IMPORTANT NOTICE

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

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

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

ARVAL UK LIMITED 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.

EXCEPT WITH THE PRIOR WRITTEN CONSENT OF ARVAL UK LIMITED (A "**U.S. RISK RETENTION WAIVER**") AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY SECTION 20 OF THE FINAL RULES PROMULGATED UNDER SECTION 15G OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "**U.S. RISK RETENTION RULES**"), THE NOTES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "U.S. PERSON" AS DEFINED IN THE U.S. RISK RETENTION RULES ("**RISK RETENTION U.S. PERSONS**"). PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS SUBSTANTIALLY SIMILAR TO, BUT NOT IDENTICAL TO, THE DEFINITION OF "U.S. PERSON" IN REGULATION S UNDER THE SECURITIES ACT. EACH PURCHASER OF THE NOTES OR A BENEFICIAL INTEREST THEREIN ACQUIRED IN THE INITIAL SYNDICATION THEREOF, WILL BE DEEMED AND IN CERTAIN CIRCUMSTANCES, WILL BE REQUIRED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT IT (1) EITHER (A) IS NOT A RISK RETENTION U.S. PERSON OR (B) IT HAS OBTAINED A U.S. RISK RETENTION WAIVER, (2) IS ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE OR, AND (3) IS NOT ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING SUCH NOTE THROUGH A NON-RISK RETENTION U.S. PERSON, RATHER THAN A RISK RETENTION U.S. PERSON, AS PART OF A SCHEME TO EVADE THE 10 PER CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES).

Article 5 of the EU Securitisation Regulation places certain conditions on investments in a "securitisation" (as defined in the EU Securitisation Regulation) (the "**EU Due Diligence Requirements**") by an "institutional investor" (as defined in the EU Securitisation Regulation). The EU Due Diligence Requirements also apply to investments by certain consolidated affiliates, wherever established or located, of such institutional investors which are CRR firms (as defined by Article 4(1)(2A) of Regulation (EU) No 575/2013) (such affiliates, together with all such institutional investors, "**EU Affected Investors**").

On the Closing Date and while any of the Notes remain outstanding, Arval UK Limited ("**Arval**") will, as an originator for the purposes of the UK Securitisation Framework and Regulation (EU) 2017/2402 as in force in the European Union (the "**EU Securitisation Regulation**"), retain a material net economic interest of not less than 5% in the securitisation as required by FCA Risk Retention Rules (the "**UK Retention Requirement**"). In addition, although the EU Securitisation Regulation is not applicable to it, Arval, as originator, will retain (on a contractual basis), a material net economic interest of not less than 5% in the securitisation in accordance with Article 6 of the EU Securitisation Regulation and as required for the purposes of Article 5(1)(d) of the EU Securitisation Regulation (not taking into account any relevant national measures) as if it were applicable to it until such time as Arval certifies to the Issuer that a competent EU authority has confirmed that the satisfaction of the UK Retention Requirements would also satisfy the EU Retention Requirements (the "**EU Retention Requirement**" and, together with the UK Retention Requirement, the "**Retention Requirement**" and the retention thereunder the "**Retention**") due to the application of an equivalence regime or similar analogous concept. Investors should note that the obligation of the Seller to comply with the EU Retention Requirements is strictly contractual and the Seller has elected to comply with such requirements in its discretion.

With respect to any reporting requirements pursuant to Article 7 of the EU Securitisation Regulation (the "**EU Reporting Requirements**"), such obligations of the Issuer shall apply only until such time as the Seller certifies to the Issuer and the Note Trustee that a competent EU authority has confirmed that the satisfaction of the relevant reporting requirements under the FCA Transparency Rules will also satisfy the EU Reporting Requirements due to the application of an equivalency regime or similar analogous concept.

Failure by a EU Affected Investor to comply with the EU Due Diligence Requirements with respect to an investment in the Notes offered by the prospectus may result in regulatory sanctions being imposed by the competent authority of such EU Affected Investor (including the imposition of a higher regulatory capital charges on that investment).

Prospective EU Affected Investors are themselves responsible for analysing their own regulatory position, and should consult their own advisers in this respect and should consider (and where appropriate, take independent advice on) the application of the EU Securitisation Regulation or other applicable regulations and the suitability of the Notes for investment.

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

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

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

The prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer nor the Transaction Parties or any person who controls any such person or any director,

officer, employee or agent of any such person (or affiliate of any such person) accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format and the hard copy version available to you on request from the Issuer or BNP Paribas.

Pulse UK 2024 plc

(incorporated in England and Wales with limited liability under registered number 15438733)

Legal Entity Identifier ("**LEI**"): 635400T1DQEENVCVUH68

Notes	**Initial Principal Amount**	**Issue Price**	**Interest Rate**	**Revolving Period End Date**	**Final Maturity Date ***	**Expected Ratings (DBRS/Moody's)**
Class A	£350,000,000	100%	Compounded Daily SONIA + 0.66%	November 2025	The Payment Date falling in May 2036	AAA(sf)/Aaa(sf)
Class B	£52,300,000	100%	3.80%	November 2025	The Payment Date falling in May 2036	Unrated

*The Revolving Period commences on (and includes) the Closing Date and ends on the earlier of (i) (and includes) the Payment Date falling in November 2025 or (ii) (but excludes) the Payment Date following the date on which a Revolving Period Termination Event occurs. See the section entitled "Transaction Outline – Credit Structure And Cashflow" below.

Issue Date

The Issuer expects to issue the Notes in the classes set out above on 26 November 2024 (the "**Closing Date**").

Underlying Assets

The Issuer will make payments on the Notes from, among other things, an initial portfolio comprising Lease Receivables originated by Arval UK Limited (the "**Seller**") which will be purchased by the Issuer on the Closing Date (the "**Initial Portfolio**"). Additional portfolios may be purchased by the Issuer during the Revolving Period in accordance with the terms described herein (each an "**Additional Portfolio**" and together with the Initial Portfolio, the "**Portfolio**"). See the section entitled "Description of Certain Transaction Documents" for more information. The Issuer confirms that the assets backing the issue of the Notes, taken together with the other arrangements to be entered into on or around the Closing Date, generally have characteristics that demonstrate capacity to produce funds to service any payments due and payable under the Notes and are not part of a re-securitisation and are collectible.

Credit Enhancement

- In relation to the Class A Notes, the subordination as to payment of interest and principal payments in respect of the Class B Notes;
- Liquidity support by subordinating the repayment of any Liquidity Reserve Release Amount to the payment of interest and principal under the Notes; and
- The excess spread, which will provide the first loss protection to the Class A Notes.

Please refer to the section entitled "Transaction Outline – Credit Structure And Cashflow".

Liquidity Support

- Subordination in payments of interest of the Class B Notes;
- Application of any remaining Available Distribution Amount after payment of more senior ranking claims in the applicable Priority of Payments to pay the Class A Notes Interest Amount and the Class A Notes Amortisation Amount; and

- Liquidity Reserve Required Amount (from the Closing Date) credited to the Liquidity Reserve Account prior to each Payment Date to be part of the Available Distribution Amount.

Please refer to the section entitled "Transaction Outline – Credit Structure And Cashflow".

Redemption Provisions

Information on any optional and mandatory redemption of the Notes is summarised on page 66 (Transaction Outline – Overview of the Terms and Conditions of the Notes) and set out in full in Condition 6 (Redemption).

Rating Agencies

Ratings will be assigned to the Notes by DBRS Ratings Limited ("**DBRS**") and by Moody's Investor Services ("**Moody's**") (each a "**Rating Agency**" and together, the "**Rating Agencies**") on or before the Closing Date.

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union ("**EU**") and registered under Regulation (EC) No 1060/2009 of the European Parliament (as amended) (the "**EU CRA Regulation**") unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the EU CRA Regulation and such registration is not refused. Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the EU CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances.

Similarly, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under the EU CRA Regulation, as it forms part of UK domestic law by virtue of the EUWA and amended by the Credit Rating Agencies (amendment etc.) (EU Exit) Regulation 2019 (the "**UK CRA Regulation**"). In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency, or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation.

Each of DBRS and Moody's is included on the list of registered and certified credit rating agencies that is maintained by the Financial Conduct Authority (the "**FCA**").

DBRS and Moody's are not established in the European Union (the "**EU**") and have not applied for registration under the EU CRA Regulation.

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

Each of DBRS Ratings GmbH and Moody's Deutschland GmbH is included in the list of credit rating agencies published by 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.

Credit Ratings

Ratings are expected to be assigned to the Class A Notes as set out above on or before the Closing Date.

The ratings assigned by DBRS and Moody's address the likelihood of (a) timely payment of interest due to the Noteholders on each Payment Date and (b) full payment of principal by a date that is not later than the Final Maturity Date.

The assignment of ratings to the Notes is not a recommendation to invest in the Notes. Any credit rating assigned to the Notes may be revised or withdrawn at any time.

Listing

This prospectus (the "**Prospectus**") comprises a prospectus for the purpose of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). The Prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under the Prospectus Regulation. Such approval relates only to the Class A Notes which are to be admitted to trading on a regulated market of Euronext Dublin for the purposes of Directive 2014/65/EU and/or which are to be offered to the public in any Member State of the European Economic Area. The Central Bank only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or of the quality of the Notes that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

Application has been made to Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") for the Class A Notes to be admitted to the Official List (the "**Official List**") and trading on its regulated market. Such approval relates only to the Class A Notes which are admitted to trading on a regulated market of Euronext Dublin or other regulated markets for the purpose of Directive 2014/65/EU or which are to be offered to the public in any Member State of the EEA.

This Prospectus (as supplemented as at the relevant time, if applicable) is valid for the admission to trading of the Notes on the regulated market of Euronext Dublin until the time when trading on such regulated market begins. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply once the Class A Notes are admitted to trading on the regulated market of Euronext Dublin.

Eurosystem Eligibility

The Notes are not currently eligible collateral for Eurosystem monetary policy and intra-day credit operation by the Eurosystem. However, the Class A Notes are intended to be held in a manner which would allow Eurosystem eligibility. This means that the Class A Notes are intended upon issue to be deposited with one of the International Central Securities Depositories (the "**ICSDs**"), as common safekeeper, but does not necessarily mean that the Class A Notes in the future will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem. Such recognition will depend upon the satisfaction of the other Eurosystem eligibility criteria. The Class B Note is not intended to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem.

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**") and the Term Funding Scheme with additional incentives for small and medium sized enterprises ("**TFSME**"). Recognition of the Class A Notes as eligible securities for the purposes of the DWF and the TFSME 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 of TFSME collateral. In addition, whilst central bank schemes such as, amongst others, the Bank of England's Sterling Monetary Framework, the Funding for Lending Scheme, the Term Funding Scheme or the European Central Bank's liquidity scheme have provided an important source of liquidity in respect of eligible securities, as at the date of this Prospectus, use of such schemes (other than TFSME) is now restricted to the maintenance of existing drawings by participants.

None of the Issuer, the Arranger or the Lead Manager 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 TFSME eligibility and be recognised as eligible DWF or TFSME 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 TFSME collateral.

Obligations

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

Simple, Transparent and Standardised Securitisation

On or about the Closing Date, it is intended that a UK STS Notification will be submitted to the FCA in accordance with the UK STS Rules, confirming that the UK STS Rules have been satisfied with respect to the Notes.

With respect to a UK STS Notification, the Seller has used the services of Prime Collateralised Securities (PCS) UK Limited ("**PCS UK**") as a verification agent authorised under Part 6 of the SR 2024 in connection with an assessment of the compliance of the Notes with the requirements of SECN 2.2 of the UK STS Rules (the "**STS Verification**"). It is expected that the STS Verification prepared by PCS UK will be available on the PCS UK website (https://pcsmarket.org/transactions/) together with detailed explanations of its scope at https://pcsmarket.org/application/disclaimer/. For the avoidance of doubt, this PCS UK website and the contents thereof do not form part of this Prospectus. Note that designation as a UK STS Securitisation does not meet, as at the date of this Prospectus, the STS requirements of the EU Securitisation Regulation. For further information please refer to the Risk Factor entitled "Simple, Transparent and Standardised Securitisations and UK STS Designation"

The Volcker Rule

The Issuer was structured so as not to constitute a "covered fund" for purposes of the regulations adopted to implement Section 619 of the Dodd-Frank Act (such statutory provision together with such implementing regulations, the "**Volcker Rule**"). Any prospective investor in the Notes, including a bank or subsidiary or other affiliate thereof, should consult its own legal advisers regarding such matters and other effects of the Volcker Rule.

Please refer to the risk factor entitled "Effects of the Volcker Rule on the Issuer" for more details.

Retention Undertaking

On the Closing Date and while any of the Notes remain outstanding, Arval will, as an originator for the purposes of the FCA Risk Retention Rules retain a material net economic interest of not less than 5% in the

	securitisation as required by SECN 5.2.1R of the FCA Risk Retention Rules and Article 6(1) of the the EU Securitisation Regulation (which does not take into account any corresponding national measures) (the "**Retention**"). As at the Closing Date, the Retention will comprise Arval holding the first loss tranche, namely the Class B Note, in accordance with SECN 5.2.8R(1)(d) of the FCA Risk Retention Rules and Article 6(3)(d) of the EU Securitisation Regulation. Any change in the manner in which the interest is held may only be made in accordance with the applicable laws and regulations and will be notified to the Noteholders. See the section entitled "Regulatory Requirements" and the Risk Factor entitled "Regulatory treatment of ABS (including Basel III and risk retention)" for further information. Arval, as the sponsor under the final rules promulgated under Section 15G of the Securities Exchange Act of 1934, as amended (the "**U.S. Risk Retention Rules**"), does not intend to retain at least 5 per cent. of the credit risk of the securitized assets for the purposes of compliance with the U.S. Risk Retention Rules, but rather intends to rely on an exemption provided for in Section __.20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Except with the prior written consent of Arval and where such sale falls within the exemption provided by Section __.20 of the U.S. Risk Retention Rules, the Notes offered and sold by the Issuer may not be purchased by, or for the account or benefit of, any Risk Retention U.S. Person Each prospective investor will be required to notify any seller of Notes if it is a Risk Retention U.S. Person prior to placing any offer to purchase the Notes. The Issuer, the Seller, the Lead Manager and the Arranger will rely on these representations without further investigation or liability. See the Risk Factor entitled "Regulatory treatment of ABS (including Basel III and risk retention)" for further information.
Significant Investor	Arval will, on the Closing Date, purchase 100% of the Class B Note. Please refer to the section entitled "Subscription and Sale" for further information.
Benchmarks Regulation	Interest payable under the Class A Notes is calculated by reference to SONIA. As at the date of this Prospectus, the administrator of SONIA is not included in either (i) the FCA's register of administrators under Article 36 of Regulation (EU) No 2016/1011 as it forms part of UK domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**") or (ii) ESMA's register of administrators under Article 36 of the Regulation (EU) No. 2016/1011 (the "**EU Benchmarks Regulation**"). As far as the Issuer is aware, Article 2 of the EU Benchmarks Regulation applies, such that the SONIA administrator, is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence). The Bank of England, as administrator of SONIA, is exempt under Article 2 of the UK Benchmarks Regulation but has issued a statement of compliance with the principles for financial benchmarks issued in 2013 by the International Organisation of Securities Commissions.

