aggregate principal amount of the Class X Notes,

and will distribute such Notes to potential investors.

Morgan Stanley may or may not acquire, pursuant to the Subscription Agreement, and initially hold, certain of the Class X Notes and/or the Residual Certificates by subscribing for certain Class X Notes and/or acquiring certain Residual Certificates from Blue.

The Seller will purchase the remaining Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and acquire the remaining Residual Certificates pursuant to the Subscription Agreement. The Seller is free to deal with the Class X Notes and the Residual Certificates in its sole discretion.

Pursuant to the Subscription Agreement, Blue, as originator, will, for as long as the Notes are outstanding, retain a material net economic interest of not less than 5 per cent. in the securitisation as required by Article 6(1) of the UK Securitisation Regulation.

In addition, although the EU Securitisation Regulation is not applicable to it, Blue, as originator, will undertake (on a contractual basis), for as long as the Notes are outstanding, to retain a material net economic interest of not less than 5 per cent. in the securitisation in accordance with Article 6(1) of the EU Securitisation Regulation as it exists at the Closing Date (not taking into account any national measures) as if it were applicable to it, unless and until such time as:

(i) compliance with the EU Retention Requirement prevents full compliance with the UK Retention Requirement; or

(ii) a competent EU authority has confirmed that the satisfaction of the UK Retention Requirement will also satisfy the EU Retention Requirement through the application of an equivalence regime or similar concept.

As at the Closing Date and while any of the Collateralised Notes remain outstanding, such interest will be comprised of an interest of no less than 5% of the nominal value of each Class of the Collateralised Notes sold or transferred to investors on the Closing Date, as required by Article 6(3)(a) of the UK Securitisation Regulation and Article 6(3)(a) of the EU Securitisation Regulation as it exists at the Closing Date. Any change to the manner in which such interest is held will be notified to the Noteholders and Certificateholders.

The Seller has agreed to pay Standard Chartered Bank as Joint Lead Manager a placement commission on the Notes, as agreed between the parties to the Subscription Agreement.

Pursuant to the Subscription Agreement, the Seller and the Issuer have agreed to indemnify the Joint Lead Managers as more specifically described in the Subscription Agreement, for and against certain Losses and liabilities in connection with certain representations in respect of, inter alia, the accurateness of certain information contained in this Prospectus.

In the Subscription Agreement, the Issuer has made certain representations and warranties in respect of its legal and financial matters.

SELLING RESTRICTIONS

General

All applicable laws and regulations must be observed in any jurisdiction in which the Notes and the Residual Certificates may be offered, sold or delivered. The Joint Lead Managers have not, directly or indirectly, offered, sold or delivered, and have agreed that they will not, directly or indirectly, offer, sell or deliver any of the Notes or the Residual Certificates or distribute this Prospectus, any draft of the Prospectus or any other offering material relating to the Notes or the Residual Certificates, in or from any jurisdiction except under circumstances that will result in compliance with the applicable laws and regulations of such jurisdiction, to the best of the Joint Lead Managers' knowledge and belief, and that the Joint Lead Managers have not imposed, and will not impose, any obligations on the Issuer except as set out in the Subscription Agreement.

Investor representations

Except with the prior consent of the Seller and where such sale falls within the exemption provided by Section 20 of the U.S. Risk Retention Rules the Notes and the Residual Certificates sold as part of the initial distribution of the Notes and the Residual Certificates may not be purchased by, or for the account or benefit of, any person except for persons that are not Risk Retention U.S. Persons. Prospective investors should note that, although the definition of "U.S. person" in the U.S. Risk Retention Rules is similar to the definition of "U.S. person" in Regulation S, the definitions are not identical and that persons who are not "U.S. Persons" under Regulation S may be "U.S. Persons" under the U.S. Risk Retention Rules.

In respect of sale within the United States of America and its territories, each purchaser (which term for the purposes of this section will be deemed to include each initial purchaser of the Notes and/or Residual Certificates, together with each subsequent transferee of the Notes and/or Residual Certificates) of the Notes and/or Residual Certificates (which term for the purposes of this section will be deemed to include any interest in the Notes and/or Residual Certificates, including Book-Entry Interests) during the initial distribution within the United States of America and its territories, will be deemed to have represented and agreed as follows (terms used in this section, but not otherwise defined, have the meaning given to them under Regulation S): it (1) either (i) is not a Risk Retention U.S. Person or (ii) has obtained a U.S. Risk Retention Waiver from the Seller, (2) is acquiring such Note and/or Residual Certificate or a beneficial interest therein for its own account and not with a view to distribute such Notes and/or Residual Certificates and (3) is not acquiring such Note and/or Residual Certificate or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note and/or Residual Certificate through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules).

The Seller, the Issuer, the Joint Lead Managers have agreed that the determination of the proper characterisation of potential investors for such restriction or for determining the availability of the exemption provided for in the U.S. Risk Retention Rules is solely the responsibility of the Seller, and none of the Joint Lead Managers or any person who controls such person or any director, officer, employee, agent or Affiliate of such person shall have any responsibility for determining the proper characterisation of potential investors for such restriction or for determining the availability of the exemption provided for in the U.S. Risk Retention Rules, and none of the Joint Lead Managers or any person who controls it or any director, officer, employee, agent or Affiliate of such person accepts any liability or responsibility whatsoever for any such determination or characterisation. Prospective investors should consult their own advisors as to the U.S. Risk Retention Rules.

Investors' representations and restrictions on resale

Each purchaser (which term for the purposes of this section will be deemed to include each initial purchaser of the Notes and/or Residual Certificates, together with each subsequent transferee of the Notes and/or Residual Certificates) of the Notes and/or Residual Certificates (which term for the purposes of this section will be deemed to include any interest in the Notes and/or Residual Certificates, including Book-Entry Interests) will be deemed to have represented to the Issuer, the Registrar, the Seller and the Joint Lead Managers and agreed as follows:

(1) it is not a "U.S. person" (within the meaning of Regulation S) or an affiliate of the Issuer or a person acting on behalf of such an affiliate and is acquiring such Notes and/or Residual Certificates for its own account or as a fiduciary or agent for other non-U.S. persons in an offshore transaction (as defined in Regulation S, an "**offshore transaction**") pursuant to an exemption from registration provided by Regulation S;

(2) the Notes and the Residual Certificates are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act and such Notes and the Residual Certificates have not been and will not be registered under the Securities Act or securities laws or "blue sky" laws of any state or other

jurisdiction 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 except as set forth herein; and

(3) it understands that the Issuer, the Registrar, the Seller, the Joint Lead Managers and their affiliates, and others will rely upon the truth and accuracy of the acknowledgements, representations and agreements contained in this section "Selling Restrictions".

United States of America and its territories

The Notes and the Residual Certificates have not been and will not be registered under the U.S. Securities Act or the securities laws or "blue sky" laws of any state or other jurisdiction 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 except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act and in compliance with any applicable state or local securities laws and under circumstances which would not require the Issuer to register under the Investment Company Act. In connection with the initial distribution of the securities offered hereby, the Notes and Residual Certificates will be offered and sold only outside the United States to persons who are not U.S. Persons. There has been and will be no public offering of the Notes or Residual Certificates in the United States.

The Notes and the Residual Certificates may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in accordance with Regulation S.

Each of the Joint Lead Managers represents and agrees that it has not offered or sold the Notes or the Residual Certificates, and will not offer or sell the Notes or the Residual Certificates (i) as part of its distribution at any time or (ii) otherwise until forty (40) calendar days after the later of (a) the date the Notes and the Residual Certificates are first offered to persons other than distributors in reliance on Regulation S and (b) the Closing Date, except, in either case, only in accordance with Rule 903 of Regulation S under the Securities Act. Neither the Joint Lead Managers nor their respective affiliates nor any persons acting on their behalf have engaged or will engage in any directed selling efforts with respect to the Notes or the Residual Certificates, and they have complied and will comply with the offering restrictions requirements of Regulation S under the Securities Act. At or prior to confirmation of sale of Notes and the Residual Certificates, the Joint

Lead Managers will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes or Residual Certificates from them during the distribution compliance period a confirmation or notice to substantially the following effect:

"The Securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until forty (40) calendar days after the later of (a) the date the Notes and the Residual Certificates are first offered to persons other than distributors in reliance on Regulation S and (b) the Closing Date, except in either case, in accordance with Regulation S under the Securities Act. Terms used above have the meaning given to them in Regulation S under the Securities Act".

Terms used in this section have the meaning given to them in Regulation S under the Securities Act.

United Kingdom

Each of the Joint Lead Managers have represented, warranted and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (as amended from time to time, the "**FSMA**")) received by it in connection with the issue or sale of any Notes and the Residual Certificates in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes and the Residual Certificates in, from or otherwise involving the United Kingdom.

Ireland

Each of the Joint Lead Managers have represented, warranted and agreed that any offer, sale, placement or underwriting of, or any other action in connection with, the Notes in or involving Ireland must be in conformity with the following:

(a) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with (i) the provisions of the European Union (Markets in Financial Instruments) Regulations 2017 (as amended, the "**MiFiD Regulations"**), including, without limitation, Regulation 5 (Requirement for authorisations (and certain provisions concerning MTFs and OTFs)) thereof, (ii) any rules or codes of conduct issued in connection with the MiFID Regulations, and (iii) the provisions of the Investor Compensation Act 1998 (as amended), and it will conduct itself in accordance with any applicable codes and rules of conduct, and any conditions or requirements, or any other enactment, imposed or approved by the Central Bank of Ireland;

(b) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the Companies Act 2014 (as amended), the Central Bank Acts 1942 - 2018 (as amended) and any codes of practice made under Section 117(1) of the Central Bank Act 1989 (as amended) and any regulations issued pursuant to Part 8 of the Central Bank (Supervision and Enforcement) Act 2013 (as amended);

(c) it will not underwrite the issue of, or place, or do anything in Ireland with respect to the Notes otherwise than in conformity with the provisions of the European Union (Prospectus) Regulations, 2019 and any rules issued by the Central Bank of Ireland under Section 1363 of the Companies Act 2014; and

(d) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Market Abuse Regulation (EU 596/2014) (as amended), the European Union (Market Abuse) Regulations 2016 (as amended) and any rules and guidance issued under Section 1370 of the Companies Act 2014 by the Central Bank of Ireland.

Prohibition of Sales to UK Retail Investors

The Notes and the Residual Certificates 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 UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the EU Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the EU Prospectus Regulation as it forms part of UK domestic law by virtue of the EUWA. Consequently, no key information document required by the UK PRIIPS Regulation as defined above for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Prohibition of Sales to EEA Retail Investors

Each of the Joint Lead Managers have represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes or Residual Certificates to any retail investor in the EEA. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of EU MiFID II; or

(ii) a customer within the meaning of the EU Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or

(iii) not a qualified investor as defined in Article 2 of the EU Prospectus Regulation, and

(b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes and the Residual Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the Residual Certificates.

General

Each of the Joint Lead Managers has undertaken that it will not, directly or indirectly, offer or sell any Notes or the Residual Certificates or have in its possession, distribute or publish any offering circular, prospectus, form of application, advertisement or other document or information in respect of the Notes or the Residual Certificates in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief, result in compliance with any applicable laws and regulations, and all offers and sales of Notes and the Residual Certificates by it will be made on the same terms.

Legend

Unless determined otherwise by the Issuer in accordance with applicable law and so long as any series of the Notes and/or Residual Certificates are outstanding, each Global Note and Global Residual Certificate will bear a legend substantially as set forth below:

NEITHER THIS SECURITY NOR BENEFICIAL INTERESTS HEREIN HAVE BEEN OR WILL BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OR "BLUE SKY" LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE ISSUER HAS NOT BEEN REGISTERED AND DOES NOT INTEND TO REGISTER AS AN INVESTMENT COMPANY UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES OR TO, FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) (1) AS PART OF THEIR DISTRIBUTION AT ANY TIME OR (2) OTHERWISE.

PRIOR TO THE DATE THAT IS 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING OF THE NOTES AND THE RESIDUAL CERTIFICATES AND THE CLOSING OF THE OFFERING OF THE NOTES AND THE RESIDUAL CERTIFICATES, ANY TRANSFER THEREOF MAY ONLY BE MADE TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION MEETING THE REQUIREMENTS OF RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT (REGULATION S) OR PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. ANY PURPORTED TRANSFER OF THIS SECURITY THAT DOES COMPLY WITH THE FOREGOING REQUIREMENTS SHALL BE NULL AND VOID AB INITIO.

EXCEPT WITH THE PRIOR WRITTEN CONSENT OF THE SELLER (A "**U.S. RISK RETENTION WAIVER**") AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY SECTION 20 OF THE FINAL RULES PROMULGATED UNDER SECTION 15G OF THE U.S. SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "**U.S. RISK RETENTION RULES**"), THIS SECURITY AND BENEFICIAL INTERESTS HEREIN MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "U.S. PERSON" AS DEFINED IN THE U.S. RISK RETENTION RULES ("**RISK RETENTION U.S. PERSONS**). EACH PURCHASER OF THE NOTES AND/OR THE RESIDUAL CERTIFICATES OR A BENEFICIAL INTEREST THEREIN ACQUIRED IN THE INITIAL DISTRIBUTION THEREOF BY ITS ACQUISITION OF SUCH NOTE, RESIDUAL CERTIFICATE OR BENEFICIAL INTEREST THEREIN, WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT IT (1) EITHER (i) IS NOT A RISK RETENTION U.S. PERSON OR (ii) HAS OBTAINED A U.S. RISK RETENTION WAIVER FROM THE SELLER, (2) IS ACQUIRING SUCH NOTE OR RESIDUAL CERTIFICATE OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE OR RESIDUAL CERTIFICATE, AND (3) IS NOT ACQUIRING SUCH NOTE OR RESIDUAL CERTIFICATE OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING SUCH NOTE THROUGH A NON-RISK RETENTION U.S. PERSON, RATHER THAN A RISK RETENTION U.S. PERSON, AS PART OF A SCHEME TO EVADE THE 10 PER CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES).

THIS NOTE IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED IN THIS NOTE AND IN THE TRUST DEED. ANY 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 TO THE ISSUER, THE NOTE TRUSTEE OR ANY INTERMEDIARY. EACH TRANSFEROR OF THIS NOTE AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET OUT IN THIS NOTE AND IN THE TRUST DEED TO THE TRANSFEREE.

GENERAL INFORMATION

1. Subject of this Prospectus

This Prospectus relates to GBP 263,100,000 aggregate principal amount of the Notes and the Residual Certificates issued by Azure Finance No.3 plc, 10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom.

2. Authorisation

The issue of the Notes and the Residual Certificates was authorised by a resolution of the board of directors of Azure Finance No.3 plc, passed on 21 March 2023.

3. Litigation

The Issuer is not and has not been since its incorporation engaged in any governmental, legal or arbitration proceedings which may have or have had during such period a significant effect on its financial position or profitability, and, as far as the Issuer is aware, no such governmental, legal or arbitration proceedings are pending or threatened.

4. Payment information and post-issuance information

Subject to paragraph 9 (*Reporting*) below, the Issuer does not intend to provide any post-issuance transaction information regarding the Notes or the Residual Certificates or the performance of the underlying Purchased Receivables, except if required by any applicable laws and regulations.

For as long as the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes are listed on the official list and are admitted to trading on the regulated market of Euronext Dublin, the Issuer will inform Euronext Dublin of the Class A Interest Amounts, the Class B Interest Amounts, the Class C Interest Amounts, the Class D Interest Amounts, the Class E Interest Amounts, the Class F Interest Amounts, the Class X Interest Amounts, the Interest Periods, the Class A Interest Rates, the Class B Interest Rates, the Class C Interest Rates, the Class D Interest Rates, the Class E Interest Rates, the Class F Interest Rates and the Class X Interest Rates and, if relevant, the payments of principal on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, Class F Notes and the Class X Notes, in each case in the manner described in the Conditions.

Payments and transfers of the Notes and the Residual Certificates will be settled through Clearstream, Luxembourg and Euroclear, as described herein. The Notes and the Residual Certificates have been accepted for clearing by Clearstream, Luxembourg and Euroclear.

The Seller, in its role as Servicer, will, on behalf of the Issuer, for as long as the Class A Notes or (if possible in accordance with the Bank of England eligibility criteria in force from time to time) any other Class of Notes otherwise satisfy the Bank of England eligibility criteria, make loan level data available in such a manner as is required to comply with the Bank of England eligibility criteria and transparency criteria for asset backed

securities (as set out in the Detailed Information Transparency for Asset-Backed Securities for Auto-loan ABS of 11 October 2019 as amended and applicable from time to time).

5. **Material adverse change**

There has been no material adverse change in the financial position or prospects of the Issuer since its incorporation.

6. **Miscellaneous**

As at the date hereof, the Issuer has not commenced operations and no statutory or non-statutory accounts in respect of any fiscal year of the Issuer have been prepared. The Issuer will not publish interim accounts. The fiscal year in respect of the Issuer is the calendar year.

7. **Publication of documents**

This Prospectus will be made available to the public by publication in electronic form on the website of Euronext Dublin (https://live.euronext.com/en/markets/dublin).