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

Arranger and Lead Manager

BNP Paribas

The date of this Prospectus is 21 November 2024

IMPORTANT NOTICES

THIS PROSPECTUS CONSTITUTES A PROSPECTUS FOR THE PURPOSE OF THE PROSPECTUS REGULATION. THIS PROSPECTUS HAS BEEN APPROVED BY THE CENTRAL BANK, AS COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THE CENTRAL BANK ONLY APPROVES THIS PROSPECTUS AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY IMPOSED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHOULD NOT BE CONSIDERED AS AN ENDORSEMENT OF THE ISSUER OR OF THE QUALITY OF THE NOTES THAT ARE THE SUBJECT OF THIS PROSPECTUS. INVESTORS SHOULD MAKE THEIR OWN ASSESSMENT AS TO THE SUITABILITY OF INVESTING IN THE NOTES. APPLICATION HAS BEEN MADE TO EURONEXT DUBLIN FOR THE CLASS A NOTES TO BE ADMITTED TO THE OFFICIAL LIST AND TRADING ON ITS REGULATED MARKET. SUCH APPROVAL RELATES ONLY TO THE CLASS A NOTES WHICH ARE ADMITTED TO TRADING ON A REGULATED MARKET OF EURONEXT DUBLIN OR OTHER REGULATED MARKETS FOR THE PURPOSE OF DIRECTIVE 2014/65/EU OR WHICH ARE TO BE OFFERED TO THE PUBLIC IN ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA ("EEA"). THE ISSUER DESIGNATES IRELAND AS HOME MEMBER STATE FOR THE PURPOSE OF THE NOTES TO BE ISSUED AND THE APPROVAL OF THIS PROSPECTUS. THIS PROSPECTUS IS VALID FOR 12 MONTHS FROM ITS DATE. THE OBLIGATION TO SUPPLEMENT THIS PROSPECTUS IN THE EVENT OF A SIGNIFICANT NEW FACTOR, MATERIAL MISTAKE OR MATERIAL INACCURACY DOES NOT APPLY ONCE THE CLASS A NOTES ARE ADMITTED TO THE OFFICIAL LIST AND TRADING ON ITS REGULATED MARKET.

THE INFORMATION ON THE WEBSITES TO WHICH THIS PROSPECTUS REFERS DOES NOT FORM PART OF THIS PROSPECTUS AND HAS NOT BEEN SCRUTINISED OR APPROVED BY THE CENTRAL BANK.

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

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

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

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

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

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

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

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

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

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

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

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

The Account Bank, the Paying Agent and the Registrar accept responsibility for the information in the section entitled "The Account Bank". To the best of the Account Bank, the Paying Agent and the Registrar's knowledge, the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Account Bank, the Paying

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

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

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

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OR "BLUE SKY" LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THEREFORE MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE STATE OR FEDERAL SECURITIES LAWS. ACCORDINGLY, THE NOTES ARE BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES TO PERSONS OTHER THAN U.S. PERSONS IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON RESALES OR TRANSFERS, SEE "SUBSCRIPTION AND SALE".

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

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

EXCEPT WITH THE PRIOR WRITTEN CONSENT OF ARVAL UK LIMITED (A "**U.S. RISK RETENTION WAIVER**") AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY SECTION 20 OF THE FINAL RULES PROMULGATED UNDER SECTION 15G OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "**U.S. RISK RETENTION RULES**"), THE NOTES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "U.S. PERSON" AS DEFINED IN THE U.S. RISK RETENTION RULES ("**RISK RETENTION U.S. PERSONS**"). PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS SUBSTANTIALLY SIMILAR TO, BUT NOT IDENTICAL TO, THE DEFINITION OF "U.S. PERSON" IN REGULATION S UNDER THE SECURITIES ACT. EACH PURCHASER OF THE NOTES OR A BENEFICIAL INTEREST THEREIN ACQUIRED IN THE INITIAL SYNDICATION THEREOF, WILL BE DEEMED AND IN CERTAIN CIRCUMSTANCES, WILL BE REQUIRED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT IT (1) EITHER (A) IS NOT A RISK RETENTION U.S. PERSON OR (B) IT HAS OBTAINED A U.S. RISK RETENTION WAIVER, (2) IS ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE, AND (3) IS NOT ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING SUCH NOTE THROUGH A NON-RISK RETENTION U.S. PERSON, RATHER THAN A RISK RETENTION U.S. PERSON, AS PART OF A SCHEME TO EVADE THE 10 PER CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES).

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

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

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

MIFID II product governance/Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

UK MIFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

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

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy the Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The

distribution of this Prospectus or any part hereof and any offering of the Notes in certain jurisdictions may be restricted by law. No action has been taken by the Issuer, the Lead Manager or the Arranger other than as set out in the paragraph headed "Taxation" that would permit a public offer of the Notes in any country or jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any part hereof nor any other prospectus, form of application, advertisement or other offering material may be issued, distributed or published in any country or jurisdiction (including Ireland), except in circumstances that will result in compliance with applicable laws, orders, rules and regulations.

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

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

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

Commercial Activities

Certain of the Arranger and the Lead Manager 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 and the Lead Manager 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 and the Lead Manager 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 and Lead Manager 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. Any such short positions could adversely affect future trading prices of the Notes. The Arranger and the Lead Manager 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.

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

Suitability of Investment

(a) The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should: have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this Prospectus;

(b) each potential investor in the Notes must have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(c) each potential investor in the Notes must have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

(d) each potential investor in the Notes must understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and

(e) each potential investor in the Notes must be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

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

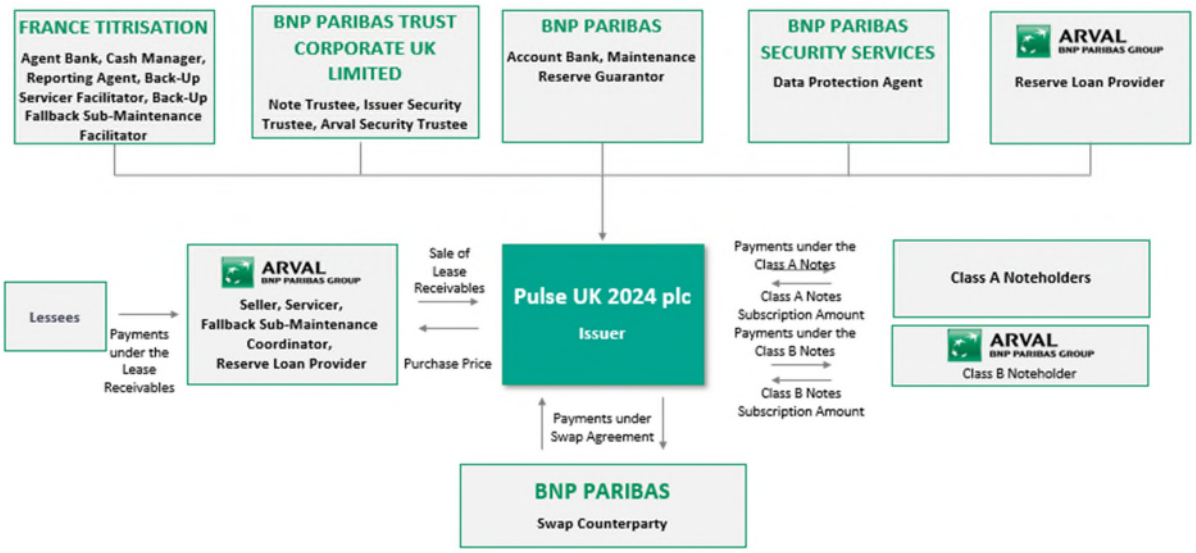
CONTENTS

TRANSACTION OVERVIEW

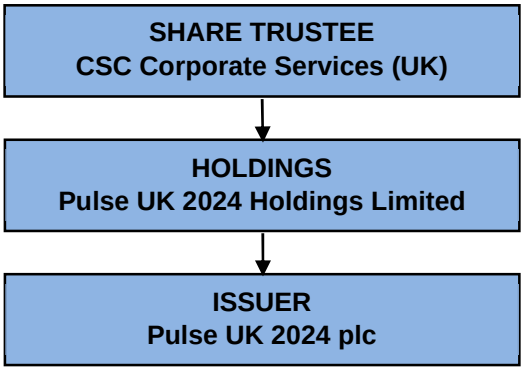
DIAGRAMMATIC OVERVIEW OF THE TRANSACTION

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

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



DIAGRAMMATIC OVERVIEW OF THE OWNERSHIP STRUCTURE OF THE ISSUER



RISK FACTORS

THE PURCHASE OF CERTAIN NOTES MAY INVOLVE SUBSTANTIAL RISKS AND BE SUITABLE ONLY FOR INVESTORS WHO HAVE THE KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS NECESSARY TO ENABLE THEM TO EVALUATE THE RISKS AND THE MERITS OF AN INVESTMENT IN THE NOTES. PRIOR TO MAKING AN INVESTMENT DECISION, PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER IN LIGHT OF THEIR OWN FINANCIAL CIRCUMSTANCES AND INVESTMENT OBJECTIVES ALL THE INFORMATION SET FORTH IN THIS PROSPECTUS AND, IN PARTICULAR, THE CONSIDERATIONS SET FORTH BELOW. PROSPECTIVE INVESTORS SHOULD MAKE SUCH INQUIRIES AS THEY DEEM NECESSARY WITHOUT RELYING ON THE ISSUER, THE LEAD MANAGER OR THE ARRANGER.

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

1. RISK FACTORS RELATING TO THE NOTES

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

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

If at any time following:

(a) the occurrence of either:

(i) the Final Maturity Date (as defined in the terms and conditions of the Notes) or any earlier date upon which all of the Notes of each Class are due and payable; or

(ii) the service of a Note Acceleration Notice; and

(b) Realisation of the Issuer Charged Assets and application in full of any amounts due and payable under the Notes in accordance with the applicable Priority of Payments; and

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

(b) Subordination of the Notes may result in an insufficient amount of funds to meet obligations under the Notes following delivery of a Note Acceleration Notice

There is no assurance that: (a) the Class A Noteholders will receive the amounts they are entitled to receive pursuant to the Conditions of the Notes; or (b) the distributions which are made will correspond to (i) the monthly payments originally agreed upon in the underlying Lease Agreements, or (ii) any Residual Value and realisation proceeds envisaged to be received in respect of the Leased Vehicles. The risk to the Class A Noteholders that they will

not receive the full principal amount of any Class A Note held by them or interest payable thereon pursuant to the Conditions is mitigated by: (a) the subordination of the Class B Note in accordance with the applicable Priority of Payments; and (b) the availability of the amounts standing to the credit of the Liquidity Reserve Account and the available excess spread in accordance with the applicable Priority of Payments.

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

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

2. RISK FACTORS RELATING TO THE ISSUER

(a) Risks relating to the insolvency of the Issuer

The Issuer will enter into the Issuer Deed of Charge pursuant to which it will grant the Issuer Security in respect of certain of its obligations, including its obligations under the Notes (as to which, see "

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

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

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

(b) **The Issuer has limited assets**

The financial resources of the Issuer for the payment of principal and interest amounts due in respect of the Class A Notes are mainly arising from (i) any payments made by the Swap Counterparty under the Swap Agreement, (ii) moneys held under the Start-up Reserve Advance, the Liquidity Reserve Advance, the Set-Off Reserve Advance (if any), the Commingling Reserve Advance (if any), the Maintenance Reserve Advance (if any) and (iii) any collections received, recoveries made or proceeds of sale in respect of the Lease Receivables.

The ability of the Issuer to redeem all the Class A Notes in full and to pay all other amounts due to the Noteholders will depend upon whether sufficient amounts in respect of those underlying exposures and contractual rights and/or the related Ancillary Rights can be collected and received timely to satisfy payments due under the Class A Notes after having satisfied claims ranking in priority of the Class A Notes (including without limitation any applicable Priority of

Payments). No provision of the Transaction Documents shall require automatic liquidation of the Lease Receivables purchased by the Issuer at market value.

Other than the foregoing, the Issuer will have no other sources of funds available to meet its obligations under the Class A Notes.

As a result, by subscribing or purchasing the Class A Notes, each investor irrevocably agrees to the limited recourse language as set out in the Conditions of the Class A Notes. In particular, if, following the liquidation of the Issuer, the available sums to be distributed by the Issuer prove ultimately to be insufficient, after payment of all claims ranking in priority to amounts due under the Class A Notes, to pay in full all principal and interest and other amounts whatsoever due in respect of the Class A Notes, any shortfall arising will be automatically extinguished and the Noteholders will neither have any further claim against the Issuer in respect of any such amounts nor have recourse to any other person for the loss sustained.

(c) **The Issuer is exposed to potential conflicts of interests**

Conflicts of interest may arise during the life of the Issuer as a result of various factors involving certain parties to the Transaction Documents. For example, such potential conflicts may arise because entities belonging to the BNP Paribas group act in several capacities under the Transaction Documents, although their rights and obligations under the Transaction Documents are not contractually conflicting and are independent from one another.

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.

Accordingly, conflicts of interest may exist or may arise as a result of parties to the Securitisation Transaction:

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

(b) having multiple roles in the Securitisation Transaction; and/or

(c) carrying out other transactions for third parties.

3. **RISKS RELATING TO THE AVAILABILITY OF FUNDS TO PAY THE NOTES**

(a) **Deferral of interest payments on the Class B Notes**

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

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

There can be no assurance that there is an active and liquid secondary market for the Notes, and although application has been made for the Class A Notes to be listed on the Official List and admitted to trading on Euronext Dublin's regulated market, no assurance is provided that a secondary market for the Notes will develop or, if it does develop, that it will provide Noteholders with liquidity of investment for the life of the Notes. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to

similar investments that have a developed secondary market. This is particularly the case for notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of notes generally would have a more limited secondary market and more price volatility than conventional debt securities.

Limited liquidity in the secondary market for asset-backed securities has had a serious adverse effect on the market value of asset-backed securities and may continue to have a serious adverse effect on the market value of asset-backed securities, especially those securities that are more sensitive to prepayment, credit or interest rate risk and those securities that have been structured to meet the investment requirements of limited categories of investors.

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

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

(c) **No default interest**

In the event that on any applicable Payment Date, the amounts available to make payments of interest in respect of the Class A Notes by the Issuer after payment of any amounts ranking in priority, are insufficient to pay in full any amount of interest which is then due and payable in respect of the Class A Notes, such unpaid amount will not accrue default interest (although interest at the Class A Note Interest Rate will continue to accrue).

As a result, the Issuer will not be required to pay default interest on the Notes.

4. **RISKS RELATING TO THE LEASE RECEIVABLES**

(a) **Credit risk on the Lessees**

The payment of principal and interest on the Notes is, among other things, conditional on the performance of the Lease Receivables. Accordingly, the Issuer is exposed to the credit risk of the Lessees and to their ability to make timely and full payments of amounts due under the Lease Receivables owed by them. This mainly depends on their respective assets and liabilities as well as their ability to generate sufficient income to make the required payments.