8. **Listing and admission to trading**

Application has been made to Euronext Dublin for the Notes to be admitted to the Official List of Euronext Dublin and to trading on its regulated market, subject only, in the case of the Class A Notes, to the issue of the Global Note representing the Class A Notes and, in the case of the Class B Notes, to the issue of the Global Note representing the Class B Notes and, in the case of the Class C Notes, to the issue of the Global Note representing the Class C Notes and, in the case of the Class D Notes, to the issue of the Global Note representing the Class D Notes and, in the case of the Class E Notes, to the issue of the Global Note representing the Class E Notes, in the case of the Class F Notes, to the issue of the Global Note representing the Class F Notes and, in the case of the Class X Notes, to the issue of the Global Note representing the Class X Notes. The issue of the Notes will be cancelled if the related Global Notes, as applicable, are not issued. The estimated aggregate cost of the foregoing applications for admission to the Official List of Euronext Dublin and admission to trading on its regulated market is approximately EUR 12,600. It is expected that the Notes will be admitted to trading on the Closing Date.

Arthur Cox Listing Services Limited is acting solely in its capacity as Irish Listing Agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to the Official List of Euronext Dublin or to trading on its regulated market for the purposes of the EU Prospectus Regulation.

Any website referred to in this document does not form part of this Prospectus and has not been scrutinised or approved by the Central Bank of Ireland.

From the date of this Prospectus and for so long as the Notes are admitted to the Official List of Euronext Dublin and to trading on its regulated market, copies of the following documents may be inspected in physical form or in electronic form at the registered office

of the Issuer during usual business hours, on any weekday (public holidays excepted) and made available on the Reporting Website:

(a) the articles of incorporation of the Issuer;

(b) the resolutions of the board of directors of the Issuer approving the issue of the Notes;

(c) the Monthly Investor Reports;

(d) all notices given to the Noteholders pursuant to the Conditions; and

(e) this Prospectus and all Transaction Documents referred to in this Prospectus.

9. **Reporting**

Please see the section entitled "*RISK RETENTION AND SECURITISATION REGULATION REPORTING*" for information in relation to (i) the reporting to be provided by, or on behalf of, the Issuer (in its capacity as reporting entity for the purposes of Article 7(2) of the UK Securitisation Regulation and Article 7(2) of the EU Securitisation Regulation as it exists at the Closing Date) and/or (ii) the information that the Servicer (on behalf of the Seller as the originator for the purposes of the UK Securitisation Regulation and/or EU Securitisation Regulation as it exists at the Closing Date) will make available for the purposes of Article 7 and Article 22 of the UK Securitisation Regulation and Article 7 of the EU Securitisation Regulation as it exists at the Closing Date.

10. **ICSDs**

Euroclear Bank SA/NV
1 Boulevard du Roi Albert II
B-1210 Brussels
Belgium

Clearstream Banking S.A.
42 Avenue JF Kennedy
L-1885 Luxembourg

11. **LEI**

The Issuer's Legal Entity Identifier (LEI) is 635400QCNQ4CJGRWYC88.

12. **Clearing codes**

	ISIN	Common Code
Class A Notes	XS2603022059	260302205
Class B Notes	XS2603023297	260302329

	ISIN	Common Code
Class C Notes	XS2603023453	260302345
Class D Notes	XS2603023883	260302388
Class E Notes	XS2603025581	260302558
Class F Notes	XS2603026472	260302647
Class X Notes	XS2603026712	260302671
Residual Certificates	XS2603027280	260302728

GLOSSARY OF DEFINED TERMS

The following is part of the Master Definitions Schedule. The Master Definitions Schedule will be attached to the Conditions and the Residual Certificate Conditions and constitutes an integral part of the Conditions and the Residual Certificate Conditions – in case of any overlap or inconsistency in the definition of a term or expression in this Glossary of Defined Terms and elsewhere in this Prospectus, the definitions in this Glossary of Defined Terms will prevail.

The parties to the Master Definitions Schedule agree that, except where expressly stated to the contrary or where the context otherwise requires, the definitions set out below shall apply to terms or expressions referred to but not otherwise defined in each Transaction Document.

"**Account Bank**" means Citibank, N.A., London Branch or any successor thereof or any other person appointed as replacement Account Bank from time to time in accordance with the Bank Account Agreement.

"**Additional Account**" means any account opened in the name of the Issuer from time to time (whether a new account or a replacement or supplement for any existing Issuer Account), in each case excluding the Transaction Account, the Reserve Fund Account and the Swap Collateral Account and any successors thereto.

"**Adverse Claim**" means any mortgage, charge, pledge, hypothecation, lien or other security interest or encumbrance or other right or claim under the laws of any jurisdiction, of or on any person's assets or properties in favour of any other person.

"**Affiliate**" means, in relation to any corporate entity, a holding company or subsidiary of such corporate entity or a subsidiary of the holding company of such corporate entity (the terms "holding company" and "subsidiary" having the meaning given to them by the Companies Act 2006).

"**Agency Agreement**" means the agency agreement entered into by the Issuer, the Servicer, the Security Trustee, the Paying Agent, the Interest Determination Agent, the Registrar, the Account Bank and the Note Trustee on or about the Closing Date.

"**Agent**" means the Paying Agent, the Interest Determination Agent and/or the Registrar (as applicable).

"**Aggregate Outstanding Note Principal Amount**" means the aggregate of the Outstanding Note Principal Amount of a Class of Notes on any date (where such date is an Interest Payment Date, taking into account any principal redemption on such Interest Payment Date).

"**Aggregate Outstanding Principal Balance**" means, on any date, the aggregate of the Outstanding Principal Balance of all Purchased Receivables.

"**Alternative Benchmark Rate**" has the meaning given to that term in Condition 12(b)(iii) (*Meetings of Noteholders, amendments, waiver, substitution and exchange*) and Residual Certificate Condition 10(b)(iii) (*Meetings of Certificateholders and Noteholders, amendments, waiver, substitution and exchange*).

"**Ancillary Rights**" means, in relation to a Purchased Receivable, the ancillary rights associated with such Receivable, including the following as the context requires:

(a) the right to demand, sue for, recover, receive and give receipts for all amounts due (whether or not from the relevant Obligor) under, relating to or in connection with the related HP Agreement;

(b) the benefit of all covenants and undertakings from the relevant Obligor and from any guarantor under, relating to or in connection with the related HP Agreement;

(c) the benefit of all causes of action against the relevant Obligor and any guarantor under, relating to or in connection with the related HP Agreement;

(d) the right to receive the Vehicle Sale Proceeds;

(e) the benefit of the Seller in any motor vehicle insurance policy for the Vehicle to which such Receivable is related and any proceeds thereunder paid to the Seller; and

(f) the benefit of any other rights, title, interests, powers or benefits of the Seller in relation to the related HP Agreement (other than title to the Vehicle), including any claims against a Dealer in respect of the Vehicle,

other than ownership of the related Vehicle and other than any Excluded Amounts (and for the purpose of this definition references to "**guarantees**" shall be deemed to include all other indemnities, security, collateral or other documents, agreements or arrangements whatsoever whereby any person (including, but without limitation, any Obligor) agrees to make any payment to the Seller in respect of that Obligor's obligations under the relevant HP Agreement or to provide any security therefor and "**guarantors**" shall be construed accordingly).

"**Applicable Benchmark Rate**" has the meaning given to that term in Condition 12(b)(iii) (*Meetings of Noteholders, amendments, waiver, substitution and exchange*) and Residual Certificate Condition 10(b)(iii) (*Meetings of Certificateholders and Noteholders, amendments, waiver, substitution and exchange*).

"**APR**" means annual percentage rate.

"**Arranger**" means Morgan Stanley & Co. International plc.

"**Available Principal Receipts**" means, in respect of any Calculation Period and the immediately succeeding Interest Payment Date, an amount equal to the sum of (without double counting):

(a) all Principal Receipts received by the Issuer (including, for the avoidance of doubt, into a Collection Account) during such Calculation Period (in each case, excluding any Reconciliation Amounts to be applied as Available Revenue Receipts on that Interest Payment Date), other than those Principal Receipts referred to in (b) below);

(b) any Reconciliation Amounts deemed to be Available Principal Receipts in accordance with the Cash Management Agreement;

(c) the amount, if any, to be credited to the Principal Deficiency Ledger pursuant to items (f), (i), (k), (m), (o) and (q) of the Pre-Acceleration Revenue Priority of Payments on the relevant Interest Payment Date;

(d) any Principal Receipts (other than those Principal Receipts referred to in (a) or (b) above) that have not been applied on the immediately preceding Interest Payment Date; and

(e) on a Repurchase Date on which the Clean-Up Call is exercised, all amounts relating to the Calculation Period in which the Clean-Up Call is exercised standing to the credit of the Transaction Account (excluding the balance on the Issuer Profit Ledger) on the date which is two Business Days prior to the Repurchase Date,

excluding any payments received by the Issuer in error which have been identified by the Servicer and communicated to the Cash Manager in accordance with the Servicing Agreement.

"**Available Revenue Receipts**" means, in respect of any Calculation Period and the immediately following Interest Payment Date, an amount equal to the sum of (without double counting):

(a) all Revenue Receipts received by the Issuer (including, for the avoidance of doubt, into a Collection Account) during such Calculation Period (in each case, excluding any Reconciliation Amounts to be applied as Available Principal Receipts on that Interest Payment Date) other than those Revenue Receipts referred to in (b) below;

(b) any Reconciliation Amounts deemed to be Available Revenue Receipts in accordance with the Cash Management Agreement;

(c) interest received on any Issuer Account (other than any Swap Collateral Account);

(d) amounts received by the Issuer under the Swap Agreement (other than (1) any early termination amount (save to the extent such early termination amount or part thereof is in excess of any premium due to a replacement Swap Provider), (2) any Replacement Swap Premium (save to the extent such Replacement Swap Premium or any part thereof is in excess of any termination payment due to the relevant outgoing Swap Provider), (3) any Swap Collateral, (4) any Swap Tax Credits or (5) any Excess Swap Collateral);

(e) the aggregate of all Available Principal Receipts (if any) which are applied as Surplus Available Principal Receipts;

(f) any Revenue Receipts (other than those Revenue Receipts referred to in (a) above) that have not been applied on the immediately preceding Interest Payment Date;

(g) the Senior Reserve Fund Release Amount, provided that this is only available for payments under items (a) to (e) (inclusive) and (g) of the Pre-Acceleration Revenue Priority of Payments;

(h) the Junior Reserve Fund Release Amount, provided that this is only available for payments under items (a) to (d) (inclusive) and (j), (l), (n) and (p) of the Pre-Acceleration Revenue Priority of Payments;.

(i) on the Interest Payment Date on which the Collateralised Notes are redeemed in full and each Interest Payment Date thereafter, on the Interest Payment Date on which the Clean-Up Call is exercised, and on the Legal Maturity Date, all amounts standing to the credit of the Reserve Funds;

(j) the Senior Reserve Fund Excess Amount;

(k) the Junior Reserve Fund Excess Amount; and

(l) any Principal Addition Amount, provided that this is only available to make:

(i) payments under items (a) to (e) (inclusive) of the Pre-Acceleration Revenue Priority of Payments;

(ii) if on such Interest Payment Date either (1) the Class B Notes are the Most Senior Class or (2) there is not a debit balance on the Principal Deficiency Sub-ledger (Class B), payments under item (g) of the Pre-Acceleration Revenue Priority of Payments;

(iii) if on such Interest Payment Date either (1) the Class C Notes are the Most Senior Class or (2) there is not a debit balance on the Principal Deficiency Sub-ledger (Class C), payments under item (j) of the Pre-Acceleration Revenue Priority of Payments;

(iv) if on such Interest Payment Date either (1) the Class D Notes are the Most Senior Class or (2) there is not a debit balance on the Principal Deficiency Sub-ledger (Class D), payments under item (l) of the Pre-Acceleration Revenue Priority of Payments;

(v) if on such Interest Payment Date either (1) the Class E Notes are the Most Senior Class or (2) there is not a debit balance on the Principal Deficiency Sub-ledger (Class E), payments under item (n) of the Pre-Acceleration Revenue Priority of Payments; and

(vi) if on such Interest Payment Date either (1) the Class F Notes are the Most Senior Class or (2) there is not a debit balance on the Principal Deficiency Sub-ledger (Class F), payments under item (p) of the Pre-Acceleration Revenue Priority of Payments,

provided that, for the purposes of this paragraph (l), the balance of each sub-ledger of the Principal Deficiency Ledger shall be determined, in respect of an Interest Payment Date, prior to the application of any amounts that are to be applied on such Interest Payment Date pursuant to the Priorities of Payments,

but, for the avoidance of doubt, excluding any Issuer Profit Amount retained by the Issuer on any previous Interest Payment Date, (without double counting any amounts excluded from the definition of Revenue Receipts) any amounts which have been applied as Permitted Revenue Withdrawals by the Issuer during the immediately preceding Calculation Period and any payments received by the Issuer in error which have been identified by the Servicer and communicated to the Cash Manager in accordance with the Servicing Agreement.

"**Bank Account Agreement**" means the bank account agreement entered into by the Issuer, the Account Bank, the Note Trustee, the Security Trustee and the Cash Manager on or about the Closing Date.

"**Basic Terms Modification**" has the meaning given to it in Condition 12(a)(iv) (*Meetings of Noteholders, amendments, waiver, substitution and exchange*) and Residual Certificate Condition 10(a)(iv) (*Meetings of Certificateholders and Noteholders, amendments, waiver, substitution and exchange*).

"**Benchmark Rate Modification**" has the meaning given to that term in Condition 12(b)(iii) (*Meetings of Noteholders, amendments, waiver, substitution and exchange*) and Residual Certificate Condition 10(b)(iii) (*Meetings of Certificateholders and Noteholders, amendments, waiver, substitution and exchange*).

"**Benchmark Rate Modification Certificate**" has the meaning given to that term in Condition 12(b)(iii) (*Meetings of Noteholders, amendments, waiver, substitution and exchange*) and Residual Certificate Condition 10(b)(iii) (*Meetings of Certificateholders and Noteholders, amendments, waiver, substitution and exchange*).

"**Benchmark Trigger Event**" means a Permanent Cessation Trigger or Administrator/Benchmark Event, each such term having the meaning given to it in the Swap Agreement.

"**Blue**" means Blue Motor Finance Limited.

"**BMF DD Collection Account**" means an account held with the Collection Account Bank in the name of the BMF DD Collection Account Holder into which as at the Closing Date all Obligors are directed to make payment in respect of the Purchased Receivables (other than prepayments and certain other exceptional payments to be received from Obligors, which Obligors are directed to pay to the Seller Collection Account).

"**BMF DD Collection Account Bank Agreement**" means the account bank agreement dated on or about 22 October 2014 between, among others, the BMF DD Collection Account Holder and the Collection Account Bank.

"**BMF DD Collection Account Declaration of Trust**" means the trust declared by the BMF DD Collection Account Holder on or about the Closing Date in favour of, among others, the Issuer over the aggregate amount standing to the credit of the BMF DD Collection Account which relates to Purchased Receivables.

"**BMF DD Collection Account Holder**" means Blue Motor Finance DD Limited.

"**BMFL Collection Account**" means an account held with the Collection Account Bank in the name of Blue into which Obligors may be directed at any time after the Closing Date to make payment in respect of the Purchased Receivables in place of the BMF DD Collection Account (other than prepayments and certain other exceptional payments to be received from Obligors, which Obligors are directed to pay to the Seller Collection Account).

"**BMFL Collection Account Bank Agreement**" means the account bank terms that are from time to time applicable to the BMFL Collection Account.

"**BMFL Collection Account Declaration of Trust**" means the trust declared by Blue on or about the Closing Date in favour of, among others, the Issuer over the aggregate amount standing to the credit of the BMFL Collection Account which relates to Purchased Receivables.

"**Book-Entry Interests**" means the beneficial interests in the Global Notes.

"**Broker**" means any intermediary that has introduced an Obligor to the Seller, having the relevant permission under the FSMA to carry on in relation to the related HP Agreement the regulated activity of "credit broking" as defined in Article 36A(1) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.

"**Business Day**" means a day (other than a Saturday or a Sunday) on which banks are generally open for business in London.

"**Business Day Convention**" means that, if any due date specified in a Transaction Document for performing a certain task (and, in particular, payment of any amount) is not a Business Day, such task shall be performed (or such payment shall be made) on the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such task shall be performed on the immediately preceding Business Day.

"**Calculated Principal Receipts**" means, in respect of a Determination Period, (A) 1 minus the Interest Determination Ratio multiplied by (B) all Collections received by the Issuer during such Determination Period.

"**Calculated Revenue Receipts**" means, in respect of a Determination Period, (A) the Interest Determination Ratio multiplied by (B) all Collections received by the Issuer during such Determination Period.

"**Calculation Agent**" means, in relation to the Swap Agreement, the Swap Provider, provided that, if the Swap Provider is a defaulting party, the Issuer may, by giving written notice to the Swap Provider, appoint a substitute Calculation Agent that is a leading, independent dealer in the interest rate derivatives market.

"**Calculation Date**" means in relation to each Calculation Period the third Business Day prior to the Interest Payment Date immediately following such Calculation Period, with the first Calculation Date falling on 17 May 2023.

"**Calculation Period**" means the monthly servicing and cash management reporting period from (and including) the first day of each calendar month to (but excluding) the first day of the following month or, in the case of the first Calculation Period, from (and including) the Cut-Off Date to (but excluding) 1 May 2023.

"**Car Data Register**" means the company with which the Seller registers its interest in a Vehicle from time to time, which at the Closing Date is HPI Limited.