The ability to generate such income may be adversely affected by a large number of factors, some of which (i) relate specifically to the Lessee itself (including but not limited to its assets, liabilities and general creditworthiness) while others (ii) are more general in nature (such as, without limitation, changes in governmental regulations, fiscal policy, national economic conditions, local economic conditions depending on their geographical distribution and interest rates). As a result, the Issuer's ability to meet its obligations under the Notes may be adversely affected.

Whilst each Lease Agreement has due dates for scheduled payments thereunder, there is no assurance that the Lessees under those Lease Agreements will pay on time and it is possible that Lessees will not pay the full amount or will not pay at all. Any such failure by the Lessees to make payments under the Lease Agreements would have an adverse effect on the Issuer's ability to make payments under the Notes. Certain national and international macroeconomic factors may also contribute to or hinder the economic health of a Lessee and thus the economic performance of the Lease Receivables. The risk of late payment by Lessees is in part mitigated by the Liquidity Reserve Required Amount. Whilst the Issuer may draw on amounts standing to the credit of the Liquidity Reserve Account to make payments in respect of the Notes, no assurance can be given that the Issuer will have sufficient funds to make payments in full in respect of the Notes. In addition, Arval is not obliged to (but has the option to, at its sole discretion) repurchase any Lease Receivable which has become a Defaulted Lease Receivable. In the event that Arval as Seller chooses not to exercise such option, the Servicer

shall terminate the relevant Lease Agreement and take all actions to repossess the relevant Leased Vehicle related to such Defaulted Lease Receivable.

(b) **Risk of variation in the Lease Instalments**

Pursuant to its terms, a Lease Agreement relating to a Performing Lease Receivable may be subject to (i) adjustments notably in relation to mileage or duration and/or (ii) commercial renegotiation, resulting in a Variation of such Lease Receivable and the relevant Lease Agreement, provided that such Variation would not result in a Non-Permitted Variation and such Variation is made in accordance with the Servicing Procedures.

Certain Variations agreed by the Servicer in relation to Performing Lease Receivables, or to the relevant Lease Agreement or the Ancillary Rights thereto, may result, among other things, in (i) a decrease of the Outstanding Lease Principal Balance of the relevant Performing Lease Receivable, which will be subject to the payment of the relevant Aggregate Outstanding Balance Reduction Amount by the Servicer to the Issuer as a Deemed Collection and/or (ii) an extension of the Lease Agreement beyond its Initial Adjusted Lease Maturity Date and/or the suspension of the Lease Instalment Due Dates (without the payment of any financial compensation such as late interests).

In case a Variation in relation to a Performing Lease Receivable would result in a Non-Permitted Variation, the Seller shall pay to the Issuer the corresponding Repurchase Price and, upon and subject to receipt of the relevant Repurchase Price on the relevant Payment Date, shall repurchase the affected Lease Receivable (including, any Maintenance Lease Services Amounts, any RV Claims and any VAT Receivables, to the extent sold to the Issuer) from the Issuer.

In the above cases, the holders of the Notes may be repaid earlier but will receive interest for a shorter period of time than as initially anticipated. Faster than expected repayments on the Lease Receivables may reduce the overall return under the Notes for the Noteholders.

Furthermore, any increase of the Outstanding Lease Principal Balance of any Performing Lease Receivable subject to a Variation which is not a Non-Permitted Variation will be allocated to the Aggregate Outstanding Balance Increase Amount and be paid by the Issuer to the Seller as Junior Deferred Purchase Price on the following Payment Date according to the applicable Priority of Payments.

(c) **Risk of early termination of the Lease Agreements**

The Issuer's ability to perform its payment obligations under the Notes (as to principal and interest) is, among other things, conditional upon the Issuer receiving the Lease Instalments due under each Lease Receivable until the relevant Lease Maturity Date. Accordingly, the Issuer is exposed to the risk of early termination, for whatever causes, of the Lease Agreements from which the Lease Receivables arise prior to the relevant Lease Maturity Date. Furthermore, the terms of the Lease Agreements and Master Services Agreements (as applicable) provide that a Lessee may terminate a Lease Agreement in advance subject to certain conditions. In such early termination cases, Collections arising under the Lease Receivables corresponding to such Lease Agreement may be lower than expected.

Pursuant to the Receivables Purchase Agreement, when a Lease Agreement Early Termination occurs in respect of a Performing Lease Receivable, the Seller shall indemnify the Issuer for an amount equal to the Compensation Payment Obligation which shall be equal to the Outstanding Lease Principal Balance of the affected Lease Receivable plus any amount in arrears in respect of such Lease Receivable. Compensation Payment Obligations form part of the Seller's obligations that are secured by the Arval Deed of Charge. The amounts paid by the Seller under the Compensation Payment Obligation (or, as applicable, in case of failure by the Seller to perform such obligation, proceeds of sale from the enforcement by the Issuer of its rights under the Arval Deed of Charge) form part of the Available Distribution Amount which shall be distributed in accordance with the applicable Priority of Payments.

Furthermore, upon the occurrence of a Sale Trigger Event: (1) the Seller must sell to the Issuer all of its rights, title, interest and benefit to the RV Claims relating to the Lease Receivables comprised in the Portfolio; (2) the Issuer agrees to pay to the Seller on each Payment Date,

outside the applicable Priority of Payments, as RV Deferred Purchase Price an amount (if any) by which Total Vehicle Sale Proceeds exceed the aggregate Issuer Share Vehicle Sale Proceeds relating to the Lease Receivables; and (3) the Seller must sell to the Issuer all of its rights, title, interest and benefit to the VAT Receivables relating to the Lease Receivables comprised in the Portfolio (see "Triggers Table").

Furthermore, any early termination fees due by a Lessee to the Seller under the relevant Lease Agreement (the "**Lessee Early Termination Fees**"), if any, are transferred to the Issuer together with the assignment of the relevant Lease Receivable, as part of the Ancillary Rights. In case of a Lease Agreement Early Termination, the Issuer would therefore be entitled to such Lessee Early Termination Fees for an amount up to the Outstanding Lease Principal Balance of the relevant Lease Receivable plus any unpaid amount due by the Lessee, less any Compensation Payment Obligation paid by the Seller to the Issuer in relation to such Lease Receivable.

In that case, faster than expected repayments under the Notes may reduce the overall return under the Notes for the Noteholders.

(d) **Market Value of the Leased Vehicles**

Pursuant to the Receivables Purchase Agreement, in the event that a Lease Receivable purchased by the Issuer has become a Defaulted Lease Receivable and unless the Seller has repurchased such Defaulted Lease Receivable at the relevant Repurchase Price, the Servicer shall: (i) terminate the relevant Lease Agreement and take all actions to repossess the relevant Leased Vehicle; and (ii) without undue delay upon such repossession, sell the relevant Leased Vehicle in accordance with its Servicing Procedures and, further to such sale, use the sale proceeds to pay the relevant Issuer Share Vehicle Sale Proceeds relating to such Defaulted Lease Receivable to the Issuer, which sums shall not exceed the Outstanding Lease Principal Balance of such Defaulted Lease Receivable (together with any sum due and unpaid by the relevant Lessee to the Issuer under such Defaulted Lease Receivable).

However, the resale price of such Leased Vehicle may be affected by a number of factors, including the condition and service history of the vehicle, the general environment of the used-car market, depreciation, market supply and demand for the type of Leased Vehicle to be sold, credit worthiness, financial difficulties or insolvency and reputation of the car manufacturer of such Leased Vehicle, concentration risk or seasonal impacts.

Vehicles that are repossessed or returned by customers are typically sold at auctions (physical or online) as used vehicles, indirectly to consumers via retail partners or directly to consumers via retail sales channels. 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.

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

In addition, international, national and local standards regarding emissions by vehicles (e.g. CO_2/NO_x emissions, fuel consumptions, engine performance and noise emissions) are currently subject to important developments. These include discussions on some technology bans going forward. For example:

- on 8 June 2022, the European Parliament voted to ban the sale of new internal combustion engine (including hybrid) ("**ICE**") cars from 2035 onward. On 28 June 2022, the Council of the European Union also agreed to introduce a 100% CO_2 emissions reduction target by 2035 for new cars and vans. Although the decision to ban is not yet in force and is subject to negotiation with the European Union member states in the coming months, there is a risk that this vote passed by the European Parliament has an impact on market value of certain vehicles when getting closer to the ban date, even if driving used ICE cars will not be banned and may well be still desired for some types of usage after 2035. The UK also has in place proposals to ban the sale of ICE vehicles (excluding hybrids) from 2030 and all ICE vehicles from 2035, although the sale of second hand vehicles will not be impacted;

- in the UK, certain types of diesel vehicles (such as Euro 5 and older models) have been affected, or may in the near future become affected, by low emission zones or bans in certain cities or regions. Several cities, including Birmingham, Bristol, Nottingham, Southampton, Derby and Leeds have set up Clean Air Zones, and a growing number plan on doing so. In London, the Ultra-Low Emission Zone ("**ULEZ**"**ULEZ**) was introduced in April 2019 and currently affects petrol vehicles that do not meet Euro 4 emission standards and diesel vehicles that do not meet Euro 6 emission standards. ULEZ was expanded in August 2023 to cover all boroughs of Greater London; and

- the government in the UK has also introduced a range of charges and taxes that affect diesel drivers. Higher VED charges came into effect for new diesels on 1 April 2018 and there is a 4% surcharge in respect of the company car tax levied on diesel cars that are not compliant with Real Driving Emissions Step 2 ("**RDE2**") compared to the charge levied on petrol cars. In addition, any new diesel car that fails to meet the RDE2 standard is subject to a higher tax in the first year. Although RDE2 compliance became mandatory for all new cars in January 2021, these developments could negatively shift consumer attitudes regarding owning a diesel vehicle. As a result of these developments, the market prices of used (diesel) vehicles in the United Kingdom could be affected.

Arval is obliged to repurchase any Lease Receivables (including, any Maintenance Lease Services Amounts, any RV Claims and any VAT Receivables, to the extent sold to the Issuer) in respect of which there has been a breach of a Lease Warranty (which has not been cured), in accordance with the terms of the Receivables Purchase Agreement.

In respect of Defaulted Lease Receivables (including any related Maintenance Lease Services Amounts, any RV Claims and any VAT Receivables, to the extent sold to the Issuer), if Arval does not exercise its option to repurchase under the terms of the Receivables Purchase Agreement, and the Leased Vehicles in respect of such Defaulted Lease Receivables are repossessed by the Servicer for sale in the open market, there is no guarantee that (i) there will be a market for the sale of such Leased Vehicles, which will be in a used condition, or that (ii) such market will not deteriorate in the future.

Separately, upon the occurrence of a Lease Agreement Early Termination relating to a Lease Receivable, the Seller has undertaken to indemnify the Issuer for an amount equal to the Compensation Payment Obligation to be credited by the Seller on the General Account of the Issuer on the Collections Transfer Date immediately following such Lease Agreement Early Termination.

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

(e) **Insurance Policies**

The law requires that the driver of any Vehicle be insured for third party liability for damage inflicted on another vehicle or property along with compensation costs for injury to other people. Third party liability insurance does not cover damage to the Vehicle.

The law also provides that a person must not cause or permit a person to drive a Vehicle unless that driver has third party liability insurance. To meet this requirement, the Seller includes a

requirement in its Master Services Agreements (for Corporate Lessees and Business Lessees) or Regulated Lease Agreements (for Regulated Lessees) that the Lessee must comprehensively insure the Leased Vehicle and ensure all drivers are comprehensively insured (unless as specified below for certain Corporate Lessees). Alternatively a Lessee may lease a vehicle under Arval Total Care (see below). Comprehensive insurance provides cover for third party liability for damage to, or Total Loss of, the Leased Vehicle regardless of who is at fault.

There is no statutory requirement on the Seller or a driver to take out insurance for damage to the Leased Vehicle. For Corporate Lessees, the Seller may agree to amend the contract wording, including on occasion, where a Corporate Lessees considers that they have the capacity to self-insure against Total Loss or damage to the Leased Vehicle, given their size and the low volume of cases encountered annually.

Other than where the Lessee has taken Arval Total Care in respect of a Leased Vehicle, Corporate Lessees are asked to provide the Seller with evidence of insurance upon taking possession of a Leased Vehicle and on an annual basis as the Seller may reasonably require. Similarly, Retail Lessees must provide the Seller with evidence of insurance upon request. However, other than where the Lessee takes accident management or Motor Insurance Database services, the Seller does not verify that contractual obligations in regard to insurance have been complied with, so that, in practice, the Lessee may or may not have taken out an insurance policy covering the theft, destruction or damages to the Leased Vehicle and/or compulsory insurance with respect to the Leased Vehicles. There are, in any case, certain types of losses (such as losses resulting from war, terrorism, nuclear radiation, etc.) which may be or may become either uninsurable or not insurable on economic terms, or are otherwise not covered by any Insurance Policy.

When the Lessee has subscribed to accident management services, the Seller manages repairs, pays the repair invoices and presents claims to the Lessee's Insurance Company on behalf of the Lessee. An exception is if a Corporate Lessee has self-insured for own damage, in which case the Corporate Lessee is responsible for repair invoices.

When the Lessee has not subscribed to accident management services, the risk that the insurance indemnity will not be paid to the Seller in the case of a Total Loss is low since it is the Seller which presents the invoice to the Insurance Company. In the case of repairs, the Lessee will deal with its insurers directly without the involvement of the Seller.

There is a risk that Lessees do not renew existing Insurance Policies, fail to make payments of premiums or fail to comply with other conditions to maintain Insurance Policies in full force and effect with the consequence that there is a risk that the relevant Vehicle is or may become uninsured.

In relation to repairable damages to a Leased Vehicle, and regardless of the insurance coverage, the Lessee is responsible for ensuring the ongoing maintenance of the Leased Vehicle. At the end of the Lease, the Leased Vehicle must be returned in a roadworthy and good condition for its age and mileage. Lessees are, in most cases, charged for fair wear and tear in accordance with industry standards. There is a risk that the amounts received in respect of a successful insurance claim prove insufficient to adequately repair the Leased Vehicle or cover the then residual value of the affected Leased Vehicle.

In relation to the Total Loss of a Leased Vehicle, the Securitisation Transaction provides the following features:

(a) the occurrence of a Total Loss in respect of a Leased Vehicle relating to a Lease Receivable assigned to the Issuer triggers the Seller's obligation to repurchase the affected Lease Receivable (including, any Maintenance Lease Services Amounts, any RV Claims and any VAT Receivables, to the extent sold to the Issuer); and

(b) upon the occurrence of a Total Loss in respect of a Leased Vehicle relating to a Lease Receivable assigned to the Issuer, any Total Loss Insurance Indemnities which are paid by the relevant Insurance Company to the Seller under an Insurance Policy as indemnity for such Total Loss forms part of Ancillary Rights assigned to the Issuer together with the relevant Lease Receivable, and should be paid by the Seller as part

of the Collections (after deducting any Repurchase Price paid by the Seller to the Issuer in relation to such Lease Receivable).