"**Cash Management Agreement**" means the cash management agreement dated on or about the Closing Date among the Issuer, the Cash Manager, the Seller, the Servicer, the Note Trustee and the Security Trustee.

"**Cash Manager**" means the person appointed as cash manager, any successor thereof or any other person appointed as replacement cash manager from time to time in accordance with the Cash Management Agreement, which on the Closing Date is Citibank, N.A., London Branch, acting through its office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.

"**Cash Manager Termination Event**" means the occurrence of any one of the following events:

(a) the Cash Manager fails to instruct a deposit or payment when such instruction is required to be made by it under the Cash Management Agreement and such failure remains unremedied for three Business Days (where capable of remedy) following the Cash Manager having actual knowledge of, or being notified in writing of, such failure;

(b) a default is made by the Cash Manager in the performance or observance of any of its other covenants and obligations under the Cash Management Agreement, which in the opinion of the Note Trustee as notified to the Security Trustee is materially prejudicial to the interests of the Noteholders of the Most Senior Class and, where capable of remedy, such default continues unremedied for a period of 30 Business Days after the earlier of the Cash Manager having actual knowledge of such default and receipt by the Cash Manager of written notice from the Issuer or the Security Trustee, as applicable, requiring the same to be remedied;

(c) it is or will become unlawful for the Cash Manager to perform or comply with any of its obligations under the Cash Management Agreement; or

(d) an Insolvency Event occurs in respect of the Cash Manager.

"**CCA**" means the Consumer Credit Act 1974, as amended.

"**CCA Compensation Amount**" means the amount, calculated by the Servicer in accordance with clause 11.1(f)(i) (*Undertakings of the Servicer*) of the Servicing Agreement, to compensate the Issuer for any loss caused as a result of a breach of the Seller Receivables Warranties arising as a result of any Purchased Receivables or related HP Agreement (or part thereof) being determined illegal, invalid, unenforceable or non-binding under the CCA or the FSMA.

"**CCA Compensation Payment**" means the payment made by the Seller to the Issuer in respect of the CCA Compensation Amount.

"**Certificateholder**" means the person in whose name a Residual Certificate is registered at the relevant time in the Register or, in the case of a joint holding, the first named person; provided that, so long as any of the Residual Certificates are represented by the Global Residual Certificate, the term "Certificateholder" 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 number of Residual Certificates for all purposes other than in respect of payments on such Residual Certificates, the right to which will be vested as against the Issuer solely in the holder of the Global Residual Certificate in accordance with and subject to its terms.

"**Charged Documents**" means the Transaction Documents to which the Issuer is a party and all other contracts, documents, agreements and deeds to which it is, or may become, a party (other than the Deed of Charge, the Trust Deed, the Vehicle Declaration of Trust and the Scottish Supplemental Charge).

"**Charged Property**" means the property subject to the security created by the Issuer in favour of the Security Trustee for it and the other Secured Creditors pursuant to the Deed of Charge and/or the Scottish Supplemental Charge.

"**Class**" means a Class of Notes or a Class of Noteholders.

"**Class A Interest Amount**" means, on each Interest Payment Date, the amount of interest payable pursuant to Condition 4(e) (*Calculations*) in respect of the Class A Notes held by a Class A Noteholder on such Interest Payment Date.

"**Class A Interest Rate**" has the meaning given to it in Condition 4(c) (*Interest Rate*).

"**Class A Interest Shortfall**" has the meaning given to it in Condition 6(a) (*Additional interest on the Class A Notes*).

"**Class A Noteholders**" means the holders of the Class A Notes at the relevant time.

"**Class A Notes**" means the floating rate Class A Notes which are issued on the Closing Date in an initial Aggregate Outstanding Note Principal Amount of GBP 181,400,000.

"**Class B Interest Amount**" means, on each Interest Payment Date, the amount of interest payable pursuant to Condition 4(e) (*Calculations*) in respect of the Class B Notes held by a Class B Noteholder on such Interest Payment Date.

"**Class B Interest Rate**" has the meaning given to it in Condition 4(c) (*Interest Rate*).

"**Class B Interest Shortfall**" has the meaning given to it in Condition 6(b) (*Interest on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes*).

"**Class B Noteholders**" means the holders of the Class B Notes at the relevant time.

"**Class B Notes**" means the floating rate Class B Notes which are issued on the Closing Date in an initial Aggregate Outstanding Note Principal Amount of GBP 27,100,000.

"**Class C Interest Amount**" means, on each Interest Payment Date, the amount of interest payable pursuant to Condition 4(e) (*Calculations*) in respect of the Class C Notes held by a Class C Noteholder on such Interest Payment Date.

"**Class C Interest Rate**" has the meaning given to it in Condition 4(c) (*Interest Rate*).

"**Class C Interest Shortfall**" has the meaning given to it in Condition 6(b) (*Interest on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes*).

"**Class C Noteholders**" means the holders of the Class C Notes at the relevant time.

"**Class C Notes**" means the floating rate Class C Notes which are issued on the Closing Date in an initial Aggregate Outstanding Note Principal Amount of GBP 18,400,000.

"**Class D Interest Amount**" means, on each Interest Payment Date, the amount of interest payable pursuant to Condition 4(e) (*Calculations*) in respect of the Class D Notes held by a Class D Noteholder on such Interest Payment Date.

"**Class D Interest Rate**" has the meaning given to it in Condition 4(c) (*Interest Rate*).

"**Class D Interest Shortfall**" has the meaning given to it in Condition 6(b) (*Interest on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes*).

"**Class D Noteholders**" mean the holders of the Class D Notes at the relevant time.

"**Class D Notes**" means the floating rate Class D Notes which are issued on the Closing Date in an initial Aggregate Outstanding Note Principal Amount of GBP 9,200,000.

"**Class E Interest Amount**" means, on each Interest Payment Date, the amount of interest payable pursuant to Condition 4(e) (*Calculations*) in respect of the Class E Notes held by a Class E Noteholder on such Interest Payment Date.

"**Class E Interest Rate**" has the meaning given to it in Condition 4(c) (*Interest Rate*).

"**Class E Interest Shortfall**" has the meaning given to it in Condition 6(b) (*Interest on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes*).

"**Class E Noteholders**" means the holders of the Class E Notes at the relevant time.

"**Class E Notes**" means the floating rate Class E Notes which are issued on the Closing Date in an initial Aggregate Outstanding Note Principal Amount of GBP 6,100,000.

"**Class F Interest Amount**" means, on each Interest Payment Date, the amount of interest payable pursuant to Condition 4(e) (*Calculations*) in respect of the Class F Notes held by a Class F Noteholder on such Interest Payment Date.

"**Class F Interest Rate**" has the meaning given to it in Condition 4(c) (*Interest Rate*).

"**Class F Interest Shortfall**" has the meaning given to it in Condition 6(b) (*Interest on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes*).

"**Class F Noteholders**" means the holders of the Class F Notes at the relevant time.

"**Class F Notes**" means the floating rate Class F Notes which are issued on the Closing Date in an initial Aggregate Outstanding Note Principal Amount of GBP 3,700,000.

"**Class of Notes**" means each of the Class A Notes and/or the Class B Notes and/or the Class C Notes and/or the Class D Notes and/or the Class E Notes and/or the Class F Notes and/or the Class X Notes and like phrases shall be construed accordingly.

"**Class X Interest Amount**" means, on each Interest Payment Date, the amount of interest payable pursuant to Condition 4(e) (*Calculations*) in respect of the Class X Notes held by a Class X Noteholder on such Interest Payment Date.

"**Class X Interest Rate**" has the meaning given to it in Condition 4(c) (*Interest Rate*).

"**Class X Interest Shortfall**" has the meaning given to it in Condition 6(b) (*Interest on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes*).

"**Class X Noteholders**" means the holders of the Class X Notes at the relevant time.

"**Class X Notes**" means the floating rate Class X Notes which are issued on the Closing Date in an initial Aggregate Outstanding Note Principal Amount of GBP 17,200,000.

"**Clean-Up Call**" means the Seller's right pursuant to the Receivables Sale and Purchase Agreement to repurchase all of the Purchased Receivables on any Interest Payment Date on which the Aggregate Outstanding Note Principal Amount of the Collateralised Notes is equal to or less than 10% of the Aggregate Outstanding Note Principal Amount of the Collateralised Notes as at the Closing Date (such right being subject to the satisfaction of the Clean-Up Call Conditions).

"**Clean-Up Call Conditions**" means, in relation to any exercise by the Seller of the Clean-Up Call, the following requirements:

(a) the Final Repurchase Price must be an amount as described in Condition 5(d)(i)(1) (*Clean-Up Call*); and

(b) the Seller shall have notified the Issuer of its intention to exercise the Clean-Up Call at least 10 calendar days prior to the contemplated settlement date of the Clean-Up Call.

"**Clearing Systems**" means Clearstream Banking S.A., Euroclear Bank SA/NV, DTC and/or such other clearing agency, settlement system or depository as may from time to time be used in connection with the safekeeping of, or transactions relating to, securities, and any nominee, clearing agency or depository for any of them.

"**Clearstream, Luxembourg**" means the Clearstream clearance system for internationally traded securities operated by Clearstream Banking S.A., and any successor thereto.

"**Closing Date**" means 20 April 2023.

"**Collateralised Notes**" means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes.

"**Collection Account**" means the BMF DD Collection Account, the BMFL Collection Account, the Seller Collection Account and/or any New Collection Account (as the context requires).

"**Collection Account Bank**" means Lloyds Bank plc and/or any New Collection Account Bank.

"**Collection Account Declaration of Trust**" means the BMF DD Collection Account Declaration of Trust, the BMFL Collection Account Declaration of Trust, the Seller Collection Account Declaration of Trust and/or any declaration of trust in favour of the Issuer relating to any New Collection Account (as the context requires).

"**Collections**" means, in respect of each Purchased Receivable, all amounts of cash received by the Servicer in respect of such Purchased Receivable deriving from the related HP Agreement or

Ancillary Rights from the Obligor or a third party, including any amounts representing Vehicle Sale Proceeds and any Recovery Collections.

"**Common Depositary**" means the common depositary in respect of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class X Notes and the Residual Certificates.

"**Common Safekeeper**" or "**CSK**" means the entity appointed by the ICSDs to provide safekeeping for the Notes in NSS form.

"**Compounded Daily SONIA**" has the meaning given to that term in Condition 4(d)(vi) (*Interest*).

"**Conditions**" means the terms and conditions of the Notes (which terms and conditions are set out in the Prospectus).

"**COR**" means the critical obligation rating assigned and published by DBRS.

"**Corporate Services Agreement**" means the corporate services agreement entered into by the Issuer, Holdings, the Corporate Services Provider, the Security Trustee and the Share Trustee on or about the Closing Date under which the Issuer and Holdings have appointed the Corporate Services Provider to provide certain corporate and administrative services to each of them.

"**Corporate Services Provider**" means CSC Capital Markets UK Limited, acting through its offices at 10th Floor, 5 Churchill Place, London E14 5HU, England.

"**CRA15**" means the Consumer Rights Act 2015.

"**CRD V**" means Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures.

"**Credit and Collection Procedures**" means the origination, credit and collection procedures employed by the Seller from time to time in relation to the provision of Services as set out in the Servicing Agreement, as the same may from time to time be amended in accordance with the Transaction Documents.

"**Credit Support Annex**" means the credit support annex to the ISDA Master Agreement forming part of the Swap Agreement.

"**Cut-Off Date**" means 28 February 2023.

"**Data Protection Laws**" means any law, enactment, regulation or order concerning privacy and the processing of data relating to living persons including:

(a) the EU GDPR;

(b) the UK GDPR;

(c) the UK Data Protection Act 2018; and

(d) other EU and UK Data Protection Laws,

in each case to the extent applicable to the activities or obligations under or pursuant to the Transaction Documents, and each of the terms "**controller**", "**data subject**", "**personal data**", "**sensitive data**" and "**personal data breach**", where used in respect of the performance of an activity or obligation, shall have the meaning given to it under the relevant Data Protection Laws as at the time at which that activity or obligation was performed.

"**Day Count Fraction**" means, in respect of an Interest Period, the actual number of days in such Interest Period divided by 365.

"**DBRS**" means DBRS Ratings Limited and any successor to the debt rating business thereof.

"**DBRS Equivalent Chart**" means:

DBRS Equivalent Rating	**Moody's**	**S&P**	**Fitch**
AAA	Aaa	AAA	AAA
AA (high)	Aa1	AA+	AA+
AA	Aa2	AA	AA
AA (low)	Aa3	AA-	AA-
A (high)	A1	A+	A+
A	A2	A	A
A (low)	A3	A-	A-
BBB (high)	Baa1	BBB+	BBB+
BBB	Baa2	BBB	BBB
BBB (low)	Baa3	BBB-	BBB-
BB (high)	Ba1	BB+	BB+
BB	Ba2	BB	BB
BB (low)	Ba3	BB-	BB-
B (high)	B1	B+	B+
B	B2	B	B
B (low)	B3	B-	B-
CCC (high)	Caa1	CCC+	CCC
CCC	Caa2	CCC	
CCC (low)	Caa3	CCC-	
CC	Ca	CC	
		C	
D	C	D	D

"**DBRS Equivalent Rating**" means, with respect to the long-term senior debt ratings: (i) if a Fitch public rating, a Moody's public rating and an S&P public rating are all available: (a) the remaining rating (upon conversion on the basis of the DBRS Equivalent Chart) once the highest and the

lowest rating have been excluded; or (b) in the case of two or more same ratings, any of such ratings (upon conversion on the basis of the DBRS Equivalent Chart); (ii) if the DBRS Equivalent Rating cannot be determined under paragraph (i) above, but public ratings by any two of Fitch, Moody's and S&P are available, the lower rating available (upon conversion on the basis of the DBRS Equivalent Chart); and (iii) if the DBRS Equivalent Rating cannot be determined under paragraph (i) or paragraph (ii) above, and therefore only a public rating by one of Fitch, Moody's and S&P is available, such rating will be the DBRS Equivalent Rating (upon conversion on the basis of the DBRS Equivalent Chart).

"**Dealer**" means the person from whom the Seller purchased a Vehicle that forms the subject matter of an HP Agreement.

"**Dealer Contract**" means any contract between the Seller and any Dealer relating to the supply of a Vehicle.

"**Deed of Charge**" means the deed of charge dated on or about the Closing Date between, *inter alios*, the Issuer and the Security Trustee.

"**Defaulted Receivable**" means any Purchased Receivable (excluding a Disputed Receivable or any Receivable with an Outstanding Principal Balance of less than £30):

(a) in relation to which the Obligor has returned the related Vehicle and sought to terminate the relevant HP Agreement without making further monthly hire purchase payments other than in accordance with sections 99 and 100 of the CCA;

(b) in respect of which a Monthly Payment or any other payment in excess of £30 thereunder is unpaid past its due date for more than 90 days from the date specified for payment under the related HP Agreement;

(c) in relation to which the Seller (or someone on its behalf) has issued an instruction for the repossession of the related Vehicle;

(d) in relation to which the Obligor has perpetrated a fraud in entering into the relevant HP Agreement; or

(e) in relation to which, in accordance with the Seller's Credit and Collection Procedures, it has been determined that there is no reasonable chance that the Obligor is able to pay and that any outstanding amounts will be collected (including, for the avoidance of doubt, where the Obligor is untraceable).

"**Defaulted Receivables Payment**" means, in respect of a Defaulted Receivable, and following disposal of the Vehicle related to such Receivable and receipt by the Issuer of the related Vehicle Sale Proceeds, an amount equal to the amount recoverable from a third party debt collection agency in respect of that Defaulted Receivable (such amount to be evidenced in the notice of repurchase, being the amount such a third party is willing to pay as the market value of such claims), but in any event up to a maximum amount equal to the Outstanding Principal Balance of the relevant Receivable on the Repurchase Date plus any interest accrued but unpaid thereon.

"**Definitive Notes**" means any Notes in definitive registered form.

"**Definitive Residual Certificates**" means any Residual Certificates in definitive registered form.

"**Determination Period**" means a Calculation Period in respect of which the Cash Manager does not receive a Monthly Report from the Servicer in accordance with the Servicing Agreement on or prior to the relevant Reporting Date.

"**Direct Debit**" means a written instruction of an Obligor authorising its bank or building society to honour a request of Blue to debit a sum of money on specified dates from the account of the Obligor for credit to an account of Blue or Blue Motor Finance DD Limited.

"**Disputed Receivable**" means a Receivable in respect of which an Obligor is disputing its obligation to make payments that would otherwise be due thereunder (other than where such dispute is frivolous or vexatious).

"**Early Settlement**" means where (i) the Obligor of a Purchased Receivable requests from the Servicer that the Servicer allows the Obligor, on payment to the Servicer of the requested early settlement amount calculated in accordance with the Credit and Collection Procedures, to terminate the HP Agreement and (ii) the requested early settlement amount is paid in accordance with the Credit and Collection Procedures with the result that no further liability exists from the Obligor under the HP Agreement that is the subject of the early settlement request.

"**Early Settlement Regulations**" means the Consumer Credit (Early Settlement) Regulations 2004.

"**EIOPA**" means the European Insurance and Occupational Pensions Authority or any successor authority.

"**Eligibility Criteria**" means the eligibility criteria set out in Appendix 2 (*Eligibility Criteria*) to the Receivables Sale and Purchase Agreement.

"**Eligible Persons**" has the meaning given to it in the Trust Deed.

"**Eligible Receivable**" means a Receivable that (on the date of its purchase or purported purchase by the Issuer) satisfies the Eligibility Criteria.

"**Eligible Swap Provider**" means, with respect to the Swap Provider or any guarantor of the Swap Provider, respectively, any entity:

(a) having from Moody's (i) a counterparty risk assessment of "Baa1(cr)" or above or, if not available, a long-term, unsecured, unsubordinated debt rating of "Baa1" or above or (ii) a counterparty risk assessment of "Baa3(cr)" or above or, if not available, a long-term, unsecured, unsubordinated debt rating of "Baa3", unless (A) where the Swap Provider does not meet the rating set out in (i), it either posts collateral in the amount and manner set forth in the Swap Agreement or obtains a guarantee from a person having the ratings set forth in (i) or (ii) above or (B) where the Swap Provider does not meet the rating set out in (ii) but wishes to post collateral in the amount and manner set forth in the Swap Agreement, it also obtains a guarantee from a person having the ratings set forth in (ii) above; and

(b) having a Long-Term DBRS Rating of at least "A" by DBRS.

"**ESMA**" means the European Securities Markets Authority or any successor authority.

"**EU Article 7 ITS**" means the Commission Implementing Regulation (EU) 2020/1225 (the "**2020/1225 ITS**") including any relevant guidance and policy statements relating to the application of the 2020/1225 ITS published by the EBA, ESMA or EIOPA or by the European Commission, as at the Closing Date.

"**EU Article 7 RTS**" means the Commission Delegated Regulation (EU) 2020/1224 (the "**2020/1224 RTS**") including any relevant guidance and policy statements relating to the application of the 2020/1224 RTS published by the EBA, ESMA or EIOPA or by the European Commission, as at the Closing Date.

"**EU Article 7 Technical Standards**" means the EU Article 7 RTS and the EU Article 7 ITS.

"**EU Benchmarks Regulation**" means the Benchmark Regulation (Regulation (EU) 2016/1011).

"**EU CRA Regulation**" means Regulation (EC) No 1060/2009 of the European Parliament on credit rating agencies, as amended.

"**EU CRR**" means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, amending Regulation (EU) No 648/2012 as supplemented by Commission Delegated Regulation (EU) No 625/2014.

"**EU Data Protection Laws**" means any law, enactment, regulation or order transposing, implementing, adopting, supplementing or derogating from, the EU GDPR and the EU Directive 2002/58/EC in each Member State.

"**EU EMIR**" means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories, known as the European Market Infrastructure Regulation, as amended by Regulation (EU) 2019/834 of the European Parliament and of the Council dated 20 May 2019.

"**EU GDPR**" means Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC.

"**EU Insolvency Regulation**" means Regulation (EU) No 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast).

"**EU Insurance Distribution Directive**" means Directive (EU) 2016/97, as amended.

"**EU Market Abuse Regulation**" means Regulation (EU) No 596/2014.

"**EU MiFID II**" means Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as amended.

"**EU Securitisation Regulation**" means Regulation (EU) 2017/2402 dated 12 December 2017, as amended and any relevant regulatory and/or implementing technical standards adopted by the European Commission in relation thereto, any relevant regulatory and/or implementing technical

standards applicable in relation thereto pursuant to any transitional arrangements made pursuant to that Regulation and, in each case, any relevant guidance and policy statements published by the European Banking Authority, the European Securities and Markets Authority, the European Insurance and Occupational Pensions Authority (or, in each case, any predecessor authority), the European Commission and national competent authorities.

"**EUR**" or "**Euro**" means the lawful currency of the Member States of the European Union that have adopted the single currency in accordance with the Treaty on the Functioning of the European Union.

"**Euroclear**" means Euroclear Bank SA/NV as operator of the Euroclear System and any successor thereto.

"**Euronext Dublin**" means the Irish Stock Exchange plc trading as Euronext Dublin.

"**Eurosystem**" comprises the European Central Bank and the national central banks of those countries that have adopted the euro.

"**EUSR RTS Delegated Regulation**" means the Commission Delegated Regulation (EU) supplementing the EU Securitisation Regulation dated 16 October 2019.

"**EUWA**" means the European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020), as amended, varied, superseded or substituted from time to time.

"**Event of Default**" has the meaning given to it in Condition 10 (*Events of Default*) and/or Residual Certificate Condition 8 (*Events of Default*) (as applicable).

"**Excess Amount**" means each payment (without double-counting):

(a) credited to a Collection Account that represents an amount received from an Obligor in excess of the amount payable under the relevant HP Agreement;

(b) recalled by the payor or subject to repayment under the Direct Debit guarantee; and/or

(c) which is otherwise a payment made in error to a Collection Account.

"**Excess Recoveries Amount**" means, in respect of a Purchased Receivable, an amount equal to any amounts received by the Issuer which are in excess of the aggregate amounts payable by an Obligor in respect of such Purchased Receivables (including related fees and costs associated with any recoveries) either as a result of any indemnity or other payment amounts received from Dealers, Insurers or other third parties or following a Receivable becoming a Defaulted Receivable (including, but not limited to, amounts deriving from Vehicle Sale Proceeds).

"**Excess Swap Collateral**" means, in respect of the Swap Agreement:

(a) prior to the termination of the Swap Agreement, any Return Amount, Interest Amount or Distribution (as each such term is defined in the Credit Support Annex) which the Swap Provider is entitled to have returned to it or otherwise to receive under the terms of the Swap Agreement; and

(b) in the case of a termination under the Swap Agreement, an amount equal to the amount by which the value of the Swap Collateral (or the applicable part thereof) provided by the Swap Provider to the Issuer (including any Interest Amount and Distributions in respect thereof (as each such term is defined in the Credit Support Annex)) pursuant to the Swap Agreement and held by the Issuer at that time is in excess of the Swap Provider's liability under the Swap Agreement as determined on or as soon as reasonably practicable after the date of termination of the Swap Agreement (such liability shall be determined in accordance with the terms of the Swap Agreement except that for the purpose of this definition only the value of the Swap Collateral will not be applied as an unpaid amount owed by the Issuer to the Swap Provider).

"**Exchange Act**" means the U.S. Securities Exchange Act of 1934, as amended.

"**Exchange Event**" means:

(a) any relevant Clearing System is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or

(b) as a result of any amendment to, or change in (A) the laws or regulations of the United Kingdom (or of any political sub-division thereof) or of any authority therein or thereof having power to tax or (B) the interpretation or administration of such laws or regulations, which becomes effective on or after the Closing Date, the Issuer or the Paying Agent is or will be required to make a Tax Deduction from any payment in respect of the Notes or the Residual Certificates which would not be required were the Notes or the Residual Certificates (as applicable) in definitive form.

"**Excluded Amounts**" means fees and expenses, charges and costs paid by an Obligor to the Servicer in respect of a Purchased Receivable and not reimbursed by the Issuer, if any, arising as a consequence of any late payment or failure to pay by Direct Debit by the Obligor, any third party charges or any subsequent enforcement actions against the Obligor.

"**Extraordinary Resolution**" means:

(a) in respect of the holders of any Class of Notes:

(i) a resolution passed at a meeting duly convened and held in accordance with the Trust Deed by a majority consisting of at least 75% of the Eligible Persons voting thereat upon a show of hands or, if a poll is duly demanded, by a majority consisting of at least 75% of the votes cast on such poll;

(ii) a resolution in writing signed by or on behalf of the Noteholders of at least 75% in aggregate Outstanding Note Principal Amount of the Notes, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Noteholders; or

(iii) consent given by way of electronic consents communicated through the electronic communications systems of the relevant Clearing System(s) to the Paying Agent or another specified agent and/or the Note Trustee in accordance with the operating rules and procedures of the relevant Clearing System(s) by or on behalf of the

Noteholders of not less than 75% in aggregate Outstanding Note Principal Amount of the relevant Class of Notes; and

(b) in respect of the holders of the Residual Certificates:

(i) a resolution passed at a meeting duly convened and held in accordance with the Trust Deed by a majority consisting of at least 75% of the Eligible Persons voting thereat upon a show of hands or, if a poll is duly demanded, by a majority consisting of at least 75% of the votes cast on such poll;

(ii) a resolution in writing signed by or on behalf of the Certificateholders of at least 75% in number of the Residual Certificates then in issue, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Certificateholders; or

(iii) consent given by way of electronic consents communicated through the electronic communications systems of the relevant Clearing System(s) to the Paying Agent or another specified agent and/or the Note Trustee in accordance with the operating rules and procedures of the relevant Clearing System(s) by or on behalf of the Certificateholders of not less than 75% in number of the Residual Certificates then in issue.

"**FATCA**" means:

(a) sections 1471 to 1474 of the US Internal Revenue Code and the Treasury regulations and official guidance issued thereunder, as amended from time to time ("**US FATCA**");

(b) any inter-governmental agreement between the United States and any other jurisdiction entered into in connection with US FATCA (an "**IGA**");

(c) any treaty, law, regulation or official guidance enacted, issued or amended in any jurisdiction which facilitates the implementation of US FATCA or an IGA ("**Implementing Law**"); and

(d) any agreement entered into with the US Internal Revenue Service, the US government or any governmental or Tax authority in any other jurisdiction in connection with US FATCA, an IGA or any Implementing Law.

"**FATCA Deduction**" means a deduction or withholding from a payment under a Transaction Document required by FATCA.

"**FCA**" means the Financial Conduct Authority of the United Kingdom, or any successor authority.

"**FCA Handbook**" means the handbook of rules promulgated by the FCA under FSMA as amended or replaced from time to time.

"**Final Receivables**" means, on any Interest Payment Date, all Purchased Receivables then owned by the Issuer.

"**Final Redemption Date**" means, in respect of any Class of Notes, the Legal Maturity Date or, if earlier, the date on which the Outstanding Note Principal Amount of such Notes has been repaid in full by the Issuer.

"**Final Repurchase Price**" means, in respect of the Final Receivables, an amount equal to the amount specified in Condition 5(d)(i)(1) (*Clean-Up Call*).

"Financing Costs" means a financing cost fee, payable by the Issuer to the Seller, to reimburse the Seller for the costs incurred in financing the Purchased Receivables between the Cut-Off Date and the Closing Date in an amount equal to 5.46% divided by 365 and multiplied by the Aggregate Outstanding Principal Balance on the Cut-Off Date charged daily for the period between the Cut-Off Date and the Closing Date.

"**Fitch**" means Fitch Ratings Limited or any successor thereto.

"**FSMA**" means the Financial Services and Markets Act 2000, as amended from time to time.

"**GBP**" or "**Sterling**" means the lawful currency for the time being of the United Kingdom of Great Britain and Northern Ireland.

"**Global Note**" means each of the global notes, in fully registered form, without interest coupons attached, which will represent the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes on issue substantially in the forms set out in the Trust Deed.

"**Global Residual Certificate**" means the Residual Certificates represented on issue by a global residual certificate in registered form substantially in the form set out in the Trust Deed.

"**Gross Loss**" means, in respect of a Defaulted Receivable or a Voluntarily Terminated Receivable, the Outstanding Principal Balance of such Purchased Receivable (determined at the point at which such Purchased Receivable became a Defaulted Receivable or Voluntarily Terminated Receivable).

"**HMRC**" means His Majesty's Revenue & Customs.

"**Holdings**" means Azure Finance No.3 Holdings Limited (company number 13876236), whose registered office is at 10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom.

"**HP Agreement**" means an agreement regulated by the Consumer Credit Act 1974 for the provision of credit for the purchase of motor vehicles, taking the form of a hire purchase agreement entered into between Blue and an Obligor under which the Obligor makes Monthly Payments to Blue in respect of its use of the Vehicle and under which title to the Vehicle remains with Blue until certain administrative fees have been paid by the Obligor.

"**HRTS**" means Commission Delegated Regulation (EU) 2019/1851 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 it forms part of UK domestic law by virtue of the EUWA.

"**ICSD**" or "**International Central Securities Depositary**" means Clearstream, Luxembourg or Euroclear, and "**ICSDs**" means both Clearstream, Luxembourg and Euroclear collectively.

"**Incentive Fee**" means, in respect of a Vehicle, an incentive fee payable by the Issuer to the Seller pursuant to clause 4.4 (*Vehicle Sale Proceeds*) of the Receivables Sale and Purchase Agreement equal to 1% of the realisation proceeds (net of associated costs, charges, fees and expenses) in respect of such Vehicle.

"**Income Element**" means, in relation to each Purchased Receivable, all amounts to be received from or on behalf of the Obligor in respect of that Purchased Receivable other than the Principal Element of that Purchased Receivable and including, for the avoidance of doubt, all fees (including any option fees and fees payable as part of the last payment under the HP Agreement by the relevant Obligor but, for the avoidance of doubt, excluding the final payment of the principal amount of that Purchased Receivable and any Excluded Amounts), costs, any interest charged on interest and expenses received in respect of that Purchased Receivable.

"**Initial Purchase Price**" means, in respect of a Receivable, the aggregate of:

(a) the Principal Element Purchase Price; and

(b) the Premium Element Purchase Price.

"**Insolvency Event**" means, with respect to the relevant Transaction Party, each of the following events or circumstances:

(a) that party is unable or admits inability to pay its debts as they fall due or is deemed unable to pay its debts within the meaning of Section 123(1) (other than, except in the case of the Issuer, subsection 123(1)(a)) or Section 123(2) of the Insolvency Act, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;

(b) a moratorium is declared in respect of any indebtedness of that party;

(c) that party ceases, or through an official action of its board of directors threatens to cease, to carry on all or a substantial portion of its business;

(d) any corporate action, legal proceedings or other procedure or step is taken in relation to:

  (i) the suspension of all payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of that party other than a solvent liquidation or reorganisation of that party;

  (ii) a composition, compromise, conveyance, assignment or arrangement with any creditor of that party; or

  (iii) the appointment of a liquidator, receiver, administrative receiver, administrator or other similar officer in respect of that party or any of its assets,

or any analogous procedure or step is taken in any jurisdiction, provided that any winding-up petition which is frivolous or vexatious or is discharged, stayed or dismissed within 30 calendar days of commencement shall not constitute an "Insolvency Event";

(e) with respect to the Seller, any corporate action, legal proceedings or other procedure or step is taken in relation to an encumbrancer or other security holder taking possession of (or otherwise enforcing any Security over) the whole or substantially the whole of the undertaking or assets of such company, provided that any action, proceedings or other procedure or step which is frivolous or vexatious or is discharged, stayed or dismissed within 30 calendar days of commencement shall not constitute an "Insolvency Event"; or

(f) any expropriation, attachment, sequestration, distress, diligence or execution affects any asset or assets of that party and such process is not discharged, stayed or restrained, in each case, within 30 calendar days thereafter.

"**Insolvency Official**" means, in respect of any company, a liquidator, provisional liquidator, administrator (whether appointed by the court or otherwise), administrative receiver, receiver (including any receiver under the Law of Property Act 1925), receiver and manager, nominee, supervisor, trustee in bankruptcy, conservator, guardian or other similar official in respect of such company or in respect of all (or substantially all) of the company's assets or in respect of any arrangement or composition with creditors or any equivalent or analogous officer under the law of any jurisdiction.

"**Instructing Party**" means:

(a) the Note Trustee, so long as there are any Notes or Residual Certificates outstanding; or

(b) all of the other Secured Creditors, if the Notes have been redeemed in full and cancelled and no Residual Certificate Payments remain outstanding.

"**Insurance Claims**" means any claims against any Insurer in relation to any damaged or stolen Vehicle.

"**Insurers**" means the providers of Obligor Insurances.

"**Interest Determination Agent**" means Citibank, N.A., London Branch, any successor thereof or any other person appointed as replacement interest determination agent from time to time in accordance with the Agency Agreement.

"**Interest Determination Date**" means the fifth Business Day before the Interest Payment Date for which the relevant Interest Rate and Interest Amount will apply.

"**Interest Determination Ratio**" means, in respect of any Determination Period, (a) the aggregate Revenue Receipts calculated in the three preceding Calculation Periods in respect of which all relevant Monthly Reports are available (or, where there are not at least three such previous Calculation Periods, any such previous Calculation Periods) divided by (b) the aggregate of all Revenue Receipts and all Principal Receipts calculated in such Monthly Reports.

"**Interest Payment Date**" means (in respect of the first Interest Payment Date) 22 May 2023, and thereafter the 20th day of each calendar month, subject, in each case, to the Business Day

Convention. Unless all Notes are redeemed earlier, the last Interest Payment Date will be the Legal Maturity Date.

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

"**Interest Rate**" means the Class A Interest Rate, the Class B Interest Rate, the Class C Interest Rate, the Class D Interest Rate, the Class E Interest Rate, the Class F Interest Rate or the Class X Interest Rate, as applicable.

"**Interest Shortfall**" has the meaning given to it in Condition 6(b)(i) (*Interest on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes*).

"**Investment Company Act**" means the U.S. Investment Company Act of 1940, as amended from time to time.

"**Invocation Plan**" has the meaning given to it in the Standby Servicer Agreement.

"**Irish Listing Agent**" means Arthur Cox Listing Services Limited.

"**Irrecoverable VAT**" means any amount in respect of VAT incurred by a party to a Transaction Document (for the purposes of this definition, a "**Relevant Party**") to the extent that the Relevant Party does not or will not receive and retain a credit or repayment of such VAT as input Tax (as that expression is defined in Section 24(1) of the VATA) for the prescribed accounting period (as that expression is used in Section 25(1) of the VATA) to which such input Tax relates.