In the event of Total Loss, ultimately it is the Lessee which will in most cases be charged for the Leased Vehicle Total Loss amount by the Seller if after a certain time it has not been indemnified by an Insurance Company.

Investors should however be aware that the above-described features are limited and that the Issuer's ability to receive timely and full payments under the Lease Receivables may be affected by the damage (including Total Loss) affecting a Leased Vehicle, which may result in late payments or losses under the Class A Notes.

(f) **Arval Total Care (ATC)**

In relation to 5.01% of the provisional initial Portfolio as of 31 August 2024, the Seller has agreed with the Lessee to lease an insured vehicle with the benefit of the Arval Total Care product ("**ATC product**"). As part of the ATC product, the Lessee has the benefit of a third party insurance policy. This policy does not cover damage to, or Total Loss of the Leased Vehicle and the risk of these remains at all times with Arval.

Maintenance and tyre services are included in the ATC product as well as breakdown and accident management. Arval also pays for glass damage and damage to the Leased Vehicle (subject to certain exclusions).

In the event of a Total Loss, the relevant Lease Agreement terminates. The Seller assumes the risk of a Total Loss of the Leased Vehicle due to an incident subject to certain exceptions. If an exception applies, (e.g., drink driving or leaving keys in the Leased Vehicle) the Lessee is responsible for the reduction in the value of the Leased Vehicle.

In the event of a Total Loss please note the section above entitled "Insurance Policies" and the undertaking of the Seller to repurchase any Lease Receivable (including, any Maintenance Lease Services Amounts, any RV Claims and any VAT Receivables, to the extent sold to the Issuer) in respect of a Leased Vehicle which has been the subject of a Total Loss.

(g) **Geographical and industry concentration of Lessees**

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

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

See "Key Portfolio Characteristics" for details on geographic and industry concentrations in the Initial Portfolio.

(h) **Changing characteristics of the Portfolio during the Revolving Period**

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

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

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

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

During the Revolving Period, no principal will be paid to the Noteholders. Instead, on each Payment Date during the Revolving Period, the Available Distribution Amounts may be used to purchase Additional Portfolios in accordance with the Revolving Period Priority of Payments. Any Available Distribution Amounts not used to purchase an Additional Portfolio on a Payment Date are credited to the Replenishment Ledger during the Revolving Period and such amounts may be used to purchase Additional Portfolios on any other Business Day during the subsequent Interest Period. However, if any amount deposited and remaining in the Replenishment Ledger after the application of the Priority of Payments on two consecutive Payment Dates exceeds 20% of the Aggregate Outstanding Lease Principal Balance of the Portfolio on the Initial Entitlement Date, then a Revolving Period Termination Event will occur. If a Revolving Period Termination Event occurs, the Revolving Period will terminate resulting in principal being repaid on the Notes on and from the following Payment Date and the Noteholders will receive payments of principal on the Notes earlier than expected.

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

(j) **Risk of early termination on the Lease Agreements affecting the yield on the Notes**

Lessees are entitled to terminate the Lease Agreements early, subject, where applicable, to payments of an early termination fee or charge. A certain type of Lease Agreement, the Salary Sacrifice Lease Agreements, contain early termination provisions with lower early termination fees than the other Lease Agreements (and, in some cases, no early termination fees). Notwithstanding this, Corporate Lessees may choose to maintain the Leased Vehicle in their fleet, for example to provide to other employees. The early termination fee or charge may not be enforceable in circumstances where such fee is construed as a penalty under English law. In the event that the Lease Agreements underlying the Portfolio are terminated early, the principal repayment of the Notes may be earlier than expected and, therefore, the yield on the Notes may be adversely affected by a higher or lower than anticipated rate of early termination of the Lease Receivables. The rate of early termination of the Lease Receivables cannot be predicted and is influenced by a wide variety of economic and other factors, including prevailing

interest rates, the buoyancy of the auto finance market, the availability of alternative financing and local and regional economic conditions. Therefore, no assurance can be given as to the level of early termination that the Lease Receivables will experience. See the section entitled "Weighted Average Life of the Notes".

(k) **Risks related to the Seller's performance under the Lease Agreements**

The Lessees may, within the framework of their Lease Agreement, opt for certain service, maintenance, repair and other services (including ATC) in relation to their Leased Vehicle (the "**Maintenance Lease Services**"). The Lease Receivables purchased by the Issuer only relate to the lease component (interest and depreciation components or instalments) arising from the Lease Agreements. Therefore, the fees incurred by Lessees and paid to the Seller in respect of the Maintenance Lease Services, if any, will not (unless a Sale Trigger Event has occurred) be assigned to the Issuer. If the Seller fails to perform any of its obligations under a Lease Agreement or a Master Services Agreement, including in particular the performance of the Maintenance Lease Services, a Lessee may seek to terminate early or suspend payments under its Lease Agreement. Pursuant to the Receivables Purchase Agreement, the Seller has undertaken to pay a Compensation Payment Obligation as indemnity to the Issuer in case of early termination of a Lease Agreement. However such compensation depends on the Seller's ability to make such payment and non-payment could have an adverse effect on the ability of the Issuer to make payments on the Class A Notes.

In order to prevent any disruption in the performance and/or the coordination of the Maintenance Lease Services, as a guarantee for the performance of its obligations under the Fallback Sub-Maintenance Coordinator Agreement (including, without limitation, its obligation to pay any Maintenance Costs to third party service providers), the Fallback Sub-Maintenance Coordinator has agreed, pursuant to the Reserve Loan Agreement, to constitute upon the occurrence of a Maintenance Reserve Trigger Event cash collateral for the benefit of the Issuer, up to the Maintenance Reserve Required Amount (the "**Maintenance Reserve Advance**"). Such Maintenance Reserve Advance shall be credited to the Maintenance Reserve Account in conditions set forth in the Reserve Loan Agreement. As from the occurrence of a Maintenance Reserve Trigger Event and provided that a Fallback Sub-Maintenance Coordinator Termination Event has occurred and is continuing, upon failure of the Fallback Sub-Maintenance Coordinator (until activation of the Back-Up Fallback Sub-Maintenance Coordinator) to pay any Maintenance Costs to third party providers, the Maintenance Reserve Account shall be debited with such amounts, which amounts shall be credited on the General Account to form part of the Available Distribution Amount and be applied to the payment of such Maintenance Costs in accordance with the applicable Priority of Payments.

Pursuant to the Maintenance Reserve Guarantee, the Maintenance Reserve Guarantor has unconditionally and irrevocably undertaken to pay to the Issuer, at the Issuer's first request all sums due by the Fallback Sub-Maintenance Coordinator to the Issuer and remaining unpaid with respect to the funding of the Maintenance Reserve Advance, up to the Maintenance Reserve Guarantee Maximum Amount. Pursuant to the Fallback Sub-Maintenance Coordination Agreement, the Issuer will be entitled to enforce the Maintenance Reserve Guarantee upon the occurrence of any of the events referred to in Section "Description of Certain Transaction Documents – The Fallback Sub-Maintenance Coordinator Agreement and the Maintenance Reserve Guarantee".

Furthermore, pursuant to the Fallback Sub-Maintenance Coordinator Agreement entered into between the Issuer (in its capacity as Fallback Maintenance Coordinator) and the Seller (in its capacity as Fallback Sub-Maintenance Coordinator) on the Closing Date:

(a) if the Fallback Sub-Maintenance Coordinator has not procured for the appointment of a Back-Up Fallback Sub-Maintenance Coordinator within ninety (90) calendar days of the occurrence of a Downgrade Event (provided no Fallback Sub-Maintenance Coordinator Termination Event has occurred), the Back-Up Fallback Sub-Maintenance Facilitator has undertaken to use all reasonable endeavours to identify and approach any potential Suitable Entity to act as Back-Up Fallback Sub-Maintenance Coordinator to carry out the duties of the Fallback Sub-Maintenance Coordinator on substantially the same terms as those in the Fallback Sub-Maintenance Coordinator Agreement with respect to the Maintenance Lease Services. Following the selection by the Back-Up Fallback Sub-Maintenance Facilitator of a Suitable Entity to act as Back-Up Fallback

Sub-Maintenance Coordinator, the Issuer will appoint such entity as Back-Up Fallback Sub-Maintenance Coordinator, provided that such person shall stand by until it is notified by the Issuer of the occurrence of a Fallback Sub-Maintenance Coordinator Termination Event and of its activation;

(b) upon the occurrence of a Fallback Sub-Maintenance Coordinator Termination Event:

(i) if a Back-Up Fallback Sub-Maintenance Coordinator has been appointed following the occurrence of a Downgrade Event, the Issuer shall forthwith activate such Back-Up Fallback Sub-Maintenance Coordinator to act as Fallback Sub-Maintenance Coordinator to carry out the duties of the Fallback Sub-Maintenance Coordinator with respect to the Maintenance Lease Services; or

(ii) if no Back-Up Fallback Sub-Maintenance Coordinator has been appointed following the occurrence of a Downgrade Event, and if the Fallback Sub-Maintenance Coordinator has not procured for the appointment of a Back-Up Fallback Sub-Maintenance Coordinator (i) within thirty (30) calendar days following the occurrence of such Fallback Sub-Maintenance Coordinator Termination Event (other than an Insolvency Event of the Fallback Sub-Maintenance Coordinator) or (ii) upon the occurrence of an Insolvency Event of the Fallback Sub-Maintenance Coordinator, the Back-Up Fallback Sub-Maintenance Facilitator shall use all reasonable endeavours to identify and approach any potential Suitable Entity to act as Substitute Fallback Sub-Maintenance Coordinator; and following the selection by the Back-Up Fallback Sub-Maintenance Facilitator of a Suitable Entity to act as Substitute Fallback Sub-Maintenance Coordinator, the Issuer shall appoint such entity as Back-Up Fallback Sub-Maintenance Coordinator in accordance with, and subject to, the provisions of the Fallback Sub-Maintenance Coordinator Agreement.

In relation to the mechanisms referred to in paragraphs (i) and (ii) above, it should be noted that there is no guarantee that an appropriate Back-Up Fallback Sub-Maintenance Coordinator or Substitute Fallback Sub-Maintenance Coordinator could be found who would be willing to perform the Maintenance Lease Services, which could accordingly have an adverse effect on the Issuer's ability to make payments on the Notes.

Furthermore, upon the occurrence of a Sale Trigger Event, the Seller must sell to the Issuer all of its rights, title, interest and benefit to receive payment of all Maintenance Lease Services Amounts relating to the Lease Receivables comprised in the Portfolio, on the basis that Arval will assume its obligations as Fallback Sub-Maintenance Coordinator as from such event and the Issuer will assume its obligations as the Fallback Maintenance Coordinator (see "Triggers Table").

In the event that the Seller does not sell such Maintenance Lease Services Amounts to the Issuer upon the occurrence of a Sale Trigger Event, the Issuer may have recourse to the Seller pursuant to the Arval Deed of Charge in respect of the Arval Secured Liabilities. As per section "Fixed charges may take effect under English law as floating charges", any recoveries pursuant to the floating charge under the Arval Deed of Charge are subject to (among other things) the expenses of any administration or winding-up, the claims of preferential creditors and (up to an amount equal to £800,000) a portion for the claims of unsecured creditors.

(l) **Market for Lease Receivables is not guaranteed**

The ability of the Issuer to redeem all the Notes in full, including after the occurrence of an Issuer Event of Default, whilst any of the Portfolio remains outstanding, may depend on whether the Lease Receivables can be sold, otherwise realised or refinanced by the Issuer or the Issuer Security Trustee so as to obtain a sufficient amount available for the distribution to enable the Issuer to redeem the Notes. There is not yet an active and liquid secondary market for lease claims in the United Kingdom. Any failure by the Issuer or the Issuer Security Trustee to sell or refinance the Lease Receivables following the occurrence of an Event of Default could have an adverse effect on the Issuer's ability to make payments under the Notes.

(m) **Rights in relation to the Leased Vehicles**

The ownership of the Leased Vehicles will be retained by Arval and the Issuer will have the benefit of an assignment of the Lease Receivables. As the Issuer will not acquire an ownership interest in the Leased Vehicles themselves, certain third parties may acquire rights in relation to the Leased Vehicles which prejudice the collection of the Lease Receivables by the Issuer. Most notably, if a creditor secures a money judgment against Arval, a High Court enforcement officer is empowered to seize and sell Arval's goods and chattels, in an amount sufficient to satisfy the judgment debt and cost of execution, through a writ of control. This means that the Leased Vehicles, which remain the property of Arval, will be at risk of execution from a judgment creditor. Such creditor enforcement action is not possible (without the leave of court) once administration or liquidation of Arval intervenes since such action is effectively stayed by the advent of the insolvency proceedings.

In view of the risk of execution from a judgment creditor, Arval will grant a floating charge in favour of the Arval Security Trustee pursuant to the Arval Deed of Charge over the Charged Vehicles.

A floating charge does not generally take priority over a judgment creditor executing a writ of control unless that charge has crystallised prior to the completion of the judgment creditor's enforcement action. Therefore, such floating security will automatically crystallise on the occurrence of certain events including if any person attempts to levy distress, execution or other process against any of the Charged Vehicles, subject to an aggregate materiality threshold calculated across the entire Portfolio of £15,000,000 (although in respect of assets situated in Scotland the charge will only automatically crystallise upon the occurrence of certain insolvency events in respect of the chargor). Whilst Arval is obliged to inform the Arval Security Trustee of any circumstances that would lead to automatic crystallisation of the floating charge, to the extent Arval dealt with the Charged Vehicles after the crystallisation (such dealing would not include those Leased Vehicles already subject to a Lease Agreement) of the floating security, this may lead to the deemed waiver by the Arval Security Trustee of the floating security if the Arval Security Trustee has acquiesced to such continued dealing by Arval. This could occur, for example, where the Seller sought to dispose of the relevant Vehicles or otherwise re-lease them without the express consent of the Arval Security Trustee. Any deemed waiver of the floating charge crystallisation could have an adverse effect on the ranking of the Issuer's claim against the Leased Vehicles with respect to third party creditors (in particular, any execution creditors) of the Seller.

The effect of the automatic crystallisation of the floating charge is to convert such security interest into a fixed charge. Whether such security interest will be upheld as a fixed charge post crystallisation will depend, among other things, on whether (i) Arval complies with its obligations in the Arval Deed of Charge to notify the relevant parties as to whether any Charged Vehicles are the subject of any attempts to levy distress, execution or other process, and also to provide the same with the aggregate value of such claims as they arise, and (ii) the Arval Security Trustee (as chargee) under the Arval Deed of Charge, has the requisite degree of control over Arval's ability to deal in the relevant assets and, if so, whether such control is exercised by the Arval Security Trustee in practice. Therefore, there remains a risk that the security interest created by the crystallisation under the Arval Deed of Charge could be recharacterised as a floating charge (although it should be noted that there is no equivalent concept of recharacterisation of fixed security as floating security under Scots law).

Pursuant to the terms of the Arval Deed of Charge, the Arval Security Trustee may appoint a third party to act as its agent to exercise its discretion in respect of the sale of Charged Vehicles. Such third party may be the same entity as that appointed as the Back-Up Realisation Agent in accordance with the Receivables Servicing Agreement. Arval or, as the case may be, the Issuer is responsible for procuring a Suitable Entity pursuant to the Receivables Servicing Agreement to act as Trustee Agent of the Arval Security Trustee on terms satisfactory to the Arval Security Trustee (including the provision of an indemnity satisfactory to it). Until such time as Arval or, as the case may be, the Issuer has appointed a Trustee Agent, the Arval Security Trustee will not perform the Trustee Agent Role and the Arval Security Trustee will have no liability to any Arval Secured Creditor or any other person resulting from any failure or delay on the part of Arval or, as the case may be, the Issuer in procuring a Trustee Agent or as a result of there being no Trustee Agent to perform the Trustee Agent Role. Further, the Arval Security Trustee is entitled to assume, until it receives actual written notice thereof from the

Issuer or Arval (in any of its capacities under the Transaction Documents): (i) that none of the Charged Vehicles or any part thereof is in danger of being seized or sold under any form of distress, attachment, diligence, or execution levied or threatened or is otherwise in jeopardy or imperilled; and (ii) that no Seller Event of Default, Commingling Reserve Trigger Event, Maintenance Reserve Trigger Event, Set-Off Reserve Trigger Event, Automatic Crystallisation Event, Non-Insolvency Fallback Sub-Maintenance Coordinator Termination Event, Non-Insolvency Servicer Termination Event, or Sale Trigger Event and no Insolvency Event in relation to Arval or the Issuer has occurred.

(n) **Fixed charges may take effect under English law as floating charges**

The law in England and Wales relating to the characterisation of fixed charges is unsettled. There is a risk that a court could determine that the fixed charges purported to be granted by the Issuer take effect under English law as floating charge only if, for example, Arval or the Issuer, as the case may be, cannot or do not procure a Suitable Entity to act as Trustee Agent, then the Arval Security Trustee does not have the capacity and expertise to consent to each disposal of a Leased Vehicle which may result in (i) the Arval Security Trustee failing to have the requisite control, and the security interest created by the crystallisation under the Arval Deed of Charge could therefore be re-characterised as a floating charge, and/or (ii) the Charged Vehicles not being sold if the consent of the Arval Security Trustee cannot be obtained.

The claims of the Arval Security Trustee will be subject to the matters which are given priority over a floating charge by law, including (among other things) the expenses of any administration or winding-up (which could include any corporation tax charges on gains arising from disposals made by or on income generated by the insolvency practitioner), the claims of preferential creditors and (up to an amount equal to £800,000) a portion for the claims of unsecured creditors. Claims of preferential creditors include HMRC in respect of VAT, PAYE, Employee NICs, student loan repayment deductions, and Construction Industry Scheme deductions. The remaining potentially relevant preferential claims include contributions to occupational pension schemes, amounts owed in certain circumstances for remuneration of employees (if any) and debts owed to the Financial Services Compensation Scheme. Furthermore, where the floating charge does not take effect as a fixed charge following crystallisation, the Issuer will no longer have priority in a claim against the Leased Vehicles with respect to third party creditors (in particular, any execution creditors) of the Seller.

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

(o) **No assurance that Origination and Underwriting Procedures and the Servicing Procedures will enable the Issuer to make payments on the Notes**

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

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 in section "Legal Risks And Regulatory Risks Relating To The Lease Receivables", 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. These risks could include, but are not limited to:

(a) certain aspects of the Servicer's business (including the lease or 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 Lessees) 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.

Further, the terms and conditions of the Lease Agreements may be subject to adjustments notably in relation to mileage or duration, resulting in a Variation of such Lease Agreement and the relevant Lease Receivable, provided that such Variation would not result in a Non-Permitted Variation.

Where amendments which are made in accordance with the origination and underwriting procedures and the servicing procedures of Arval as amended from time to time in accordance with the terms and conditions of the Receivables Servicing Agreement (the "**Origination and Underwriting Procedures**" and the "**Servicing Procedures**" respectively), result in the Aggregate Outstanding Lease Principal Balance of the Lease Receivables being reduced (following a Variation), Noteholders may suffer a loss if Arval fails to pay an amount equal to the Aggregate Outstanding Balance Reduction Amount to the Issuer pursuant to the terms of the Receivables Purchase Agreement.

(p) **Portfolio information**

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

(q) **Rights in relation to the Portfolio**

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

Arval will undertake for the benefit of the Issuer that it will not take any steps in relation to the Lease Agreements otherwise than in accordance with its Servicing Procedures in order to perform its duties under the Receivables Servicing Agreement, and that it will lend its name to, and take such other steps as may be required by the Issuer or following the occurrence of an

Issuer Event of Default the Issuer Security Trustee in relation to, any action (whether through the courts or otherwise) in respect of the Lease Agreements.

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

To the extent Arval, as Seller and Servicer, does not and/or cannot exercise its option to repurchase a Defaulted Lease Receivable (see "Treatment of Defaulted Lease Receivables"), Arval has the duty to realise the Leased Vehicles in the open market and will carry out such realisation of the Leased Vehicles in accordance with the Receivables Servicing Agreement.

Prior to the occurrence of a Sale Trigger Event, there can be no assurance that the Servicer will pay the relevant Issuer Share Vehicle Sale Proceeds relating to such Defaulted Lease Receivable to the Issuer if the Leased Vehicle has been repossessed and the Seller is unable to, or has not opted to, repurchase such Defaulted Lease Receivable.

Accordingly, the Noteholders are relying on the business judgement, the practices and the capabilities of the Servicer when realising the Leased Vehicles (see "Receivables Purchase Agreement").

Although the different distribution channels for used vehicles offer flexibility, and therefore increase the customer base of the Servicer for such used vehicles, there is no guarantee that each of such distribution channels in itself results in the best-achievable price for such used vehicles. The condition and service history of the vehicle will influence channel allocation, with used vehicles sold by using internet portals, trade partners or via auctions (physical or online) (including trade auctions that are limited to professional resellers only), which all bear the risk that the best-achievable price cannot be reached. In respect of Vehicles sold by trade auction, sales to professional sellers will generally result in a lower resale price than sales to a non-professional individuals.

(s) **Risk of non-existence of Portfolio**

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

5. **RISKS RELATING TO THE CHANGES TO THE STRUCTURE AND THE DOCUMENTS**

(a) **Meetings of Noteholders, Modification and Waiver**

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

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

such provided that the Note Trustee is satisfied that interests of the Most Senior Class Outstanding would not be materially prejudiced thereby. See "Condition 11 (*Meetings of Noteholders, Modification and Waiver*)" below.

Without limitation to the paragraph below regarding amendments to the Swap Agreement, and pursuant to and in accordance with the details provisions of Condition 11.9 (*Meetings of Noteholders, Modification and Waiver*), the Note Trustee shall be obliged to concur with the Issuer and/or to direct the Issuer Security Trustee and/or the Arval Security Trustee to concur with the Issuer (without the consent of the Noteholders or any other Issuer Secured Creditors, other than those Issuer Secured Creditors who are party to the relevant Transaction Document) in relation to any amendment to a Transaction Document which the Issuer has certified in writing to the Note Trustee (upon which certification the Note Trustee shall rely without further enquiry) is necessary to:

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

(b) enable the Issuer to comply with any obligations which apply to it under Regulation (EU) 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012 (including, without limitation, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators (the "**EU EMIR**")) and/or Regulation (EU) 648/2012 as it forms part of domestic law by virtue of the EUWA (the "**UK EMIR**"));

(c) comply with any changes in the requirements of (i) FCA Risk Retention Rules, Article 6 of the EU Securitisation Regulation or Section 15G of the Securities Exchange Act of 1934, as added by section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, after the Closing Date, including as a result of any regulatory statements of policy, waivers or guidance in relation to the UK Securitisation Framework, (ii) Regulation (EU) 2017/2401 (which amends Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms) and/or the UK CRR or (iii) any other risk retention legislation or regulations or official guidance in relation to securitisation transactions, provided further that the Issuer (or the Servicer on its behalf) certifies to the Note Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect (on which certification the Note Trustee shall rely without further enquiry);

(d) for the purpose of enabling the Notes to comply with the requirements of the UK Securitisation Framework and the EU Securitisation Regulation, including relating to the treatment of the Notes as a simple, transparent and standardised securitisation under the UK Securitisation Framework, and any related regulatory statements of policy, waivers or guidance published or provided in relation to the UK Securitisation Framework and regulatory technical standards authorised under the EU Securitisation Regulation provided that the Issuer (or the Servicer on its behalf) certifies to the Note Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect (on which certification the Note Trustee shall rely without further enquiry);

(e) enable the Class A Notes to be (or to remain) listed on Euronext Dublin or a replacement recognised stock exchange;

(f) enable the Issuer or any of the other Transaction Parties to comply with FATCA;

(g) enable the appointment of any additional or replacement account bank and/or the opening of any additional or replacement account in the name of the Issuer in accordance with the Transaction Documents; or

(h) enable the appointment of any custodian and/or the opening of any custody account in accordance with the Transaction Documents,

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

(i) adversely impact on the Issuer's ability to make payments when due in respect of the Notes; or

(ii) affect the legality, validity and enforceability of any of the Transaction Documents and any Issuer Security created therein; and

(i) change the base rate on the Notes from SONIA to an Alternative Base Rate (and such other amendments as are necessary or advisable in the reasonable judgement of the Issuer to facilitate such change) to the extent required in accordance with Condition 11.9(i) (*Meetings of Noteholders, Modification and Waiver*) and provided that the Issuer (or the Servicer on its behalf) delivers a Base Rate Modification Certificate (as defined in Condition 11.9(i) (*Meetings of Noteholders, Modification and Waiver*)) to the Note Trustee (on which certification the Note Trustee shall rely without further enquiry) that there has been or that there is reasonably expected to be a material disruption or cessation to SONIA or in the event that an alternative means of calculating a SONIA-based rate of interest is introduced and becomes a standard method of calculating interest for similar transactions,

and in each case provided further that:

(i) in respect of paragraphs (a) and (i) above, the Issuer shall provide written notice of the proposed modification to the Noteholders of each Class of the proposed modification in accordance with Condition 14 (*Notices*) and by publication on Bloomberg on the "Company News" screen relating to the Notes; and

(ii) Noteholders representing at least 10% of the Aggregate Outstanding Principal Amount of the Most Senior Class Outstanding have not contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such notification period notifying the Issuer that such Noteholders do not consent to the modification (the "**Veto Right**")).

Each of the Issuer, the Note Trustee, the Issuer Security Trustee and the Arval Security Trustee will rely without further investigation 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 Arval 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 Noteholders or any other Arval 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.

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

The Note Trustee may, at any time, at its discretion and without notice, take such proceedings, actions or steps against the Issuer or any other party to any of the Transaction Documents as it may think fit to enforce the provisions of the Notes or the Trust Deed (including the Conditions) or of the other Transaction Documents to which it is a party and at any time after the service of a Note Acceleration Notice, the Note Trustee may, at its discretion and without notice, take such proceedings, actions or steps as it may think fit to enforce the Issuer Security (including, but not limited to, the giving of a direction to the Issuer Security Trustee to enforce or realise the Issuer Security). However, the Note Trustee shall not be bound to take any such proceedings, actions or steps (including, but not limited to, the giving of a Note Acceleration Notice in accordance with Condition 9 (Issuer Events of Default)), unless it shall have been

directed to do so by an Extraordinary Resolution of the Most Senior Class Outstanding or in writing by the holders of not less than 25% of the Principal Amount Outstanding of the Most Senior Class Outstanding and it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

(c) **Exercise of rights by minority Noteholders**

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

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

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

If the Seller (or any of its affiliates (other than any asset management entity belonging to the BNP Paribas group)) is the beneficial owner of the Class A Notes, it will not be entitled to vote in respect of them, unless the Seller (or any of its affiliates (other than any asset management entity belonging to the BNP Paribas group)) hold 100% of the Class A Notes (and no other Classes exist that rank junior or *pari passu* to such Class, in respect of which persons other than the Sellers or any holding company of the Sellers or any other subsidiary of such holding company are Noteholders), in which case they will be entitled to vote in respect of the Notes in such Class. The calculation of the Principal Amount Outstanding or the relevant Class of Notes for these purposes will be adjusted accordingly.

(d) **Commingling Reserve Trigger Event, Maintenance Reserve Trigger Event, Set-Off Reserve Trigger Event, Sale Trigger Event and the solvency of Arval**

Various actions are triggered upon the occurrence of a Commingling Reserve Trigger Event, a Maintenance Reserve Trigger Event, a Set-Off Reserve Trigger Event, a Sale Trigger Event or an Insolvency Event in relation to the Seller, including the funding of the Maintenance Reserve Account and the transfer of the applicable Advances in respect of each of the above triggers (see "Triggers Table").

There can be no assurance that the Noteholders will not be adversely affected if the identified trigger events do not crystallise prior to the occurrence of credit and liquidity risks in Arval.

(e) **Commingling risk**

Collections credited in the normal course of business, including, but not limited to, all rentals, servicing fees and other amounts payable by customers and, for the avoidance of doubt, including any reimbursements and any Recoveries are paid to a bank account in the name of Arval (the "**Seller (Customer) Collection Account**")). Such collections are subsequently swept on a daily basis to other bank accounts in the name of Arval that are used for general liquidity and payment management purposes. Arval, as the Seller and Servicer, is entitled to commingle Collections due under or in connection with the Lease Receivables, which are paid into the Seller (Customer) Collection Account and such other bank accounts in the name of Arval, with its own funds. Commingled funds may be used or invested by the Seller at its own risk and for its own benefit until the next relevant Payment Date. If the Seller is unable to remit those funds, or it were to become insolvent, it may lead to losses at the level of the Issuer, which could have an impact on the ability of the Issuer to make payments on the Notes, ultimately leading to losses or delays in distributions to Noteholders.

Arval shall sweep the Collections accumulated on such bank accounts on a weekly basis to a dedicated bank account in the name of Arval, which has been opened with the Seller Collection Account Bank and is exclusively used for the purpose of the securitisation programme (the "**Seller (Non-Customer) Collection Account**"). Arval, as the Seller and Servicer, is required

to pay the Collections accumulated to the Issuer out of the Seller (Non-Customer) Collection Account on each Collections Transfer Date.

(c) The Seller has agreed to hold all amounts standing to the credit of the Seller (Non-Customer) Collection Account on trust for among other things the Issuer and itself absolutely pursuant to the Seller Collection Account Declaration of Trust, from where the Seller shall do upfront cash sweeps of certain Collections from the Seller to the Issuer. See "

(c)

Description of Certain Transaction Documents" and "SELLER COLLECTION ACCOUNT DECLARATION OF TRUST".