"**ISDA Master Agreement**" means the 1992 ISDA Master Agreement (Multicurrency-Cross Border) (including the schedule and the Credit Support Annex thereto) dated on or about the Closing Date and made between the Issuer and the Swap Provider.

"**Issuer**" means Azure Finance No.3 plc (company number 13876594), whose registered office is at 10th Floor, 5 Churchill Place, London E14 5HU, United Kingdom, as issuer of the Notes.

"**Issuer Accounts**" means the Reserve Fund Account, the Swap Collateral Account and the Transaction Account (and in the case of the Transaction Account including the Issuer Profit Ledger) of the Issuer opened on or before the Closing Date and any Additional Account opened in accordance with the Bank Account Agreement, in each case with the Account Bank.

"**Issuer ICSDs Agreement**" means the Issuer ICSDs agreement entered into by the Issuer and the ICSDs before any Class A Notes in NSS form will be accepted by the ICSDs.

"**Issuer Power of Attorney**" means the security power of attorney dated on or about the Closing Date granted by the Issuer in favour of the Security Trustee in, or substantially in, the form set out in the Deed of Charge.

"**Issuer Profit Amount**" means, subject to and in accordance with the relevant Priority of Payments, a profit for the Issuer of £83.34 payable on each Interest Payment Date (£1,000 per annum) from which the Issuer will discharge its corporate income or corporation tax liability (if any).

"**Issuer Profit Ledger**" means a retained profit ledger of the Transaction Account of the Issuer, opened on or before the Closing Date with the Account Bank.

"**Joint Lead Managers**" means Morgan Stanley & Co. International plc and Standard Chartered Bank.

"**Junior Reserve Fund**" means the ledger of the same name maintained by the Cash Manager in accordance with the Cash Management Agreement.

"**Junior Reserve Fund Excess Amount**" means, on any Interest Payment Date, the amount (not less than zero) equal to (i) the amount standing to the credit of the Junior Reserve Fund on such Interest Payment Date (before the application of the Pre-Acceleration Revenue Priority of Payments) less the Junior Reserve Fund Release Amount to be applied on such Interest Payment Date less (ii) the Junior Reserve Fund Required Amount on the immediately preceding Calculation Date.

"**Junior Reserve Fund Release Amount**" means, on any Interest Payment Date or corresponding Calculation Date, an amount equal to the lesser of:

(a) the amount standing to the credit of the Junior Reserve Fund on such date; and

(b) the sum of:

(i) the amount of the Junior Reserve Revenue Receipts Shortfall on such date; and

(ii) the Senior Expenses Shortfall on such date.

"**Junior Reserve Fund Required Amount**" means:

(a) on each Interest Payment Date prior to redemption in full of the Class B Notes, zero;

(b) on each Interest Payment Date after the redemption in full of the Class B Notes but prior to the redemption in full of the Collateralised Notes, an amount equal to 0.2 per cent. of the Aggregate Outstanding Principal Balance as at the Cut-Off Date; and

(c) on each Interest Payment Date after the redemption in full of the Collateralised Notes, zero.

"**Junior Reserve Revenue Receipts Shortfall**" means, on an Interest Payment Date or corresponding Calculation Date, an amount equal to the greater of:

(a) an amount equal to:

(i) the amount required to make payments under:

(A) if on such date the Class C Notes are the Most Senior Class, payments under item (j) of the Pre-Acceleration Revenue Priority of Payments;

(B) if on such date the Class D Notes are the Most Senior Class, payments under item (l) of the Pre-Acceleration Revenue Priority of Payments;

(C) if on such date the Class E Notes are the Most Senior Class, payments under items (n) of the Pre-Acceleration Revenue Priority of Payments; or

(D) if on such date the Class F Notes are the Most Senior Class, payments under items (p) of the Pre-Acceleration Revenue Priority of Payments;

minus

(ii) the Available Revenue Receipts (other than any Principal Addition Amount, any Surplus Available Principal Collections, any Senior Reserve Fund Release Amount and any Junior Reserve Fund Release Amount) to be applied on such Interest Payment Date after payment of each item of the Pre-Acceleration Revenue Priority of Payments which ranks in priority to the amounts payable under limb (i) above; and

(b) zero.

"**Legal Maturity Date**" means 20 June 2034, subject to the Business Day Convention.

"**Liabilities**" means, in respect of any person, any losses, damages, costs, charges, awards, claims, demands, expenses, judgments, actions, proceedings or other liabilities whatsoever including reasonable legal fees and expenses and any taxes and penalties incurred by that person, together with any Irrecoverable VAT charged or chargeable in respect of any of the sums referred to in this definition.

"**Loan-to-Value Ratio**" means, in respect of a Receivable on the date of origination of such Receivable, the Outstanding Principal Balance of that Receivable divided by the valuation of the Vehicle to which such Receivable relates quoted by either industry vehicle valuation service provided by cap hpi Limited or Glass's Information Services Ltd trading as Glass's on the date of origination of such Receivable, expressed as a percentage, provided that on any date of calculation only one of cap hpi or Glass's may be selected by the Servicer in respect of all Vehicles in respect of the Portfolio.

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

(a) its COR; or

(b) if no COR has been assigned by DBRS, the higher of (i) the solicited public issuer rating assigned by DBRS to such entity or (ii) the solicited public rating assigned by DBRS to such entity's long-term senior unsecured debt obligations; or

(c) if no such solicited public rating has been assigned by DBRS, any private or unsolicited rating assigned by DBRS to such entity; or

(d) if no such private or unsolicited rating has been assigned by DBRS, the corresponding DBRS Equivalent Rating.

"**Loss**" means, in respect of any person, any loss, liability, cost, expense, claim, action, suit, judgment and out-of-pocket costs and expenses (including, without limitation, fees and expenses of any professional advisor to such person) which such person may have incurred or which may be made against such person and any reasonable costs of investigation and defence.

"**Master Definitions Schedule**" means the master definitions schedule dated on or about the Closing Date between the Issuer, the Seller, the Servicer, the Note Trustee, the Security Trustee, the Paying Agent, the Interest Determination Agent, the Account Bank, the Cash Manager, the Registrar, the Corporate Services Provider and Holdings.

"**Material Adverse Effect**" means:

(a) a material adverse effect on the validity or enforceability of any of the Transaction Documents;

(b) in respect of a Transaction Party, a material adverse effect on:

(i) the business, operations, assets, property, condition (financial or otherwise) or prospects of such Transaction Party;

(ii) the ability of such Transaction Party to perform its obligations under any of the Transaction Documents; or

(iii) the rights or remedies of such Transaction Party under any of the Transaction Documents; or

(c) in the context of the Purchased Receivables, a material adverse effect on the interests of the Issuer or the Security Trustee in the Purchased Receivables or on the ability of the Security Trustee to enforce the Security.

"**Member State**" means, as the context may require, a member state of the European Union or of the European Economic Area.

"**Modification**" has the meaning given to that term in Condition 12(b)(ii) (*Meetings of Noteholders, amendments, waiver, substitution and exchange*) and Residual Certificate Condition 10(b)(ii) (*Meetings of Certificateholders and Noteholders, amendments, waiver, substitution and exchange*).

"**Modification Certificate**" has the meaning given to that term in Condition 12(b)(ii) (*Meetings of Noteholders, amendments, waiver, substitution and exchange*) and Residual Certificate Condition 10(b)(ii) (Meetings of Certificateholders and Noteholders, amendments, waiver, substitution and exchange).

"**Modification Noteholder Notice**" has the meaning given to that term in Condition 12(b)(iv)(2) (*Meetings of Noteholders, amendments, waiver, substitution and exchange*) and Residual Certificate Condition 10(b)(iv)(2) (*Meetings of Certificateholders and Noteholders, amendments, waiver, substitution and exchange*).

"**Modification Record Date**" has the meaning given to that term in Condition 12(b)(iv)(2)(A) (*Meetings of Noteholders, amendments, waiver, substitution and exchange*) and Residual Certificate Condition 10(b)(iv)(2)(A) (*Meetings of Certificateholders and Noteholders, amendments, waiver, substitution and exchange*).

"**Monthly Investor Report**" means the monthly investor report to be published by the Cash Manager on or prior to each Interest Payment Date, in accordance with the Cash Management Agreement, such Monthly Investor Report to be substantially in the form as set out in Schedule 3 (*Form of Monthly Investor Report*) to the Cash Management Agreement, as amended in accordance with the terms of the Cash Management Agreement.

"**Monthly Payment**" means, in respect of any Receivable, each of the scheduled monthly instalments payable by the relevant Obligor(s) pursuant to the related HP Agreement.

"**Monthly Report**" means the monthly servicer report to be prepared by the Servicer and sent to the Issuer, the Cash Manager, the Corporate Services Provider, the Rating Agencies and the Security Trustee, on or prior to each Reporting Date, which includes (among other things) the information on the performance of the Portfolio in relation to the Calculation Period immediately preceding the Reporting Date in accordance with the Servicing Agreement, such Monthly Report to be substantially in the form of the Monthly Report as set out in Annex *2* (*Form of Monthly Report*) to the Servicing Agreement from time to time.

"**Moody's**" means Moody's Investors Service Limited and any successor to the debt rating business thereof.

"**Most Senior Class of Notes**" or "**Most Senior Class**" means, at any time:

(a) the Class A Notes;

(b) if no Class A Notes are then outstanding, the Class B Notes;

(c) if no Class A Notes or Class B Notes are then outstanding, the Class C Notes;

(d) if no Class A Notes, Class B Notes or Class C Notes are then outstanding, the Class D Notes;

(e) if no Class A Notes, Class B Notes, Class C Notes or Class D Notes are then outstanding, the Class E Notes;

(f) if no Class A Notes, Class B Notes, Class C Notes or Class D Notes or Class E Notes are then outstanding, the Class F Notes;

(g) if no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes or Class F Notes are then outstanding, the Class X Notes; or

(h) if no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes or Class X Notes are then outstanding, the Residual Certificates (if at that time any Residual Certificates are then outstanding).

"**Netting Letter**" means the netting letter dated on or about the Closing Date between, among others, the Issuer and the Seller.

"**New Collection Account**" means any collection account opened in the name of a New Collection Account Holder after the Closing Date that is maintained with a Collection Account Bank from time to time in order to receive Collections, over which a declaration of trust has been entered into by the New Collection Account Holder in favour of the Issuer in materially the same substance as the BMFL Collection Account Declaration of Trust and that declaration of trust has been notified to the relevant Collection Account Bank.

"**New Collection Account Bank**" means any financial institution with which a New Collection Account is opened from time to time, which (i) is a bank as defined in Section 991 of the Income Tax Act 2007 and (ii) is an authorised institution under FSMA.

"**New Collection Account Holder**" means Blue or Blue Motor Finance DD Limited.

"**Non-Compliant Receivable**" means each Purchased Receivable in respect of which any Seller Receivables Warranty proves to have been incorrect on the date on which the relevant Seller Receivables Warranty is given and remains incorrect, or which has never existed or has ceased to exist.

"**Non-Compliant Receivable Repurchase Price**" means, in respect of a Non-Compliant Receivable, an amount, calculated by the Servicer, equal to the sum of (1) the greater of (x) the sum of (i) its Initial Purchase Price, less (ii) the sum of all Principal Receipts (multiplied by the sum of (i) 100 per cent. and (ii) the Premium Element Purchase Price Percentage) and Revenue Receipts recovered or received by the Issuer in respect of such Non-Compliant Receivable from the Cut-Off Date to the Repurchase Date and (y) the Outstanding Principal Balance of such Non-Compliant Receivable, plus (2) any accrued and unpaid income in respect of such Non-Compliant Receivable as at the date of the repurchase.

"**Non-Permitted Variation**" means any change to an HP Agreement that relates to a Purchased Receivable which has the effect of:

(a) reducing the Outstanding Principal Balance of the Purchased Receivable;

(b) sanctioning any kind of payment deferral;

(c) reducing the rate of interest payable by the Obligor or the total interest payable by the Obligor over the term of the Purchased Receivable;

(d) extending the term of the Purchased Receivable;

(e) reducing the total number of Monthly Payments; or

(f) providing for a final payment greater than the amount of any Monthly Payment preceding it, disregarding any option to purchase fees,

but shall not, for the avoidance of doubt, include any action taken with respect to the Servicer's arrears management process in accordance with its Credit and Collection Procedures or pursuant to applicable law or regulation and/or the request of any competent regulatory authority.

"**Non-Permitted Variation Receivable**" means a Purchased Receivable in respect of which the Servicer has agreed or, prior to the end of the immediately following Calculation Period, will agree to a Non-Permitted Variation.

"**Non-Permitted Variation Receivable Repurchase End Date**" means, in respect of a Non-Permitted Variation Receivable, the last day of the Calculation Period immediately following the Calculation Period in which the relevant Non-Permitted Variation occurs.

"**Non-Permitted Variation Receivable Repurchase Price**" means, in respect of a Non-Permitted Variation Receivable, an amount, calculated by the Servicer, equal to the sum of (1) the greater of (x) the sum of (i) its Initial Purchase Price, less (ii) the sum of all Principal Receipts (multiplied by the sum of (i) 100 per cent. and (ii) the Premium Element Purchase Price Percentage) and Revenue Receipts recovered or received by the Issuer in respect of such Non-Permitted Variation Receivable from the Cut-Off Date to the Repurchase Date and (y) the Outstanding Principal Balance of such Non-Permitted Variation Receivable, plus (2) any accrued and unpaid income in respect of such Non-Permitted Variation Receivable as at the date of the repurchase.

"**Non-Permitted Variation Receivables Call Option**" means the call option granted to the Seller pursuant to clause 8.3 (*Non-Permitted Variation Receivables Call Option*) of the Receivables Sale and Purchase Agreement, under which the Seller, prior to the occurrence of an Insolvency Event in respect of the Seller, has the right to repurchase from the Issuer any Non-Permitted Variation Receivable.

"**Note Acceleration Notice**" means the written notice served by the Note Trustee on the Issuer upon the occurrence of an Event of Default, with a copy to the Security Trustee, the Account Bank, the Cash Manager and the Paying Agent in accordance with the Trust Deed.

"**Note Rate Maintenance Adjustment**" has the meaning given to that term in Condition 12(b)(iv)(2)(E) (*Meetings of Noteholders, amendments, waiver, substitution and exchange*) and Residual Certificate Condition 10(b)(iv)(2)(E) (*Meetings of Certificateholders and Noteholders, amendments, waiver, substitution and exchange*).

"**Note Trustee**" means Citicorp Trustee Company Limited, including its successors and assignees.

"**Noteholder**" or "**Holder**" means the person in whose name a 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 in units of £1,000 principal amount of Notes for all purposes other than in respect of 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 in accordance with and subject to its terms.

"**Notes**" means collectively the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes.

"**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.

"**Obligor(s)**" means, in respect of a Purchased Receivable, a person or persons (including consumers and businesses) obliged directly or indirectly to make payments in respect of such Purchased Receivable, including any person who has guaranteed the obligations in respect of such Purchased Receivable but excluding (for the avoidance of doubt) any Insurer.

"**Obligor Insurance**" means the insurance taken out by an Obligor in respect of a Vehicle as required by the terms of the related HP Agreement.

"**Obligor Ledger**" means the ledger account established by the Servicer in respect of each HP Agreement for the purposes of identifying amounts paid by each Obligor, any amount due from an Obligor and the balance from time to time outstanding on each Obligor's account.

"**Observation Period**" means the period from and including the date falling five Business Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Closing Date) and ending on, but excluding, the date falling five Business Days prior to the Interest Payment Date for such Interest Period (or, if applicable, the date falling five Business Days prior to any other date on which a payment of interest is to be made in respect of the Notes).

"**Ordinary Resolution**" means:

(a) in respect of the holders of any Class of Notes:

(i) a resolution passed at a meeting duly convened and held in accordance with the Trust Deed by a majority consisting of more than 50% of the Eligible Persons voting thereat upon a show of hands or, if a poll is duly demanded, by a majority consisting of more than 50% of the votes cast on such poll;

(ii) a resolution in writing signed by or on behalf of the Noteholders of more than 50% in aggregate Outstanding Note Principal Amount of the Notes, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Noteholders; or

(iii) consent given by way of electronic consents communicated through the electronic communications systems of the relevant Clearing System(s) to the Paying Agent or another specified agent and/or the Note Trustee in accordance with the operating rules and procedures of the relevant Clearing System(s) by or on behalf of the Noteholders of more than 50% in aggregate Outstanding Note Principal Amount of the relevant Class of Notes; and

(b) in respect of the holders of the Residual Certificates:

(i) a resolution passed at a meeting duly convened and held in accordance with the Trust Deed by a majority consisting of more than 50% of the Eligible Persons voting thereat upon a show of hands or, if a poll is duly demanded, by a majority consisting of more than 50% of the votes cast on such poll;

(ii) a resolution in writing signed by or on behalf of the Certificateholders of more than 50% in number of the Residual Certificates then in issue, which resolution may be

contained in one document or in several documents in like form each signed by or on behalf of one or more of the Certificateholders; or

(iii) consent given by way of electronic consents communicated through the electronic communications systems of the relevant Clearing System(s) to the Paying Agent or another specified agent and/or the Note Trustee in accordance with the operating rules and procedures of the relevant Clearing System(s) by or on behalf of the Certificateholders of more than 50% in number of the Residual Certificates then in issue.