6. COUNTERPARTY RISKS

(a) Credit risk of the parties

The ability of the Issuer to make any principal and interest payments in respect of the Notes depends upon the ability of the parties to the Transaction Documents to perform their contractual obligations. In particular, and without limiting the generality of the foregoing, the timely payment of amounts due in respect of the Notes depends on the ability of the Servicer to service the Portfolio, the ability of the Seller and Servicer to perform its obligations under the Receivables Purchase Agreement and Receivables Servicing Agreement (including any maintenance and repurchase obligations) and on the maintenance of the level of interest rate protection offered by the Swap Agreement.

(b) Risk of change of Servicer

Pursuant to the Receivables Servicing Agreement, the Servicer is required to procure the appointment of a Suitable Entity to act as Back-Up Servicer on the occurrence of a Downgrade Event within ninety (90) calendar days thereof. Further, the Back-Up Servicer will be under an obligation to, amongst other things, request any assistance it may require so that it is able, on its assumption of the Servicer role, to immediately perform services contained in the Receivables Servicing Agreement. On appointment, the Back-Up Servicer will have a standby role, unless and until the occurrence of a Servicer Termination Event in respect of the Servicer. However, in the event the Servicer is replaced following a Servicer Termination Event, there may be losses or delays in processing payments or losses on the Portfolio due to a disruption in servicing during a transfer to the Back-Up Servicer, or due to the Back-Up Servicer being less experienced than the Servicer. Any such delay or losses during such transaction period could have an adverse effect on the ability of the Issuer to make payments in respect of the Notes.

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

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

(c) Risk of late payment by Servicer

The Servicer has undertaken to transfer or procure to have transferred Collections (as well as other amounts (including, without limitation, the RV Claims) that must be transferred upon the occurrence of any of a Commingling Reserve Trigger Event, a Maintenance Reserve Trigger Event, a Set-Off Reserve Trigger Event, or a Sale Trigger Event) to the General Account on each Collections Transfer Date, as set forth in the Receivables Servicing Agreement (see "

Description of Certain Transaction Documents").

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

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

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

Pursuant to the Fallback Sub-Maintenance Coordinator Agreement and upon the occurrence of a Sale Trigger Event, Arval will assume its obligations as Fallback Sub-Maintenance Coordinator as from such event and the Issuer will assume its maintenance obligations as the Fallback Maintenance Coordinator.

Arval is required, however, to procure the appointment of a Suitable Entity to act as Back-Up Fallback Sub-Maintenance Coordinator upon the occurrence of an Downgrade Event within ninety (90) calendar days thereof.

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

See "Sale Trigger Event" and "Fallback Sub-Maintenance Coordinator Termination Event" in "Triggers Table".

(e) **Interest rate risk on the Class A Notes resulting in the risk of Swap Counterparty insolvency**

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

The Swap Agreement will hedge certain risks of a mismatch between the floating rate of interest payable by the Issuer on the Class A Notes and income to be received by the Issuer in respect of the Lease Receivables.

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

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

During those periods in which the floating rates payable by the Swap Counterparty under the Swap Agreement are less than the fixed rates payable by the Issuer under the Swap Agreement, the Issuer will be obligated under the Swap Agreement to make a payment to the

Swap Counterparty. Such amounts (other than Swap Subordinated Termination Amounts) will rank higher in priority than payments on the Notes or Reserve Loan. If a payment under the Swap Agreement is due to the Swap Counterparty on any Payment Date, the Portfolio may be insufficient to make the required payments on the Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments under the Notes.

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

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

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

In the event that a transaction under the Swap Agreement is terminated or closed-out by either party, then a termination payment may be due to the Issuer or to the Swap Counterparty and will be payable in accordance with the relevant Priority of Payments. Any such termination payment could, if market interest rates and other conditions have changed materially, be substantial. In certain circumstances, termination payments required to be made by the Issuer to the Swap Counterparty will rank higher in priority than all payments on the Notes (but only if the Swap Counterparty is not: (i) a Defaulting Party or (ii) an Affected Party in relation to an Additional Termination Event as a result of its failure to comply with the requirements of the rating downgrade provisions in the Swap Agreement, (as such terms are defined in the Swap Agreement). In such event, the Portfolio may be insufficient to fund the required payments on the Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments on the Notes.

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

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

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

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

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

The Issuer is a party to contracts with a number of other third parties that have agreed to perform certain services in relation to, among other things, the Notes. For example, the Swap Counterparty has agreed to enter into the Swap Agreement, the Corporate Services Provider has agreed to provide corporate services to the Issuer and the Servicer, the Fallback Sub-Maintenance Coordinator (which itself sub-contracts to other third parties), the Cash Manager, the Agent Bank, the Paying Agents and the Reporting Agent have agreed to provide servicing, cash administration, payment, administration, calculation and reporting services in connection with the Notes, the Lease Agreements and/or the Leased Vehicles. In the event that any relevant third party fails to perform its obligations under the respective agreements to which it is a party, the Noteholders may be adversely affected. No assurances can be given that the Issuer will be able to find any replacement providers on a timely basis or at all. In this regard, see further "Risk of change of Servicer" and "Role of Back-Up Sub-Maintenance Coordinator" below.

7. **MACROECONOMIC AND MARKET RISKS**

(a) **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 –led to inflationary pressure and rises in UK interest rates in 2023. Whilst interest rates are currently no longer rising, inflationary pressure may result in interest rate increases over time. Additionally, geopolitical risks, for example relating to the conflict in Ukraine, Russia and Israel and the Palestinian territories (including any associated embargos and trade barriers) could impact the UK economy, in particular by increasing energy and oil prices (and therefore petrol and diesel retail prices). This could lead to impacts on supply chains and increases in the cost of living and inflation. Such events and volatility could, in turn, lead to a reduction in the ability of Lessees to make payments in respect of the Lease Receivables and could also impact the demand for vehicle leasing or the residual value of vehicles.

So long as Arval exercise its right to repurchase Defaulted Lease Receivables the Issuer should not be exposed to residual value risk. If Arval does not or cannot exercise such repurchase option, the residual value risk for the Issuer is the risk that any Issuer Share Vehicle Sale Proceeds of Leased Vehicles are insufficient to cover an amount equal to the Aggregate Outstanding Lease Principal Balance of the Defaulted Lease Receivable, together with any unpaid amount due by the relevant Lessees under the relevant Lease Receivables. A period when used car residual values in the UK performed relatively strongly was followed by a more recent period of value reductions, albeit from a high starting position. This was especially prevalent for some profiles of vehicle, for example battery electric vehicles (BEVs).

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/or the market value and/or liquidity of the Notes in the secondary market.

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

Prospective investors in the Notes 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 Notes issued under this prospectus. Interest on Notes is only capable of being determined at the end of the relevant Observation Period and immediately prior to the relevant Payment Date. It may be difficult for

investors in Notes to reliably estimate the amount of interest which will be payable on such Notes.

In addition, the manner of application of SONIA Reference Rates in the bond 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 referencing SONIA.

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

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

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 11 (Meetings of Noteholders, Modification and Waiver) to change the SONIA rate to an Alternative Base Rate under certain circumstances (broadly related to SONIA disruption or discontinuation and

subject to certain conditions), there can be no assurance that any such amendment will be made or, if made, that it (i) will fully or effectively mitigate all relevant interest rate risks or result in an equivalent methodology for determining the interest rates on the floating rate Notes or (ii) will be made prior to any date on which any of the risks described in in this risk factor may become relevant; and

(c) if SONIA is discontinued, and whether or not an amendment is made under Condition 11 (Meetings of Noteholders, Modification and Waiver) to change the SONIA rate on the Notes as described in paragraph (b) above there can be no assurance that the applicable fall-back provisions under the Swap Agreement would operate to allow the transactions under the Swap Agreement to effectively mitigate interest rate risk in respect of the floating rate Notes.

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

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

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

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

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

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

The list of registered and certified rating agencies published by the European Securities and Markets Authority (ESMA) on its website in accordance with the EU CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there

may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

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

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

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

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

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

(e) **Rating Confirmations**

In addition, the terms of certain Transaction Documents require the Rating Agencies to be notified in relation to certain actions proposed to be taken by the Issuer and the Note Trustee and such actions will only be effective upon a Ratings Confirmation by the Rating Agencies.

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

Any such Ratings Confirmation may or may not be given at the sole discretion of each Rating Agency. It should be noted that, depending on the timing of delivery of the request and any information needed to be provided as part of any such request, it may be the case that a Rating Agency cannot provide a Ratings Confirmation in the time available or at all, and the Rating Agency is likely to state that it is not responsible for the consequences thereof. A Ratings

Confirmation, if given, will be given on the basis of the facts and circumstances prevailing at the relevant time and in the context of cumulative changes to the transaction of which the securities form part since the Closing Date. A Ratings Confirmation represents only a restatement of the opinions given as at the Closing Date and cannot be construed as advice for the benefit of any parties to the transaction.

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

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

(a) (i) that Rating Agency indicates that it does not consider a Ratings Confirmation necessary in the circumstances or otherwise declines to review the matter for which the Ratings Confirmation is sought (including as a result of the policy or practice of that Rating Agency) or (ii) within 30 days of delivery of such request, that Rating Agency has not responded to the request for the Ratings Confirmation; and

(b) the Issuer has otherwise received no indication from that Rating Agency that its then current ratings of the Class A Notes would be reduced, qualified, withdrawn or put on negative watch as a result of such action, step or matter,

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

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

8. LEGAL RISKS AND REGULATORY RISKS RELATING TO THE LEASE RECEIVABLES

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

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

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

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

Investors should note 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 2025). Some but not all of this EU law has been implemented in the UK. The UK authorities have stated that they intend to amend UK regulation to implement the remaining Basel III and Basel IV standards. The BCBS continues to work on new policy initiatives.

The Basel IV standards have now been incorporated into EU law by way of an amendment to Regulation (EU) 575/2013 (such updated regulation referred to as "**CRR III**") and an amendment to Directive 2013/36/EU (such updated directive referred to as the "**CRD VI**"). The CRR III will apply, in large part, from 1 January 2025, subject to a transitional implementation of the output floor. Measures implementing the CRD VI are expected to be adopted by 10 January 2026.

In the UK, the PRA announced its intention to move the implementation date of the Basel IV standards to 1 January 2026, with a corresponding transitional implementation of the output floor, starting with 55% as of 1 January 2026, increasing to 70% from 1 January 2029 onwards until (and including) 31 December 2031, following which it will be 72.5%. The PRA published policy statements containing near-final standards implementing some of the Basel IV standards on 12 December 2023 and 12 September 2024. On 12 September 2024, the PRA published the second near-final policy statement and rules covering the implementation of Basel 3.1 standards for credit risk, the output floor, reporting and disclosure requirements in response to its previous consultation paper CP16/22. In the UK, the PRA announced its intention to move the implementation date of the Basel IV standards to 1 July 2025, with a corresponding transitional implementation of the output floor. On 12 December 2023 the PRA published a policy statement containing near-final standards implementing some of the Basel IV standards (including market risk, credit valuation adjustment and operational risk). The former outlines the PRA's approach to topics such as market risk, credit valuation adjustment and operational risk, and the latter discusses the PRA's approach to topics such as credit risk, credit risk mitigation and the output floor). On 15 October 2024, the PRA published its consultation paper CP13/24 that set out the proposal by the PRA to restate the applicable provisions of the UK CRR in the PRA Rulebook and also the rules relating to counterparty credit risk, settlement risk with consequential amendments.

There is expected to be regulatory divergence between the EU and the UK as a result of these measures, including capital requirements relating to the holding of securitisation positions.

The implementation of the Basel III and Basel IV reforms may result in increased regulatory capital and/or other prudential requirements in respect of securitisation positions. It should also be noted that changes to prudential requirements may be made for insurance and reinsurance undertakings through participating jurisdiction initiatives, such as the Solvency II framework in Europe and the UK. In particular, it is noted that the UK authorities have announced that the Solvency II framework in the UK will be reformed and that the EU Commission has announced a legislative proposal to amend the Solvency II Directive as it applies in the EU, and a legislative proposal for a new Insurance Recovery and Resolution Directive, each of which is subject to review by the European Parliament and the Council. In connection with the reform of the UK Solvency II framework, the PRA published a policy statement on 28 February 2024 for the review of the Solvency II regime to make it more adaptable to the UK insurance market. Prospective investors should therefore make themselves aware of the requirements described above (and any corresponding implementing rules of their regulator), where applicable to them, in addition to any other applicable regulatory requirements with respect to their investment in the Notes. Investors in the Notes are responsible for analysing their own regulatory position and prudential regulation treatment applicable to the Notes and should consult their own advisers in this respect. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

(c) **Risks relating to adverse developments in the automotive industry and mobility trends**

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

Arval is subject to developments in automotive trends and mobility trends, which are subject to a variety of factors that it cannot influence. These include, for example, the evolution of oil prices and renewable energy prices and infrastructure, the slowdown in pace of expanding public charging for electric vehicles, any change in tax policy relating to contract hire rentals or to the use of certain types of vehicle powertrains, the expansion of public transport infrastructure, availability of popular electric vehicle models, new technologies such as autonomous driving software, urban policies adversely affecting personal car use, changed economics of "last mile delivery" as a growing trend in logistic and delivery solutions, changes in government policies affecting diesel and/or petrol vehicles in the United Kingdom, the imposition of carbon taxes and other regulatory measures to address climate changes, pollution or other negative impacts of mass transport. A negative development of these factors may affect the use of vehicles in general (and may have an adverse impact on the resale market value of electric, diesel or petrol powered vehicles) and therefore Arval's business.

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

On 17 November 2020, the Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020, the "**Breathing Space Regulations**") were made which implemented a new breathing space scheme from 4 May 2021. The 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. However individuals are not protected from enforcement action on any debts arising from failure to pay ongoing household liabilities, such as rent or mortgage payments. The breathing space includes almost all personal debts and therefore the Seller is required to implement the requirements of the scheme for customers that meet the eligibility criteria for entry into the scheme, therefore this could result in adverse consequences for the Noteholders' investment in the Notes including reduced or delayed payments on the Notes or a reduction in the credit quality or credit rating of the Notes.

On 24 December 2020, the 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 Consumer Credit sourcebook to clarify how the rules will apply where the Breathing Space Regulations also apply.

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. 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, including reduced or delayed payments on the Notes or a reduction in the credit quality or credit rating of the Notes.

In Scotland, eligible individuals are currently afforded similar legal protection as set out above under the Bankruptcy (Scotland) Act 2016, although the moratorium period of six months is longer than in England and Wales and does not make any accommodation for mental health crisis. The Scottish Parliament has however passed The Bankruptcy and Diligence (Scotland) Act 2024 which permits regulations to be made for the introduction of a similar form of moratorium in Scotland as currently exists under the Breathing Space Regulations. The timescale for the introduction of the regulations on the proposed moratorium is currently unknown.

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

In December 2022, HM Treasury published a consultation paper in relation to reform of the Consumer Credit Act 1974 (as amended) "**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. On 11 July 2023, the Treasury published their response to the consultation. HM Treasury stated that given the widespread support demonstrated by consultation responses, the government plans to move forward with an ambitious overhaul of the CCA. The government plans to develop proposals that move the majority of the CCA into the FSMA model. This will involve repealing much of the CCA and recasting it in the FCA rulebook. HM Treasury noted that the consultation was the first stage in the reform process. As consultees identified, due to its scale and complexity, CCA reform will take a number of years to deliver. It will likely require primary legislation, a detailed rulemaking process by the FCA and appropriate transitional periods to allow industry to prepare and adapt to new rules. As a next step, the government will be undertaking policy development to produce more detailed proposals, with a view to publishing a second stage consultation in 2024 to seek comment from stakeholders.

(e) **Lease Agreements regulated by FSMA and CCA and within scope of consumer legislation**

In the United Kingdom, consumer hire, is subject to extensive regulation under the UK consumer credit regime. The regulatory framework for consumer credit activities in the UK consists of FSMA and its secondary legislation, retained provisions in the CCA and its retained associated secondary legislation, and rules and guidance in the FCA Handbook, including the Consumer Credit sourcebook ("**CONC**"). A Lease Agreement may be regarded as 'regulated' if it falls within the definition of 'regulated consumer hire agreement' in the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 ("**RAO**"). If a Lease Agreement does not comply with the relevant legal and regulatory requirements (some of which are described below), the Seller (or the Servicer on behalf of the Seller) may be prevented from or delayed in enforcing all or parts of the Lease Agreement and collecting amounts due and/or retaining amounts collected on the related Receivables 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. In addition, certain rights (set out in detail below) must be granted to the Lessee and, where the Lessee exercises any one of these rights, this may adversely affect the Issuer's ability to make payments in full when due on the Notes due to reduced sums being payable or the Lessee exercising a set-off right.

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

(a) A Regulated Lease Agreement might be unenforceable without a court order if the Seller and/or any intermediary who has acted as a credit broker has not complied with requirements under the FSMA as to authorisation of such Seller and/or intermediary or if the Regulated Lease Agreement does not comply with requirements under the CCA or its retained associated secondary legislation as to the form and content of the Regulated Lease Agreement and (insofar as applicable) pre-contract disclosure and the procedures used by the Seller to originate the Regulated Lease Agreement.

(b) The Seller (or Servicer on the Seller's behalf) must also comply with servicing requirements under the CCA (including sections 76, 86A, 86B, 86D-F, 87, 109, 110 and 130 of the CCA). For example: (a) a consumer hire agreement is unenforceable against the hirer for any period when the Seller (or Servicer on the Seller's behalf) fails to comply with requirements as to arrears notices, notices of default sums or default notices (although any such enforcement may be cured retrospectively by the Seller (or the Servicer acting on the Seller's behalf) remedying the breach); (b) the customer is not liable to pay interest or default fees for any period when the Seller (or Servicer on the Seller's behalf) fails to comply with requirements as to arrears notices; and (c) interest on default fees is restricted to nil until the 29th day after the day on which a notice of default fees is given and then to simple interest (i.e. interest may only be calculated on the principal amount of the default fee).

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

(d) The Seller has interpreted certain technical rules under the CCA in a way common with many other participants in the auto leasing market. If such interpretations were held to be incorrect by a court or other dispute resolution authority, then a Regulated Lease Agreement could be unenforceable without a court order, as described above. Further, if a court or the FCA were to take the view that Arval, or any subsequent Servicer (as applicable), were required to notify Lessees of such unenforceability before enforcing the Regulated Lease Agreement, this would result in significant compliance cost and could result in a lengthier enforcement process in the future. If such interpretations were challenged by a significant number of Lessees, then this could lead to significant disruption and shortfall in the income of the Issuer.

(e) In addition, as Regulated Lease Agreements are subject to the FSMA regulatory regime supervised by the FCA, breaches of FCA rules are also relevant. A Lessee who is a private person may be entitled to claim damages for loss suffered as a result of any contravention by the Seller of a rule under FSMA (e.g. CONC). The Lessee may attempt to set off the amount of any claim for contravention of CONC against the amount owing by the Lessee under his or her Regulated Lease Agreement or any other hire agreement he has taken out with the Seller (or exercise analogous rights in Scotland). Any such set-off may adversely affect the Issuer's ability to make payments in full.

(f) If the Seller was to repossess a Leased Vehicle or to obtain an order for its delivery (after exercising its right to terminate the Regulated Lease Agreement in the event of an unremedied breach of agreement by the Lessee), there remains a risk that the court would exercise its power under section 132 of the CCA to return the Lessee's payments, in whole or in part, whose release from liability, in whole or in part, would then become exercisable. If it appears to the court just to do so, having regard to the extent of the enjoyment of the goods by the Lessee, the court shall grant the application in full or in part (s.132(1)). Further the court has an inherent equitable jurisdiction to grant the Lessee relief against forfeiture. No Lessee under any Regulated Lease Agreement enjoys any voluntary termination rights under section 101 of the CCA.

(g) If certain default or enforcement proceedings are taken or notice of early termination is served on a Lessee, the Lessee can apply under the CCA to the court for a time order to change the timing of payments under his Regulated Lease Agreement or to repay the outstanding sum by lower instalments than provided for in the Regulated Lease

Agreement. The court has a wide discretion to make an order incorporating such amendments to the relevant Regulated Lease Agreement as it considers fit, in order to achieve the objectives of the time order.

(h) There are a number of potential changes to the regulatory regime for consumer hire. HM Treasury has consulted on future reforms to the consumer credit and hire regimes generally although current timescales for reform are unclear. The FCA is planning on introducing changes to the FCA Handbook to ensure adequate protection for borrowers and hirers in financial difficulties. The FCA published a "Dear CEO" letter on 16 June 2022 entitled "The rising cost of living – acting now to support consumers" reminding firms of the requirement to treat borrowers fairly in accordance with existing principles, rules and guidance (including its Vulnerable Customer Guidance). In December 2022 the FCA published its report into Borrowers in Financial Difficulty and followed this up in May 2023 with a consultation which proposes amendments to the FCA Handbook to strengthen the protections for borrowers in financial difficulty. The proposals include incorporating aspects of the existing FCA guidance introduced during the Coronavirus pandemic into the FCA Handbook and to support firms acting to deliver good outcomes for customers as required by the Consumer Duty principle (See Consumer Duty below).

(i) On 31 July 2023 the Consumer Duty came into effect and applies to new and existing products. The Consumer Duty consists of a new Principle 12 which replaces Principles 6 and 7 in relation to retail consumers in the FCA's Handbook chapter Principles for Businesses. The Principle applies to all consumer hire customers who have entered into regulated hire agreements. Principle 12 requires firms to act to deliver good outcomes for retail consumers, and purports to impose a higher standard of conduct than the "treating customers fairly" principle under Principle 6. The Consumer Duty has three key elements: (1) A Consumer Principle, which sets a clear tone and uses language that reflects the overall standards of behaviour the FCA expect from firms; (2) "Cross-cutting Rule", 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-consumer 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 setting a higher standard than the current Principles for Businesses. The FCA published a letter dated 1 March 2023 on particular considerations for motor finance providers implementing the Consumer Duty. The implementation of these new rules may impose additional compliance and business costs, which may have a material adverse effect on the Seller, the Servicer and/or the Issuer and their respective businesses and operations, which may in turn adversely affect the Issuer's ability to make payments of interest and/or principal due on the Notes.

(j) The Lease Agreement may fall within scope of the Consumer Rights Act 2015 ("**CRA**") meaning:

- a Lessee may make a claim for misrepresentation and/or breach of contract against the Seller if the relevant Leased Vehicle that is the subject of the Lease Agreement is not of satisfactory quality or fit for its intended purpose; under the terms of each Lease Agreement, the Seller excludes liability for breach of any condition or warranty as to the quality, condition, performance or fitness for purpose of the relevant Leased Vehicle; where the Lessee makes the contract other than in the course of a business this exclusion does not affect the Lessee's statutory rights that the goods be of satisfactory quality and fit for their intended purpose where the Lessee makes the contract in the course of a business the exclusion of liability will only be binding if it meets a statutory test of reasonableness; whenever this test is not satisfied the Seller will seek to rely on its right to be reimbursed by the dealer; the Lessee may set off the amount of any claim he has against the Seller against the amount owing by the Lessee under the Lease Agreement or under any other Lease Agreement (or exercise analogous rights in Scotland);

- o certain terms of Lease Agreements may be unenforceable if they are deemed unfair, opening the Seller, or any assignee such as the Issuer, to consumer and regulatory challenge; any consequent non-recovery, claim or set-off may adversely affect the Issuer's ability to make payments in full when due on the Notes;

- o where a term in a consumer contract is susceptible of multiple different meanings, the meaning most favourable to the consumer will prevail; any consequent non-recovery may adversely affect the Issuer's ability to make payments in full when due on the Notes; and

- o no assurance can be given that any changes in legislation, guidance or case law on unfair terms or implied terms as to title, description and quality or fitness of the goods will not have a material adverse effect on the relevant Lease Agreements and accordingly on the Issuer's ability to make payments in full when due on the Notes.

(k) It is possible that any relevant Lease Agreement made with consumers may contain unfair terms, which may result in the possible unenforceability of those unfair terms. No assurance can be given that any further guidance on or changes to the CRA if enacted, will not have an adverse effect on the Portfolio, the Seller, the Servicer, the Agent Bank or Paying Agents or the Issuer and their respective businesses and operations. This may adversely affect the ability of the Issuer to dispose of the realisable value of the Portfolio, or any part thereof and/or, where relevant, to dispose of the Portfolio, or any part thereof, in a timely manner, and accordingly affect the ability of the Issuer to meet its obligations under the Notes when due.

(l) Certain Lease Agreements may, depending on when they were entered into and other characteristics, fall within the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 ("**Information Regulations**"). The Information Regulations generally prescribe pre contract information, and a right to cancel.

(i) These cancellation rights are not restricted in application to Regulated Lease Agreements. If the Lessee cancels the Lease Agreement under the Information Regulations, then he is entitled to recover his past payments under the agreement, and is liable to pay charges if proportionate and disclosed as payable for a cancelled agreement, and if with the Lessee's consent performance started before the cancellation period expired.

(ii) If the consumer receives pre contract information that will or may not contain certain details of prescribed information under the Information Regulations and a significant number of Lessees were to challenge the approach taken by the Seller as to the form and content of the pre contract information required by the Information Regulations, this could, depending on the attitude of the courts or other dispute resolution authority, lead to material disruption and shortfall in the income of the Issuer.

To mitigate these risks, the Seller has provided certain representations and warranties with regard to the Portfolio, as described in more detail in the section entitled "

Description of Certain Transaction Documents".

The Consumer Protection from Unfair Trading Regulations 2008 ("**CPUTR**") apply to the relationship between the Lessee and Seller. The CPUTR are not restricted in application to Regulated Lease Agreements and may apply to any Lease Agreement where the Lessee is a consumer. The CPUTR prohibits unfair business-to-consumer commercial practices before, during and after a consumer contract is made. Breach of the CPUTR does not (of itself) render an agreement void or unenforceable, but the possible liabilities for misrepresentation or breach of contract in relation to agreements may result in irrecoverable losses on amounts to which such agreements apply and consumers have a right to redress for prohibited practices, including a right to unwind agreements.

The CPUTR will be repealed and replaced by the Digital Markets, Competition and Consumers Act 2024 (the "**DMCCA**"). The DCMMA will be brought into force by secondary legislation but no date has been formally announced. The CPUTR will continue to apply to any actions before the DMCCA is brought into force. The DMCCA provides ministers with regulation making powers to amend the list of automatically unfair practices set out in Schedule 18 of the DMCCA and to determine the civil remedies available to consumers. The civil remedies available to consumers will be set by secondary legislation, which may provide for rights to unwind a relevant contract or consumer payment, a discount in respect of a product supplied under a relevant contract and damages for financial loss, distress or physical inconvenience or discomfort. The description of remedies which may become available under the DMCCA broadly mirrors the civil remedies available to consumers under CPUTR, although the provisions of the relevant secondary legislation will determine exactly how they must be exercised and other conditions or consequences.

No assurance can be given that the United Kingdom implementation of the CPUTR and the DMCCA when enacted will not have a material adverse effect on the Lease Agreements and accordingly the ability of the Issuer to make payments to Noteholders.

(f) **Financial Ombudsman Service**

An alternative dispute resolution scheme for CCA matters (amongst other matters) is run by the Ombudsman. The scheme is mandatory for all businesses authorised by the FCA to carry on regulated activities in respect of regulated consumer hire agreements. As the Ombudsman is required to make decisions on the basis of, among other things, the principles of fairness, and may order a money award to the Lessee, it is not possible to predict how any future decision of the Ombudsman would affect the ability of the Issuer to make payments to Noteholders. The Financial Ombudsman Service has the power to award compensation to any Lessee when determining their complaint. From 1 April 2024, the maximum level of compensation that can be awarded in relation to an act or omission arising on or after 1 April 2019 is £430,000. The compensation awarded may adversely affect the value at which the Lease Receivables could be realised and accordingly the Issuer's ability to meet its obligations under the Notes.

(g) **Recovery Incentive Fee**

As noted above, only the Lease Receivables will be transferred to the Issuer and not the Leased Vehicles themselves. As such, the Leased Vehicles will remain the property of Arval. Where Arval as Repurchaser has not exercised its sole discretion to repurchase Defaulted Lease Receivables (including, any Maintenance Lease Services Amounts, any RV Claims and any VAT Receivables, to the extent sold to the Issuer), Arval is responsible for selling the Leased Vehicles resulting from Defaulted Lease Receivables in accordance with the Receivables Purchase Agreement, after the Leased Vehicle has been returned to Arval. The Issuer Share Vehicle Sale Proceeds relating to Defaulted Lease Receivables are, in the ordinary course, payable to the Issuer. If the Issuer does not receive the Issuer Share Vehicle Sale Proceeds relating to Defaulted Lease Receivables this may affect its ability to make payments under the Notes.

In the event of an insolvency of Arval, as ownership of the Leased Vehicles vests with Arval, only the Insolvency Official is able to sell the relevant Vehicles. Although proceeds from any sale of the Charged Vehicles will be used to pay the Issuer's claims against the Seller, in order to mitigate against the risk that the Insolvency Official chooses not to sell the relevant Leased Vehicles, the transaction structure includes a number of incentivisation mechanisms. For

example, in order to help incentivise the Insolvency Official to sell the Leased Vehicle, the transaction structure includes the concept of the Recovery Incentive Fee. The Recovery Incentive Fee is payable to the Insolvency Official of Arval in relation to the sale of the Leased Vehicles. The Recovery Incentive Fee will be paid to the administrator or liquidator of Arval, even where the Leased Vehicle has been sold by the Substitute Servicer.

Should an administrator or liquidator be appointed in relation to Arval, a moratorium on legal proceedings and (in the case of an administration) the enforcement of security against Arval (including security interests under the Arval Deed of Charge) will arise. Notwithstanding the various incentives on the Insolvency Official to sell the relevant Leased Vehicles, there can be no assurance that such incentives will be sufficient to incentivise an Insolvency Official to take prompt action to sell or consent to the sale of the Leased Vehicles (in particular, in circumstances where the insolvency proceedings are complex). Noteholders should also be aware that the Recovery Incentive Fee is payable in priority to payments of principal and interest on the Notes in accordance with the relevant Priority of Payments. If the fee negotiated by the Servicer (or Back-Up Servicer) with the Insolvency Official is of a sufficient size this may reduce the amounts available to make payments in respect of the Notes.