"**outstanding**" means, for any Class, all the Notes of that Class issued other than:

(a) those which have been redeemed in full in accordance with the Conditions;

(b) those in respect of which the due date for redemption has occurred in accordance with their Conditions and the redemption moneys and interest accrued thereon to the due date of such redemption and any interest payable after such date have been paid to the Note Trustee or to the Paying Agent in the manner provided in the Agency Agreement and remain available for payment against presentation and surrender of the relevant Notes;

(c) those in respect of which claims have become void under the Conditions;

(d) those mutilated or defaced Notes which have been surrendered and cancelled and in respect of which replacements have been issued under the 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 in respect of which replacements have been issued under the Conditions; and

(f) any Global Note to the extent that it has been exchanged for the related Definitive Notes in each case under their respective provisions,

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 any provisions of the Conditions and the Trust Deed requiring calculation of the proportion of Noteholders of such Class requesting or directing the Note 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 Note 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 Note 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,

those Notes of the relevant Class, if any, which are beneficially held by or for the account of the Issuer or the Seller will be deemed not to remain outstanding unless they are together the sole beneficial holders of that Class of Notes and there are no other Notes outstanding at such time which rank junior or *pari passu* to the Notes held by the Issuer or the Seller.

"**Outstanding Note Principal Amount**" means, on any date on which it falls to be determined in respect of a Note, the initial principal amount of such Note as at the Closing Date as reduced by all amounts paid in respect of principal on such Note on or prior to such date (with the result being rounded, if necessary, to the nearest GBP 0.01 with GBP 0.005 being rounded upwards).

"**Outstanding Principal Balance**" means, on any date on which it is determined and with respect to each Purchased Receivable:

(a) the aggregate principal amount of such Purchased Receivable which is due, or is scheduled to become due, as at the Cut-Off Date; minus

(b) the aggregate amount of Principal Receipts received by the Issuer or the Servicer on its behalf in respect of such Purchased Receivable on or before such date of determination.

"**Paying Agent**" means Citibank, N.A., London Branch, any successor thereof or any other person appointed as replacement paying agent from time to time in accordance with the Agency Agreement.

"**PCP Contract**" means a hire purchase contract which provides for a balloon payment calculated by reference to guaranteed future value of the related vehicle and under which an obligor may at the end of the contract (a) make a final balloon payment and take title of the vehicle or (b) return the vehicle financed under such contract in lieu of making such final balloon payment.

"**Perfection Event**" means the occurrence of any of the following events:

(a) the Seller being required to perfect the Issuer's legal title to the Purchased Receivables (or procure the perfection of the Issuer's legal title to the Purchased Receivables) by an order of a court of competent jurisdiction or by any regulatory authority with which the Seller is required to comply or any organisation with whose instructions it is customary for the Seller to comply;

(b) it becoming necessary by law to perfect the Issuer's legal title to the Purchased Receivables (or procure the perfection of the Issuer's legal title to the Purchased Receivables);

(c) unless otherwise agreed by the Security Trustee, the occurrence of a Servicer Termination Event;

(d) the Seller calling for perfection by serving notice in writing to that effect on the Issuer, the Note Trustee and the Security Trustee;

(e) the Seller is in breach of any of its obligations under the Receivables Sale and Purchase Agreement, provided that there shall be no Perfection Event hereunder if (1) the breach (if capable of remedy) has been remedied within 90 calendar days, or (2) (x) the breach (if capable of remedy) has not been remedied within 90 calendar days; and (y) the Rating

Agencies have confirmed that the then current ratings of the Class A Notes will not be withdrawn, downgraded or qualified as a result of such breach, provided further that: (A) the Perfection Event in this provision (e) shall not apply if the Seller has delivered a certificate to the Security Trustee that the occurrence of such event does not impact the designation as a 'simple, transparent and standardised' securitisation (within the meaning of the UK Securitisation Regulation) in respect of the Notes; and (B) this Perfection Event (e) shall be subject to such amendment as the Seller may require, so long as the Seller delivers a certificate to the Security Trustee that the amendment of such event does not impact the designation as a 'simple, transparent and standardised' securitisation (within the meaning of the UK Securitisation Regulation) in respect of the Notes; and

(f) the occurrence of an Insolvency Event in respect of the Seller.

"**Perfection Event Notice**" means in respect of a Purchased Receivable a notice sent to the Obligors of the Purchased Receivable stating that such Purchased Receivable has been assigned by the Seller to the Issuer pursuant to the Receivables Sale and Purchase Agreement and instructing the Obligors to make payments to the Transaction Account or any other account compliant with the Transaction Documents, which notice shall be in a form substantially as set out in Schedule 5 (*Perfection Event Notice*) to the Receivables Sale and Purchase Agreement.

"**Permitted Exceptions**" means any of 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 amounts in the Swap Collateral Account and which shall be repaid to the Swap Provider outside of the Priority of Payments;

(b) any upfront payment to any replacement Swap Provider under the Swap Agreement (which will be paid directly to such replacement Swap Provider);

(c) any due and payable taxes owed by the Issuer;

(d) any Swap Tax Credits which will be returned directly to the Swap Provider; and

(e) any Replacement Swap Premium (only to the extent it is received by the Issuer and applied to pay a Swap Termination Payment due and payable by the Issuer to the outgoing Swap Provider).

"**Permitted Revenue Withdrawal**" means a withdrawal from the Transaction Account by the Cash Manager (as directed by the Seller) pursuant to clause 4.3 (*Withdrawals and Permitted Revenue Withdrawals*) of the Cash Management Agreement in respect of the Excess Recoveries Amount, Excess Amounts or Excluded Amounts, in any Calculation Period up to a maximum aggregate amount equal to the Revenue Receipts received in such Calculation Period.

"**Permitted Variation**" means any Variation which is made in accordance with the terms of the relevant HP Agreement and the applicable Credit and Collection Procedures and which is not a Non-Permitted Variation.

"**Portfolio**" means, at any time, all Purchased Receivables and all other assets and rights relating to the related HP Agreements purported to be transferred or granted to the Issuer pursuant to the Receivables Sale and Purchase Agreement on the Closing Date.

"**Post-Acceleration Priority of Payments**" means the priority of payments set out in Condition 2(g) (*Post-Acceleration Priority of Payments*) and Residual Certificate Condition 2(f) (*Post-Acceleration Priority of Payments*).

"**Potential Event of Default**" means an event or circumstance that will, with the giving of notice, the lapse of time, the issue of a certificate, and/or the making of a determination, become an Event of Default.

"**PRA**" means the Prudential Regulation Authority of the United Kingdom or any successor authority.

"**Pre-Acceleration Principal Priority of Payments**" means the priority of payments set out in Condition 2(e) (*Pre-Acceleration Principal Priority of Payments*).

"**Pre-Acceleration Priorities of Payments**" means the Pre-Acceleration Revenue Priority of Payments and the Pre-Acceleration Principal Priority of Payments.

"**Pre-Acceleration Revenue Priority of Payments**" means the priority of payments set out in Condition 2(d) (*Pre-Acceleration Revenue Priority of Payments*) and Residual Certificate Condition 2(d) (*Pre-Acceleration Revenue Priority of Payments*).

"**Premium Element Purchase Price**" means the Premium Element Purchase Price specified in the Sale Notice but, for the purposes of determining any Final Repurchase Price, Non-Compliant Receivable Repurchase Price, Non-Permitted Variation Receivable Repurchase Price, Tax Redemption Repurchase Price or Receivables Indemnity Amount, in respect of any Receivable, the Premium Element Purchase Price shall be the Outstanding Principal Balance of that Receivable on the Cut-Off Date multiplied by the Premium Element Purchase Price Percentage.

"**Premium Element Purchase Price Percentage**" means 5%.

"**Principal Addition Amount**" means, on any Calculation Date, an amount equal to the lesser of:

(a) the Available Principal Receipts on such Calculation Date; and

(b) the sum of:

(i) the amount of the Senior Expenses Shortfall (if any) on such Calculation Date following application of the Junior Reserve Fund Release Amount or the Senior Reserve Fund Release Amount; and

(ii) the amount of the Principal Addition Amount Revenue Receipts Shortfall (if any) on such Calculation Date following application of the Senior Reserve Fund Release Amount and the Junior Reserve Fund Release Amount.

"**Principal Addition Amount Revenue Receipts Shortfall**" means, on an Interest Payment Date or corresponding Calculation Date, an amount equal to the greater of:

(a) an amount equal to:

(i) the aggregate amount required to make:

(A) payments under items (a) to (e) (inclusive) of the Pre-Acceleration Revenue Priority of Payments;

(B) if on such Interest Payment Date either (1) the Class B Notes are the Most Senior Class or (2) there is not a debit balance on the Principal Deficiency Sub-ledger (Class B), payments under item (g) of the Pre-Acceleration Revenue Priority of Payments;

(C) if on such Interest Payment Date either (1) the Class C Notes are the Most Senior Class or (2) there is not a debit balance on the Principal Deficiency Sub-ledger (Class C), payments under item (j) of the Pre-Acceleration Revenue Priority of Payments;

(D) if on such Interest Payment Date either (1) the Class D Notes are the Most Senior Class or (2) there is not a debit balance on the Principal Deficiency Sub-ledger (Class D), payments under item (l) of the Pre-Acceleration Revenue Priority of Payments;

(E) if on such Interest Payment Date either (1) the Class E Notes are the Most Senior Class or (2) there is not a debit balance on the Principal Deficiency Sub-ledger (Class E), payments under item (n) of the Pre-Acceleration Revenue Priority of Payments; and

(F) if on such Interest Payment Date either (1) the Class F Notes are the Most Senior Class or (2) there is not a debit balance on the Principal Deficiency Sub-ledger (Class F), payments under item (p) of the Pre-Acceleration Revenue Priority of Payments,

minus

(ii) the Available Revenue Receipts (other than any Principal Addition Amount and any Surplus Available Principal Collections) to be applied on such Interest Payment Date after payment of each item of the Pre-Acceleration Revenue Priority of Payments which ranks in priority to the amounts payable under limb (i) above to which such Available Revenue Receipts may be applied; and

(b) zero,

(provided that for these purposes the balance of each sub-ledger of the Principal Deficiency Ledger shall be determined, in respect of an Interest Payment Date, prior to the application of any amounts that are to be applied on such Interest Payment Date pursuant to the Priorities of Payments).

"**Principal Deficiency Ledger**" means the ledger of such name maintained by the Cash Manager in accordance with the Cash Management Agreement comprising five sub-ledgers, the Principal Deficiency Sub-ledger (Class A), the Principal Deficiency Sub-ledger (Class B), the Principal

Deficiency Sub-ledger (Class C), the Principal Deficiency Sub-ledger (Class D), the Principal Deficiency Sub-ledger (Class E) and the Principal Deficiency Sub-ledger (Class F).

"**Principal Deficiency Sub-ledger (Class A)**" means a sub-ledger on the Principal Deficiency Ledger in respect of the Class A Notes maintained by the Cash Manager in accordance with the Cash Management Agreement.

"**Principal Deficiency Sub-ledger (Class B)**" means a sub-ledger on the Principal Deficiency Ledger in respect of the Class B Notes maintained by the Cash Manager in accordance with the Cash Management Agreement.

"**Principal Deficiency Sub-ledger (Class C)**" means a sub-ledger on the Principal Deficiency Ledger in respect of the Class C Notes maintained by the Cash Manager in accordance with the Cash Management Agreement.

"**Principal Deficiency Sub-ledger (Class D)**" means a sub-ledger on the Principal Deficiency Ledger in respect of the Class D Notes maintained by the Cash Manager in accordance with the Cash Management Agreement.

"**Principal Deficiency Sub-ledger (Class E)**" means a sub-ledger on the Principal Deficiency Ledger in respect of the Class E Notes maintained by the Cash Manager in accordance with the Cash Management Agreement.

"**Principal Deficiency Sub-ledger (Class F)**" means a sub-ledger on the Principal Deficiency Ledger in respect of the Class F Notes maintained by the Cash Manager in accordance with the Cash Management Agreement.

"**Principal Element**" means, in respect of a Receivable, the principal amount of that Receivable, calculated in accordance with the Credit and Collection Procedures.

"**Principal Element Purchase Price**" means the Principal Element Purchase Price specified in the Sale Notice but, for the purposes of determining any Final Repurchase Price, Non-Compliant Receivable Repurchase Price, Non-Permitted Variation Receivable Repurchase Price, Tax Redemption Repurchase Price or Receivables Indemnity Amount, in respect of any Receivable, the Principal Element Purchase Price shall be the Outstanding Principal Balance of that Receivable on the Cut-Off Date.

"**Principal Receipts**" means all amounts comprising:

(a) the Principal Element of the Purchased Receivables (other than Purchased Receivables that have become Defaulted Receivables and all Voluntarily Terminated Receivables); and

(b) any other amounts received by the Issuer in respect of the Purchased Receivables which relate to the Principal Element of such Purchased Receivables (including, but not limited to, any amount relating to the Principal Element received by the Issuer in respect of any Non-Compliant Receivable Repurchase Price, any CCA Compensation Payment, any Receivables Indemnity Amount, any Non-Permitted Variation Receivable Repurchase Price and an amount equal to the aggregate Outstanding Note Principal Amount of all Collateralised Notes in relation to any Final Repurchase Price and any Tax Redemption Repurchase Price), less the Principal Element of all payments that have been revoked

(including payments not honoured by the relevant Obligor's paying bank) in respect of Purchased Receivables.

"**Priority of Payments**" means either of the Pre-Acceleration Priorities of Payments or the Post-Acceleration Priority of Payments (as applicable).

"**Prospectus**" means this prospectus dated 17 April 2023 prepared in connection with the issue by the Issuer of the Notes.

"**Provisional Cut-Off Date**" means 31 January 2023.

"**Provisional Portfolio**" means the provisional portfolio of Receivables as at the Provisional Cut-Off Date.

"**Purchase Price**" means the purchase price, which will be equal to the aggregate Initial Purchase Price in respect of the Receivables comprised within the Portfolio on the Cut-Off Date.

"**Purchased Receivable**" means any Receivable (together with its Ancillary Rights) purchased (or purported to be purchased) by the Issuer pursuant to the Receivables Sale and Purchase Agreement which has neither been paid in full by or on behalf of the Obligor nor repurchased by the Seller pursuant to the Receivables Sale and Purchase Agreement.

"**Purchased Receivable Records**" means:

(a) all agreements, files, correspondence, notes of dealing and other documents, books, books of account, registers, records and other information, in each case, held in electronic format; and

(b) all computer tapes and discs, computer programs, data processing software and related intellectual property rights,

in each case relating to the Purchased Receivables and/or the related Obligors and by or under the control and disposition of the Servicer or the Seller, as applicable.

"**Rated Notes**" means each Class of Notes in respect of which a rating has been assigned by the Rating Agencies, such Classes being, on the date of this Prospectus, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class X Notes.

"**Rating Agencies**" means Moody's and DBRS.

"**Rating Agency Confirmation**" means a confirmation in writing by the relevant Rating Agencies that the then current ratings of the Most Senior Class of Notes will not be downgraded, qualified or withdrawn as a result of the relevant event or matter, provided that if: (a) a confirmation or affirmation of rating or other response by a Rating Agency is a condition to any action or step under any Transaction Document; and (b) a written request for such confirmation, affirmation or response is delivered to that Rating Agency by any of the Issuer, the Servicer, the Swap Provider (in respect of a Rating Agency Confirmation requested pursuant to the provisions of the Swap Agreement only) and/or the Note Trustee, as applicable (each a "**Requesting Party**") and one or more of the Rating Agencies (each a "**Non-Responsive Rating Agency**") indicates that it does

not consider such confirmation, affirmation or response necessary in the circumstances, the Requesting Party shall be entitled to disregard the requirement for a confirmation or affirmation of rating or other response by each Non-Responsive Rating Agency which provides such indication and proceed on the basis of the confirmations or affirmations of rating or other responses received by each other Rating Agency or, if all the Rating Agencies indicate that they do not consider such confirmation, affirmation or response necessary in the circumstances, on the basis that such confirmation or affirmation of rating or other response by a Rating Agency is not required in the particular circumstances of the request. If a Rating Agency does not respond to a written request for a confirmation or affirmation of rating, such non-response shall not be interpreted to mean that such Rating Agency has given any deemed confirmation or affirmation of rating or other response in respect of such action or step or any deemed indication that it does not consider such confirmation, affirmation or response necessary in the circumstances, provided that in the event of a non-response from all Rating Agencies, the Requesting Party will be entitled to proceed on the basis that such confirmation or affirmation of rating or other response by a Rating Agency is not required in the particular circumstances of the request.

"**Receivable**" means any and all claims and rights of the Seller, present and future, absolute or contingent, to payment from the Obligor under an HP Agreement (but excluding any Excluded Amounts).

"**Receivables Indemnity Amount**" means, where a Purchased Receivable has never existed, or has ceased to exist, such that it is not outstanding on the Repurchase Date, an amount, calculated by the Servicer, equal to the sum of: (i) the Initial Purchase Price of that Purchased Receivable, minus (ii) the sum of all Principal Receipts (multiplied by the sum of (i) 100 per cent. and (ii) the Premium Element Purchase Price Percentage) and Revenue Receipts recovered or received in respect of such Purchased Receivable from the Cut-Off Date to the date on which the Receivables Indemnity Amount is paid, plus (iii) a deemed amount of accrued income on the relevant Purchased Receivable calculated on the basis of the APR stated in the loan level data for such Purchased Receivable and determined as at the date on which the Receivables Indemnity Payment is made.

"**Receivables Listing**" means the details of the Purchased Receivables which shall be contained in the Sale Notice.

"**Receivables Sale and Purchase Agreement**" means the receivables sale and purchase agreement between, *inter alios*, the Seller, the Issuer and the Security Trustee dated on or about the Closing Date, under which the Seller sells and assigns Receivables to the Issuer.

"**Receiver**" or "**receiver**" means any receiver (including a receiver under the Law of Property Act 1925), receiver and manager or administrative receiver or any analogous officer in any jurisdiction (who in the case of an administrative receiver is a qualified person in accordance with the Insolvency Act 1986) and who is appointed by the Security Trustee under the Deed of Charge in respect of the security and includes more than one such receiver and any substituted receiver.

"**Reconciliation Amount**" means in respect of any Calculation Period (a) the actual Principal Receipts as determined in accordance with the available Monthly Reports, less (b) the Calculated Principal Receipts in respect of such Calculation Period, plus (c) any Reconciliation Amount not applied in previous Calculation Periods.

"**Recovery Collections**" means all amounts received by the Servicer during the relevant Calculation Period in respect of, or in connection with, any Purchased Receivable after the date such Purchased Receivable became a Defaulted Receivable (provided that such Defaulted Receivable has not been written off in total) including, for the avoidance of doubt, principal, interest, damages, reminder fees, past due interest and any other payment, by or for the account of the relevant Obligor minus all Excluded Amounts and all out of pocket expenses paid to third parties and incurred by the Servicer in connection with the collection and enforcement of the Defaulted Receivable in line with the Credit and Collection Procedures of the Servicer and excluding any VAT rebate thereon.

"**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 Residual Certificates and the particulars of such Notes and the Residual Certificates held by them and all transfers and redemptions of such Notes and the Residual Certificates.

"**Registrar**" means Citibank, N.A., London Branch, acting through its office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.

"**Relevant Date**" means the date falling 10 years after the Legal Maturity Date.

"**Replacement Cash Manager**" means the replacement cash manager appointed pursuant to the terms of the Cash Management Agreement.

"**Replacement Servicing Agreement**" means (as applicable):

(a) the replacement servicing agreement set out in Schedule 2 (*Replacement Servicing Agreement*) to the Standby Servicer Agreement, expressed to be between the Standby Servicer, the Seller, the Note Trustee and the Security Trustee and which such parties will enter into, or be deemed by the terms of the Standby Servicer Agreement to enter into, on the Standby Servicer Succession Date; or

(b) the replacement servicing agreement entered into between, among others, the Issuer and any replacement Servicer (other than the Standby Servicer).

"**Replacement Swap Premium**" means an amount received by the Issuer from a replacement swap provider or an amount paid by the Issuer to a replacement swap provider in each case upon entry by the Issuer into an agreement with such replacement swap provider to replace the outgoing Swap Provider.

"**Replacement Trigger**" means the delivery by the Issuer or the Security Trustee of written notice to the Servicer terminating its appointment pursuant to clause 16.1 (*Servicer Termination Events*) of the Servicing Agreement following the occurrence of a Servicer Termination Event or, in the case of an Insolvency Event occurring in respect of the Servicer, the automatic termination of the Servicer's appointment under the Servicing Agreement.

"**Reporting Date**" means the 5th Business Day preceding the relevant Interest Payment Date.

"**Reporting Website**" means the website of the Securitisation Repository, being https://www.euroabs.com/IH.aspx?d=18074 and/or https://www.secrep.co.uk/ on the Closing Date.

"**Repurchase Date**" means the date on which a Purchased Receivable is repurchased by the Seller pursuant to the Receivables Sale and Purchase Agreement or, in respect of any Purchased Receivable which has never existed, or ceases to exist, such that it is not outstanding on the date on which it would otherwise be due to be so repurchased, the date on which it would otherwise be due to be repurchased pursuant to the Receivables Sale and Purchase Agreement had such Purchased Receivable existed.

"**Required Ratings**" means with respect to the Account Bank:

(a) a COR of at least A(high) by DBRS or, if a COR from DBRS is not available, a long-term, senior, unsecured debt rating of at least A by DBRS (either by way of a public rating or, in its absence, by way of a private rating supplied by DBRS) or, if the Account Bank is not rated by DBRS, a DBRS Equivalent Rating at least equal to A by DBRS; and

(b) a long term bank deposit rating of at least A2 by Moody's,

or such other rating or ratings as may be agreed by the relevant Rating Agency from time to time (or as are consistent with the then published criteria of the relevant Rating Agency) as would maintain the then current ratings of the Rated Notes.

"**Reserve Fund**" means the Senior Reserve Fund and/or the Junior Reserve Fund.

"**Reserve Fund Account**" means the general reserve account of the Issuer opened on or before the Closing Date with the Account Bank or any successor account, amounts standing to the credit of which form part of a Reserve Fund.

"**Reserve Fund Excess Amount**" means the Senior Reserve Fund Excess Amount and/or the Junior Reserve Fund Excess Amount.

"**Residual Certificate Book-Entry Interests**" means the beneficial interests in the Global Residual Certificate.

"**Residual Certificate Conditions**" means the terms and conditions of the Residual Certificates (which terms and conditions are set out in the Prospectus).

"**Residual Certificate Payment**" means:

(a) prior to the delivery of a Note Acceleration Notice, in respect of each Interest Payment Date, the amount (if any) by which Available Revenue Receipts exceed the amounts required to satisfy items (a) to (v) (inclusive) of the Pre-Acceleration Revenue Priority of Payments on that Interest Payment Date; and

(b) following the delivery of a Note Acceleration Notice, in respect of each date on which amounts are to be applied in accordance with the Post-Acceleration Priority of Payments, the amount by which amounts available for payment in accordance with the Post-Acceleration Priority of Payments exceed the amounts required to satisfy items (a) to (m) (inclusive) of the Post-Acceleration Priority of Payments on that date.

"**Residual Certificate Payment Amount**" means, for a Residual Certificate on any date on which amounts are to be applied in accordance with the applicable Priority of Payments, the Residual Certificate Payment for that date, divided by the number of Residual Certificates then in issue.

"**Residual Certificates**" means the residual certificates which are constituted by the Trust Deed and issued on the Closing Date by the Issuer.

"**Revenue Receipts**" means all amounts comprising:

(a) the Income Element of the Purchased Receivables (other than Purchased Receivables that have become Defaulted Receivables or Voluntarily Terminated Receivables);

(b) any amounts received by the Issuer in respect of any Defaulted Receivables and Voluntarily Terminated Receivables (including, but not limited to, any Recovery Collections and Defaulted Receivables Payments) and all Vehicle Sale Proceeds in relation to such Receivables;

(c) any amount received by the Issuer in respect of any CCA Compensation Payments, Receivables Indemnity Amounts, Non-Compliant Receivable Repurchase Price and Non-Permitted Variation Receivable Repurchase Price, in each case to the extent that the same represents a payment in respect of the Income Element of the Purchased Receivables and, in respect of any Final Repurchase Price and Tax Redemption Repurchase Price, the amounts remaining after allocation of such amounts to the Principal Receipts; and

(d) any other amounts (other than Excluded Amounts) received by the Issuer in respect of the Purchased Receivables which are not in respect of the Principal Element of such Purchased Receivables,

less the Income Element of all payments that have been revoked (including payments not honoured by the Obligor's paying bank) in respect of Purchased Receivables.

"**Risk Retention U.S. Person**" means a U.S. person as defined in the U.S. Risk Retention Rules.

"**Risk Tier**" means, in relation to an HP Agreement, the risk tier with which such HP Agreement is categorised, as at the relevant origination date, on the systems of the Seller in accordance with the Seller's Credit and Collection Procedures.

"**Risk Tier 1 HP Agreement**" means an HP Agreement which is categorised, as at the relevant origination date, on the systems of the Seller with a risk tier of "1" in accordance with the Seller's Credit and Collection Procedures.

"**Risk Tier 2 HP Agreement**" means an HP Agreement which is categorised, as at the relevant origination date, on the systems of the Seller with a risk tier of "2" in accordance with the Seller's Credit and Collection Procedures.

"**Risk Tier 3 HP Agreement**" means an HP Agreement which is categorised, as at the relevant origination date, on the systems of the Seller with a risk tier of "3" in accordance with the Seller's Credit and Collection Procedures.

"**Risk Tier 4 HP Agreement**" means an HP Agreement which is categorised, as at the relevant origination date, on the systems of the Seller with a risk tier of "4" in accordance with the Seller's Credit and Collection Procedures.

"**Risk Tier 5 HP Agreement**" means an HP Agreement which is categorised, as at the relevant origination date, on the systems of the Seller with a risk tier of "5" in accordance with the Seller's Credit and Collection Procedures.

"**Risk Tier 6 HP Agreement**" means an HP Agreement which is categorised, as at the relevant origination date, on the systems of the Seller with a risk tier of "6" in accordance with the Seller's Credit and Collection Procedures.

"**Risk Tier 7 HP Agreement**" means an HP Agreement which is categorised, as at the relevant origination date, on the systems of the Seller with a risk tier of "7" in accordance with the Seller's Credit and Collection Procedures.

"**Risk Tier 8 HP Agreement**" means an HP Agreement which is categorised, as at the relevant origination date, on the systems of the Seller with a risk tier of "8" in accordance with the Seller's Credit and Collection Procedures.

"**S&P**" means S&P Global Ratings, a division of S&P Global Inc. or any successor thereto.

"**Sale Notice**" means the notice of the sale of Receivables substantially in the form of Appendix 4 (*Form of Sale Notice*) of the Receivables Sale and Purchase Agreement.

"**Scottish Supplemental Charge**" means the assignation in security granted by the Issuer in respect of its beneficial interest in the Vehicle Declaration of Trust pursuant to clause 3.7 (*Scottish Security*) of the Deed of Charge.

"**Screen**" means Reuters Screen SONIA or:

(a) such other page as may replace Reuters Screen SONIA on that service for the purpose of displaying such information; or

(b) if that service ceases to display such information, such page as displays such information on such service (or, if more than one, that one selected by the Issuer) as may replace such screen.

"**Secured Creditors**" means the Noteholders, the Certificateholders, the Corporate Services Provider, the Cash Manager, the Account Bank, the Swap Provider, the Paying Agent, the Interest Determination Agent, the Registrar, the Joint Lead Managers, the Note Trustee, the Security Trustee, the Seller, the Servicer (if different to the Seller), the Standby Servicer, any Receiver and any other party which becomes a secured creditor pursuant to the Deed of Charge.

"**Secured Obligations**" means all duties and liabilities (present and future, actual and contingent) of the Issuer which the Issuer has covenanted with the Security Trustee to pay to the Noteholders and Certificateholders and the other Secured Creditors pursuant to clause 2.2 (*Covenant to Pay*) of the Deed of Charge.

"**Securities Act**" means the U.S. Securities Act of 1933, as amended.

"**Securitisation Regulations**" means the EU Securitisation Regulation and the UK Securitisation Regulation.

"**Security**" means all Adverse Claims from time to time created by the Issuer in favour of the Security Trustee (as trustee on behalf of itself and the other Secured Creditors) pursuant to the Deed of Charge.

"**Security Trustee**" means Citicorp Trustee Company Limited, including its successors and assignees.

"**Seller**" means Blue.

"**Seller Collection Account**" means an account held with the Collection Account Bank in the name of Blue into which Obligors are directed to make prepayments and certain other exceptional payments in respect of the Purchased Receivables.

"**Seller Collection Account Declaration of Trust**" means the trust declared by Blue on 12 July 2018 as supplemented by the Supplemental Seller Collection Account Declaration of Trust on or about the Closing Date in favour of, among others, the Issuer over the aggregate amount standing to the credit of the Seller Collection Account which relates to Purchased Receivables.

"**Seller Power of Attorney**" means the power of attorney granted in favour of the Issuer pursuant to the Receivables Sale and Purchase Agreement.

"**Seller Receivables Warranties**" means the warranties given by the Seller in respect of the Purchased Receivables as set out in clause 7.2 (*Seller Receivables Warranties*) of the Receivables Sale and Purchase Agreement.

"**Senior Expenses**" means, as at each Calculation Date or on any other date of determination, the amounts due (including any indemnity claims) or to become due prior to the related Interest Payment Date or other date of payment:

(a) to the Note Trustee under the Trust Deed and the Security Trustee or any Receiver appointed by it on or prior to such Interest Payment Date under the Deed of Charge;

(b) to the Corporate Services Provider under the Corporate Services Agreement;

(c) to the Registrar, the Paying Agent and the Interest Determination Agent under the Agency Agreement;

(d) to the Account Bank under the Bank Account Agreement;

(e) to the Cash Manager under the Cash Management Agreement;

(f) to any administrator or liquidator of the Issuer in respect of any Incentive Fee, including any administrator or liquidator's costs and expenses in selling such Vehicle, to the extent the Seller does not retain the same from the relevant Vehicle Sale Proceeds; and

(g) other than in the Post-Acceleration Priority of Payments, to any party who is not a party to any Transaction Document to whom the Issuer has delegated obligations in respect of UK

EMIR and/or EU EMIR (including any reporting or portfolio reconciliation obligations) or in respect of any agreements relating to UK EMIR and/or EU EMIR.

"**Senior Expenses Shortfall**" means, on an Interest Payment Date, an amount equal to the greater of:

(a) an amount equal to:

(i) the amounts payable on such Interest Payment Date pursuant to items (a) to (d) (inclusive) of the Pre-Acceleration Revenue Priority of Payments;

minus

(ii) the Available Revenue Receipts (other than any Principal Addition Amount, any Surplus Available Principal Collections, any Senior Reserve Fund Release Amount and any Junior Reserve Fund Release Amount) to be applied on such Interest Payment Date; and

(b) zero.

"**Senior Reserve Fund**" means the amount standing to the credit of the ledger of the same name maintained by the Cash Manager in accordance with the Cash Management Agreement.

"**Senior Reserve Fund – Junior Reserve Fund Funding Amount**" means such amount (if any) that stands to the credit of the Senior Reserve Fund on the Interest Payment Date on which the Class B Notes are redeemed in full, and after the Senior Reserve Fund Release Amount on such Interest Payment Date has been deducted from the balance of the Senior Reserve Fund on such date, provided that the Senior Reserve Fund – Junior Reserve Fund Funding Amount shall not exceed an amount equal to 0.2 per cent. of the Aggregate Outstanding Principal Balance of the Purchased Receivables on the Closing Date.

"**Senior Reserve Fund Excess Amount**" means, on any Interest Payment Date, the amount (not less than zero) equal to:

(a) the amount standing to the credit of the Senior Reserve Fund on such Interest Payment Date (before the application of the Pre-Acceleration Revenue Priority of Payments) less the Senior Reserve Fund Release Amount to be applied on such Interest Payment Date and less (on the Interest Payment Date on which the Class B Notes are redeemed in full, only) the Senior Reserve Fund – Junior Reserve Fund Funding Amount;

minus

(b) the Senior Reserve Fund Required Amount on the immediately preceding Calculation Date.

"**Senior Reserve Fund Release Amount**" means, on any Interest Payment Date or corresponding Calculation Date, an amount equal to the lesser of:

(a) the amount standing to the credit of the Senior Reserve Fund on such date; and

(b) the sum of:

(i) the amount of the Senior Reserve Revenue Receipts Shortfall on such date; and

(ii) the Senior Expenses Shortfall on such date.

"**Senior Reserve Fund Required Amount**" means:

(a) on the Closing Date, an amount equal 2.24 per cent. of the Outstanding Note Principal Amount of the Class A Notes and the Class B Notes as at the Closing Date;

(b) on each Interest Payment Date prior to redemption in full of the Class B Notes (or the corresponding Calculation Date), an amount equal to the greater of:

(i) an amount (calculated as at the immediately preceding Calculation Date) equal to 2.24 per cent. of the Outstanding Note Principal Amount of the Class A Notes and the Class B Notes as at such Interest Payment Date immediately prior to the payments due in respect of such Notes on such Interest Payment Date being made; and

(ii) an amount equal to 0.5 per cent. of the Aggregate Outstanding Principal Balance of the Purchased Receivables on the Closing Date; and

(c) on each Interest Payment Date on or after the redemption in full of the Class B Notes (or the corresponding Calculation Date), zero.

"**Senior Reserve Revenue Receipts Shortfall**" means, on an Interest Payment Date or corresponding Calculation Date, an amount equal to the greater of:

(a) an amount equal to:

(i) the amount required to make payments under:

(A) if on such date the Class A Notes are the Most Senior Class, item (e) of the Pre-Acceleration Revenue Priority of Payments; or

(B) if on such date either (1) the Class B Notes are the Most Senior Class or (2) there is not a debit balance on the Principal Deficiency Sub-ledger (Class B), item (g) of the Pre-Acceleration Revenue Priority of Payments;

minus

(ii) the Available Revenue Receipts (other than any Principal Addition Amount, any Surplus Available Principal Collections, any Senior Reserve Fund Release Amount and any Junior Reserve Fund Release Amount) to be applied on such Interest Payment Date after payment of each item of the Pre-Acceleration Revenue Priority of Payments which ranks in priority to the amounts payable under limb (i) above; and

(b) zero.

"**Servicer**" means Blue or at any time the person then authorised pursuant to the Servicing Agreement to service, administer and collect the Purchased Receivables.

"**Servicer Termination Event**" means the occurrence of any of the following events:

(a) an Insolvency Event occurs in respect of the Servicer;

(b) the Servicer fails to pay any amount due under the Servicing Agreement on the due date or on demand, if so payable, or to direct any movement of collections as required under the Servicing Agreement and the other Transaction Documents, and such failure has continued unremedied for a period of 7 Business Days after written notice of the same has been received by the Servicer or discovery of such failure by the Servicer;

(c) the Servicer (i) fails to observe or perform in any respect any of its covenants and obligations under or pursuant to the Servicing Agreement or any other Transaction Document to which it is a party (other than as referred to in paragraph (b) above and paragraph (ii) of this paragraph (c)) and such failure results in a material adverse effect on the Issuer's ability to make payments in respect of the Notes and continues unremedied for a period of 60 calendar days after the earlier of an officer of the Servicer becoming aware of such default and written notice of such failure being received by the Servicer or (ii) fails to maintain its authorisations and permissions under the FSMA or any other regulatory licence or approval required under the terms of the Servicing Agreement and such failure continues unremedied for a period of 60 calendar days after the earlier of an officer of the Servicer becoming aware of such default and written notice of such failure being received by the Servicer; or

(d) any of the representations or warranties given by the Servicer pursuant to the Servicing Agreement or any other Transaction Document to which it is a party or in any report provided by the Seller or the Servicer prove to be untrue, incomplete or inaccurate and such default results in a Material Adverse Effect on the Purchased Receivables and (if capable of remedy) continues unremedied for a period of 60 calendar days after the earlier of an officer of the Servicer becoming aware of such default and written notice of such failure being received by the Servicer.

"**Servicing Agreement**" means the servicing agreement entered into between the Issuer, the Seller, the Servicer, the Note Trustee and the Security Trustee on or about the Closing Date.

"**Servicing Expenses**" means, as at each Calculation Date or on any other date of determination, the amounts due (including any indemnity claims) or to become due prior to the related Interest Payment Date or other date of payment:

(a) to the Servicer under the Servicing Agreement (including the Servicing Fee); and

(b) to the Standby Servicer under the Standby Servicer Agreement.

"**Servicing Fee**" means the servicing fee of 1.00% per annum of the Aggregate Outstanding Principal Balance payable by the Issuer to the Servicer pursuant to, and in accordance with, the Servicing Agreement.

"**Set-off Receivable**" means any Receivable in respect of which the Obligor has exercised a right of set-off which has resulted in the Seller receiving less in respect of the Receivable than was due (but for such set-off) pursuant to Sections 56, 75 and 75A of the CCA.

"**Share Trustee**" means CSC Corporate Services (UK) Limited.

"**Solvency II Regulation**" means Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II).

"**SONIA**" means, in respect of any Business Day, a reference rate equal to the daily Sterling Overnight Index Average (SONIA) rate for such Business Day as provided by the administrator of SONIA to authorised distributors and as then published on the Screen or, if the Screen is unavailable, as otherwise published by such authorised distributors (on the Business Day immediately following such Business Day).

If, in respect of any Business Day in the relevant Observation Period, a SONIA rate is not available on the Screen or has not otherwise been published by the relevant authorised distributors, such SONIA rate shall be: (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant Business Day; plus (ii) the mean of the spread of the SONIA rate to the Bank Rate over the previous five days on which a SONIA 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.

"**SR Investor Report**" means each of (i) a monthly investor report containing the information prescribed by Article 7(1)(e) of the UK Securitisation Regulation and (ii) so long as the Seller and Servicer are required, pursuant to their contractual undertakings in respect of the EU Securitisation Regulation, to prepare investor reporting for the purposes of the EU Securitisation Regulation, a monthly investor report containing the information prescribed by Article 7(1)(e) of the EU Securitisation Regulation as it exists at the Closing Date, prepared by the Cash Manager in accordance with the provisions of the Cash Management Agreement, provided that the Cash Manager may, if it is possible for it to do so, publish a single monthly investor report that constitutes each of (i) and (ii).

"**SR Servicer Data Tape**" means each of:

(a) a monthly loan-by-loan information report prepared by the Servicer in relation to the Portfolio in respect of the immediately preceding Calculation Period as required by and in accordance with Article 7(1)(a) of the UK Securitisation Regulation, which shall be in, or a part of which shall be in, the form of the template set out in Annex V (*Underlying Exposures Information – Automobile*) of the UKSR RTS Delegated Regulation; and

(b) a monthly loan-by-loan information report prepared by the Servicer in relation to the Portfolio in respect of the immediately preceding Calculation Period as required by and in accordance with Article 7(1)(a) of the EU Securitisation Regulation as it exists at the Closing Date, which shall be in, or a part of which shall be in, the form of the template set out in Annex V (*Underlying Exposures Information – Automobile*) of the EUSR RTS Delegated Regulation as it exists at the Closing Date.

"**SSPE**" has the meaning given to that term in the UK Securitisation Regulation and/or the EU Securitisation Regulation.

"**Standard Documentation**" or "**Standard Documents**" means the forms of the standard documents used by the Seller in originating HP Agreements to be appended to the Receivables Sale and Purchase Agreement (including any data tape or computer disk containing such agreements) and any revised or substitute form.

"**Standby Servicer**" means Equiniti Gateway Limited.

"**Standby Servicer Agreement**" means the standby servicer agreement entered into by the Issuer, the Standby Servicer, the Servicer, the Note Trustee and the Security Trustee on or about the Closing Date.

"**Standby Servicer Succession Date**" means the date on which the Standby Servicer assumes responsibility under the Replacement Servicing Agreement for performing the services thereunder following completion of the procedures and within the timeframe contemplated by the Standby Servicer Agreement.

"**Subscription Agreement**" means the subscription agreement entered into by the Issuer, the Seller, the Joint Lead Managers and the Arranger on or about the date of this Prospectus.

"**Supplemental Seller Collection Account Declaration of Trust**" means the supplemental collection account declaration of trust supplementing the Seller Collection Account Declaration of Trust and dated on or about the Closing Date in favour of the Issuer.

"**Surplus Available Principal Receipts**" means Available Principal Receipts to be applied as Available Revenue Receipts in accordance with item (h) of the Pre-Acceleration Principal Priority of Payments.

"**Swap Agreement**" means the swap agreement, dated on or about the Closing Date between the Issuer and the Swap Provider, comprising the ISDA Master Agreement, the schedule thereto, the credit support annex thereto and an interest rate swap confirmation thereunder.

"**Swap Collateral**" means an amount equal to the value of the collateral (or the applicable part of any collateral) provided by the Swap Provider to the Issuer in respect of that Swap Provider's obligations to transfer collateral to the Issuer under the Swap Agreement and includes any interest and distributions in respect thereof.

"**Swap Collateral Account**" means the swap collateral account of the Issuer opened on or before the Closing Date with the Account Bank or any successor account.

"**Swap Excluded Amounts**" means any payments or delivery by the Issuer in respect of any Swap Collateral, any Return Amounts, Interest Amounts, Distributions, Equivalent Distributions and/or Tax Credits (such terms as defined in the Swap Agreement) and all Replacement Swap Premium.

"**Swap Notional Amount**" means, on any Interest Payment Date, the notional amount for the related Interest Period as set out in the amortisation schedule appended to the interest rate swap transaction confirmation under the Swap Agreement.

"**Swap Premium**" means the premium payable by the Issuer to the Swap Provider upon entry into the Swap Agreement on or about the Closing Date.

"**Swap Provider**" means BNP Paribas in its capacity as swap provider pursuant to the Swap Agreement and any permitted successor thereto in such capacity.

"**Swap Provider Downgrade Event**" means the occurrence of an Additional Termination Event or an Event of Default (each as defined in the Swap Agreement) following a failure by the Swap Provider to comply with the requirements of the ratings downgrade provisions set out in the relevant Swap Agreement.

"**Swap Provider Subordinated Amounts**" means the amount, if any, due to the Swap Provider on that Interest Payment Date pursuant to sections 6(d)(ii) and (e) and 11 of the Swap Agreement in connection with a termination of the Swap Agreement (after application of netting against any Swap Collateral previously posted by the Swap Provider) where such termination has arisen as a result of an "Event of Default" under the Swap Agreement where the Swap Provider is the "Defaulting Party" or as a result of a Swap Provider Downgrade Event under the Swap Agreement.

"**Swap Rate**" means the "Fixed Rate" under, and as defined in, the Swap Agreement, being 4.00 per cent.

"**Swap SONIA**" means, in respect of each Interest Period (being a calculation period under the Swap Agreement), the rate calculated for such Interest Period in accordance with the Swap Agreement as the compounded daily rate of GBP-SONIA (as defined in the Swap Agreement).

"**Swap Tax Credits**" means any credit, allowance, set-off or repayment, which is received by the Issuer in respect of tax from the tax authorities of any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Swap Provider to the Issuer, the amounts of which will be applied by the Issuer in accordance with the Cash Management Agreement.

"**Swap Termination Payment**" means any amounts due from the Swap Provider to the Issuer or from the Issuer to the Swap Provider, under the Swap Agreement following a close out netting under Section 6(e) of the ISDA Master Agreement as amended by the Swap Agreement.

"**Tax**" means any tax, levy, impost, duty or other charge or withholding of a similar nature imposed in any jurisdiction (including any penalty or interest payable in connection with any failure to pay or any delay in paying the same).

"**Tax Deduction**" means a deduction or withholding for or on account of Tax from a payment under a Transaction Document, other than a FATCA Deduction.

"**Tax Redemption Receivables**" means, on any Interest Payment Date, all Purchased Receivables then owned by the Issuer.

"**Tax Redemption Receivables Call Option**" means the call option granted to the Seller pursuant to clause 8.6 (*Tax Redemption Receivables Call Option*) of the Receivables Sale and Purchase Agreement, under which the Seller, prior to the occurrence of an Insolvency Event in respect of the Seller, has the right to repurchase from the Issuer all Purchased Receivables then owned by the Issuer.

"**Tax Redemption Repurchase Price**" means an amount equal to the higher of:

(a) an amount, calculated by the Servicer, equal to the sum of (i) the aggregate Initial Purchase Price in respect of the Tax Redemption Receivables, less (ii) the sum of all Principal Receipts (multiplied by the sum of (i) 100 per cent. and (ii) the Premium Element Purchase Price Percentage) and Revenue Receipts recovered or received by the Issuer in respect of the Tax Redemption Receivables from the Cut-Off Date to the Repurchase Date, plus (iii) any accrued and unpaid income in respect thereof as at the date of the repurchase; and

(b) all amounts required to be paid on the Interest Payment Date which has been fixed for redemption in accordance with the relevant Priority of Payments (taking into account the redemption of the Notes in full) less any Available Revenue Receipts and Available Principal Receipts to be applied on such date.

"**Transaction**" means the securitisation transaction in connection with which the Notes and the Residual Certificates are issued and to which the Transaction Documents refer.

"**Transaction Account**" means the distribution account of the Issuer opened on or before the Closing Date with the Account Bank with the separate Issuer Profit Ledger or any successor account.

"**Transaction Documents**" means the Trust Deed, the Deed of Charge (and any document entered into pursuant thereto, including the Scottish Supplemental Charge and the Issuer Power of Attorney), the Agency Agreement, the Bank Account Agreement, the Cash Management Agreement, the Receivables Sale and Purchase Agreement, the Seller Power of Attorney, the Servicing Agreement, the Standby Servicer Agreement, the Global Notes representing the Notes, the Global Residual Certificate, the Master Definitions Schedule, the Collection Account Declarations of Trust, the Swap Agreement, the Corporate Services Agreement, the Vehicle Declaration of Trust, the Netting Letter and the Issuer ICSDs Agreement and any other agreement entered into between the Transaction Parties from time to time which designated as a "Transaction Document" by the Seller and the Note Trustee.

"**Transaction Party**" means a party to a Transaction Document.

"**Trust Corporation**" means a corporation entitled by rules made under the Public Trustee Act 1906 or entitled pursuant to any other comparable legislation applicable to a trustee in any other jurisdiction to carry out the functions of a custodian trustee.

"**Trust Deed**" means the trust deed dated on the Closing Date between the Issuer, the Note Trustee and the Security Trustee.

"**TSC Regulations**" means the Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296).

"**UK**" or "**United Kingdom**" means the United Kingdom of Great Britain and Northern Ireland.

"**UK Article 7 ITS**" means the EU Article 7 ITS as it forms part of UK domestic law by virtue of the EUWA and any relevant laws, instruments, regulations, rules, guidance, policy statements,

transitional relief or other implementing measures of the FCA, the Bank of England, the PRA, the Pensions Regulator or any other relevant UK regulator (or their successor) in relation thereto.

"**UK Article 7 RTS**" means the EU Article 7 RTS as it forms part of UK domestic law by virtue of the EUWA and any relevant laws, instruments, regulations, rules, guidance, policy statements, transitional relief or other implementing measures of the FCA, the Bank of England, the PRA, the Pensions Regulator or any other relevant UK regulator (or their successor) in relation thereto.

"**UK Article 7 Technical Standards**" means the UK Article 7 RTS and the UK Article 7 ITS.

"**UK Benchmarks Regulation**" means the EU Benchmarks Regulation (Regulation (EU) 2016/1011) as it forms part of UK domestic law by virtue of the EUWA.

"**UK CRA Regulation**" means Regulation (EC) No 1060/2009 of the European Parliament on credit rating agencies, as amended, as it forms part of UK domestic law by virtue of the EUWA.

"**UK CRR**" means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 as it forms part of UK domestic law by virtue of the EUWA.

"**UK EMIR**" means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 as it forms part of UK domestic law by virtue of the EUWA.

"**UK GDPR**" means the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC as it forms part of UK domestic law by virtue of the EUWA.

"**UK Market Abuse Regulation**" means the EU Market Abuse Regulation as it forms part of UK domestic law by virtue of the EUWA.

"**UK Securitisation Regulation**" means Regulation (EU) No 2017/2402 as it forms part of UK domestic law by virtue of the EUWA, as amended, together with applicable secondary legislation, guidance, policy statements, transitional relief, regulatory technical standards, implementing technical standards and related documents published by the FCA, the Bank of England, the PRA, the Pensions Regulator or any other relevant UK regulator (or their successor) in relation thereto.

"**UKSR Inside Information and Significant Event Report**" means an inside information or significant event information report as required by and in accordance with Article 7(1)(f) and/or Article 7(1)(g) (as applicable) of the UK Securitisation Regulation and the UK Article 7 Technical Standards.

"**UKSR RTS Delegated Regulation**" means the Commission Delegated Regulation (EU) supplementing the EU Securitisation Regulation dated 16 October 2019 as it forms part of UK domestic law by virtue of the EUWA.

"**UNCITRAL Implementing Regulations**" means the UNCITRAL (United Nations Commission on International Trade Law) Model Law implemented in Great Britain on 4 April 2006 by the Cross-Border Insolvency Regulations (2006) (SI 2006/1030).

"**United States**" means, for the purpose of the Transaction, the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands).

"**U.S. Person**" means a U.S. person as defined in Regulation S.

"**U.S. Risk Retention Rules**" means Regulation RR (17 C.F.R Part 246) implementing the risk retention requirements of Section 15G of the Exchange Act, as amended, adopted pursuant to the requirements of Section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

"**U.S. Risk Retention Waiver**" means an exemption provided for in Section 20 of the U.S. Risk Retention Rules.

"**Variation**" means any amendment or variation to the terms of an HP Agreement after the Cut-Off Date.

"**VAT**" or "**Value Added Tax**" means value added tax in the UK as provided for in the VATA and legislation supplemental thereto and any similar tax in any other jurisdiction.

"**VATA**" means the Value Added Tax Act 1994.

"**Vehicle**" means, with respect to any Purchased Receivable, any vehicle the subject of the HP Agreement related to such Purchased Receivable.

"**Vehicle Declaration of Trust**" means the declaration of trust granted by the Seller in favour of the Issuer on or about the Closing Date in the form set out in Schedule 6 (*Vehicle Declaration of Trust*) to the Receivables Sale and Purchase Agreement.

"**Vehicle Sale Proceeds**" means, in relation to a Purchased Receivable, the proceeds of sale of the Vehicle that is the subject of the relevant HP Agreement including a sale of such Vehicle arising due to the return or repossession of such Vehicle following a default under the relevant HP Agreement or exercise by the relevant Obligor of a Voluntary Termination.

"**Vehicle Trust Property**" has the meaning given to it in the Vehicle Declaration of Trust.

"**Volcker Rule**" means Section 619 of the Dodd-Frank Act and any relevant implementing provisions thereof.

"**Voluntarily Terminated Receivable**" means a Purchased Receivable in relation to which a Voluntary Termination has been exercised.

"**Voluntary Termination**" means the voluntary termination of an HP Agreement by an Obligor pursuant to Section 99 of the CCA.

"**Written Resolution**" means, in respect of a Class of Notes, a resolution referred to in paragraph (a)(ii) of the definition of Extraordinary Resolution or Ordinary Resolution above and, in respect of the Residual Certificates, a resolution referred to in paragraph (b)(ii) of the definition of Extraordinary Resolution or Ordinary Resolution above.

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