(h) **Conflicts of interest may arise out of the Securitisation Transaction**

Arval, the Lead Manager, the Class B Note Purchaser, the Arranger, the Note Trustee, the Issuer Security Trustee, the Arval Security Trustee, the Paying Agent, the Account Bank, the Cash Manager, the Swap Counterparty, the Corporate Services Provider and the Reporting Agent are acting in a number of capacities in connection with the transaction. These parties will have only those duties and responsibilities expressly agreed to by them in the relevant Transaction Document and will not, by virtue of their or any of their affiliates acting in any other capacity, be deemed to have any other duties or responsibilities or be deemed to be held to a standard of care other than as expressly provided with respect to each agreement to which they are a party. The aforementioned parties in their various capacities in connection with the transaction may enter into business dealings from which they may derive revenues and profits without any duty to account therefor in connection with the transaction.

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

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

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

(i) **FCA review of the motor finance sector**

The FCA has been looking at the motor finance market to develop its understanding of the relevant products and how they are sold, and to assess whether the products cause harm to consumers and if the market is functioning as well as it could. On 28 July 2020, the FCA published a policy statement (PS 20/8) which contained the final updates to the FCA's rules and guidance on commission disclosure to customers. The FCA’s final rule changes and new rules introducing a ban on discretionary commission models have been applied since 28 January 2021.

In some cases the Seller enters into a Lease Agreement with a Lessee who has been introduced to the Seller by an intermediary, where the intermediary receives a commission from the Seller. In the event that the intermediary does not fully disclose such commission to the

Lessee, the Lessee may raise a claim against both the intermediary and the Seller on the grounds of secret commission (or partial disclosure in instances where the Lessee knows that a fee is being paid but not the amount of such fee). The Court of Appeal confirmed in Wood v Commercial First Business Ltd & Ors and Business Mortgage Finance 4 plc v Pengelly [2021] EWCA Civ 471, in two cases involving a secret commission paid by a lender to a broker in connection with mortgage loans, the primary liability of both the intermediary and the lender to disclose the fact that a commission had been paid, and awarded the borrower the right to rescind the loan agreement. Remedies available under common law in the context of both partial disclosure and secret commissions may vary from damages to repayment of the commission and rescission. Case law on this topic is, however, very fact-specific and therefore whether a Lessee would succeed in such a claim depends on the court's judgment of all the relevant facts, and in particular the relationship between the intermediary and the Lessee in the context of an operational lease. In relation to motor finance specifically, this position has now also been confirmed by the Court of Appeal in Marcus Gervase Johnson v Firsthand Bank Limited (London Branch) t/a Motonovo Finance [2024] EWCA Civ 1282, consisting of three appeals each relating to hire-purchase agreements for the purchase of motor vehicles which also confirmed that partial disclosure (i.e., where the existence but not the amount of commission is disclosed) may amount to breach of fiduciary duty by a broker, unless informed consent has been given, and that a lender may be liable as an accessory to such breach. The court however left it open to argue that the level of disclosure required for informed consent may depend to some extent on the sophistication of the borrower. In each case the court ordered the repayment of the commission rather than rescission of the contract. The lenders have announced that they intend to apply for the judgment to be appealed to the Supreme Court. As of the date of this Prospectus, the Seller has not been faced with any claims raised by Lessees on the grounds of secret commissions or partial disclosure.

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

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, although vehicle leasing is not in the scope of FCA Policy Statement 24/1 (dealing with commission complaints), 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. Further detail is included in the section headed "Consumer Credit Regulation in the UK".

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

Prior to the House of Lords' decision in the case of Re Leyland Daf in 2004, the general position was that, in a liquidation of a company, the liquidation expenses ranked ahead of unsecured debts and floating chargees' claims. Re Leyland Daf reversed this position so that liquidation expenses could no longer be recouped out of assets subject to a floating charge. However, section 176ZA of the Insolvency Act, which came into force on 6 April 2008, effectively reversed by statute the House of Lords' decision in Re Leyland Daf. As a result, it is now the case that the costs and expenses of a liquidation will be payable out of floating charge assets in priority to the claims of the floating charge-holder. In respect of certain litigation expenses of the Insolvency Official only, this is subject to the approval of the amount of such expenses by the floating charge-holder (or, in certain circumstances, the court) pursuant to provisions set out in the Insolvency (England and Wales) Rules 2016 (as amended). In general, the reversal of Re Leyland Daf applies in respect of all liquidations commenced on or after 6 April 2008.

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

(k) **U.S. Risk Retention Requirements**

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

Arval, 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 U.S. Risk Retention Rules, but rather intends to rely on an exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Such non-U.S. transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the "ABS interests" (as defined in the U.S. Risk Retention Rules) are issued) of all classes of ABS interests issued in the 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, "**Risk Retention U.S. Persons**"); (3) neither the sponsor nor the issuer of the securitisation transaction is organised under U.S. law or is a branch located in the United States of a non-U.S. entity; and (4) no more than 25 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organised or located in the United States.

The Portfolio will be comprised of Lease Receivables and their related security, all of which are originated by Arval UK Limited, a company incorporated in England and Wales. See the section entitled "Characteristics of the Portfolio" for more information.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

There can be no assurance that the exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions will be available. No assurance can be given as to whether a failure by Arval to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) may give rise to regulatory action which may adversely affect the Notes or the market value of the Notes. Furthermore, the impact of the U.S. Risk Retention Rules on the securitisation market generally is uncertain, and a failure by Arval to comply with the U.S. Risk Retention Rules could therefore negatively affect the market value and secondary market liquidity of the Notes.

None of the Lead Manager or any of their respective affiliates makes any representation to any prospective investor or purchasers of the Notes or a beneficial interest therein as to whether the transaction described in this Prospectus comply with the U.S. Risk Retention Rules now or at any time in the future.

(l) **Non-compliance with the UK Securitisation Framework and the EU Securitisation Regulation, as applicable, may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity of the Notes**

UK Securitisation Framework and EU Securitisation Regulation

Various parties to the securitisation transaction described in this Prospectus (including the Issuer and the Seller) are subject to the requirements of the UK Securitisation Framework and the EU Securitisation Regulation.

The UK Securitisation Framework replaced the previous UK Securitisation Regulation with effect from 1 November 2024. The reforms were introduced under the Financial Services and Markets Act 2023 as part of the "Edinburgh Reforms" of UK financial services unveiled on 9 December 2022. On 29 January 2024, HM Treasury made the SR 2024 which empowers the FCA and the PRA to make rules applicable to securitisation market participants. On 30 April 2024 the FCA published the FCA Handbook and the PRA published the PRA Rulebook.

The new UK Securitisation Framework is being introduced in phases. The first phase was the publication of the Financial Services and Markets Act 2023 (Commencement No 7) Regulations 2024 on 2 September 2024, which revoked the previous UK Securitisation Regulation regime and replaced it with the recast SR 2024 with effect from 1 November 2024. In 2025, it is expected that there will be a phase two to the reforms whereby the UK government, the PRA and the FCA will consult on further changes including, but not limited to, the recast of the transparency and reporting requirements. Therefore, at this stage, not all of the details are known on future changes that could impact the implementation of the UK Securitisation Framework. Note also that while the UK Securitisation Framework will apply to new securitisations with a relevant UK nexus closed on or after 1 November 2024 and investments made in securitisation positions by the UK institutional investors on or after that date, the UK Securitisation Framework also has potential implications for securitisations in-scope of the UK Securitisation Framework that closed prior to such date.

Regulation (EU) No 2017/2402 dated 12 December 2017 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 the EU Securitisation Regulation, and in each case, any relevant guidance published by the European Banking Authority, the European Securities and Markets Authority (or, in either case, any predecessor authority), the European Commission and by national competent authorities (the "**EU Securitisation Regulation**") applies from 1 January 2019 subject to certain transitional and grandfathering provisions. The EU Securitisation Regulation establishes certain common rules for all securitisations that fall within its scope (including recast of pre-1 January 2019 risk retention and investor due diligence regimes). The EU Securitisation Regulation has direct effect in member states of the EU, and it will apply more broadly in the EEA, including Iceland, Norway and Liechtenstein.

In October 2024 the European Commission published a consultation on various policy options for the wide reforms to the prudential and non-prudential regulation of securitisation, including, among other things, reforms aimed at potentially reducing the regulatory burden in relation to the investor due diligence and transparency requirements under the EU Securitisation Regulation. It is expected that, in 2025, this consultation will be followed by the publication of a package of legislative amendments by the European Commission, followed by the negotiation of this package of reforms with the European Parliament and the Council of the European Union. Furthermore, the European Securities and Markets Authority is expected before the end of 2024 to confirm the outcome of its 2023 consultation on the review of the EU reporting templates. It is not currently possible to assess when such reforms will be finalised and become applicable and whether such reforms will affect the ability of the Issuer to make payments under the Notes, the market value of the Notes, and/or Arval's ability to perform its obligations under the Transaction Documents.

Investors should note that some divergence between EU and UK regimes exists already. While the UK Securitisation Regulation reforms propose some alignment with the EU regime, these reforms also introduce new points of divergence and the risk of further divergence between EU and UK regimes cannot be ruled out in the longer term as it is not known at this stage how the ongoing reforms or any future reforms will be finalised and implemented in the UK or the EU.

Aspects of the requirements of the EU Securitisation Regulation and the UK Securitisation Framework and what is or will be required to demonstrate compliance to national regulators remain unclear. Non-compliance with the relevant requirements directly applicable to such transaction parties under the UK Securitisation Framework may give rise to certain administrative sanctions (including fines), which may adversely impact on the relevant parties' ability to perform their functions under the Transaction Documents and, in the case of any fines imposed on the Issuer, such fines will rank ahead of amounts payable to the Noteholders and may therefore adversely affect the ability of the Issuer to make payments under the Notes.

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

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

Due diligence

The EU Securitisation Regulation and/or the UK Securitisation Framework place an obligation on institutional investors, which include relevant credit institutions, investment firms, authorised alternative investment fund managers, insurance and reinsurance undertakings, certain undertakings for the collective investment of transferable securities and certain regulated pension funds (institutions for occupational retirement provision), are required to comply under the relevant UK Due Diligence Rules or the EU Due Diligence Rules, as applicable, with certain due diligence requirements prior to holding a securitisation position and on an ongoing basis while holding the position. Among other things, prior to holding a securitisation position, such institutional investors are required to verify under their respective EU or UK regime certain matters with respect to compliance of the relevant transaction parties with credit granting standards, risk retention and transparency requirements and, on transactions notified as EU STS or UK STS Securitisation, compliance of that transaction with the EU or UK STS requirements, as applicable.

Note that under the UK Securitisation Framework mentioned above, the recast of the investor due diligence provisions result in a more fragmented implementation of such requirements so that different types of UK institutional investor (depending on how and by which UK regulator they are authorised or supervised) need to refer to either the provisions on investor due diligence in the OPS Due Diligence Rules, the FCA Due Diligence Rules or the PRA Due Diligence Rules, as applicable. While the recast of the requirements (which broadly builds on the previous requirements of Article 5 of the UK Securitisation Regulation but with some material divergence from the EU Article 5 requirements, in particular around due diligence on transparency and the delegation of the investment decision to another investor) is fragmented, it is intended to ensure coherence of the overall framework.

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

If the relevant European- or UK-regulated institutional investor elects to acquire or holds the Notes having failed to comply with one or more of these requirements, as applicable to them under their respective EU or UK regime, this may result in the imposition of a penal capital charge on the Notes for institutional investors subject to regulatory capital requirements or a requirement to take a corrective action, in the case of a certain type of regulated fund investors.

Each investor should consult with its own legal, accounting, regulatory and other advisors and/or its regulator before committing to acquire any Notes to determine whether, and to what extent, the information set out in this Prospectus and in any investor report provided in relation to the transaction is sufficient for the purpose of satisfying such requirements.

Risk Retention

The FCA Risk Retention Rules provide for a direct obligation on originators to retain a net economic interest. The UK Due Diligence Rules require institutional investors including insurance or reinsurance undertakings and alternative investment fund managers as defined in the UK AIFM Regulation, to verify that, if established in the United Kingdom, the originator, sponsor or original lender retains on an ongoing basis a material net economic interest in accordance with the FCA Risk Retention Rules and the risk retention is disclosed to the institutional investor in accordance with the FCA Transparency Rules.

Article 6 of the EU Securitisation Regulation provides for a direct obligation on originators to retain a net economic interest. Article 5 (1)(c) of the EU Securitisation Regulation requires institutional investors as defined in Article 2 (12) of the EU Securitisation Regulation, which term also includes an insurance or reinsurance undertaking as defined in the EU Solvency II Regulation and an alternative investment fund manager as defined in the EU AIFM Regulation, to verify that, if established in the European Union, the originator, sponsor or original lender retains on an ongoing basis a material net economic interest in accordance with Article 6 of the EU Securitisation Regulation and the risk retention is disclosed to the institutional investor in accordance with Article 7(1)(e) of the EU Securitisation Regulation. The originator is not established in the European Union but has contractually agreed to comply with Article 6 of the EU Securitisation Regulation.

If the Seller does not comply with its obligations under Article 6 of the EU Securitisation Regulation or the FCA Risk Retention Rules, the ability of the Noteholders to sell and/or the price investors receive for, the Notes in the secondary market may be adversely affected. Noteholders should take their own advice and/or seek guidance from their regulator on compliance with, and the application of, the provisions of Article 6 of the EU Securitisation Regulation and the FCA Risk Retention Rules in particular.

Relevant investors, to which the EU Securitisation Regulation or the UK Due Diligence Rules is applicable, are required to independently assess and determine the sufficiency of the information described above for the purposes of complying with the CRD IV Package or Article 5 of the EU Securitisation Regulation and the UK Due Diligence Rules and none of the Issuer, the Seller, the Lead Manager nor the Arranger makes any representation that the information described above is sufficient in all circumstances for such purposes.

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

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

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

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

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

It is important to note that the involvement of PCS UK as an authorised verification agent is not mandatory and the responsibility for compliance with the UK Securitisation Framework remains with the relevant institutional investors, originators, sponsors and issuers, as applicable in each case. A UK STS Verification will not absolve such entities from making their own assessments with respect to the UK STS Criteria, the UK Securitisation Framework and other relevant regulatory provisions, and a UK STS Verification cannot be relied on to determine compliance

with the foregoing regulations in the absence of such assessments by the relevant entities. Investors should note that an STS Notification will be made available to investors, in the case of primary market investments: (i) before pricing or commitment to invest in draft or initial form; (ii) no later than 15 days after closing of the transaction in final form; and (iii) an updated version as soon as practicable following any material change.

(n) **Noteholders' interests may be adversely affected by a change of Law**

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

(o) **UK Taxation position of the Issuer**

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

(p) **Effects of the Volcker Rule on the Issuer**

The Issuer was structured so as not to constitute a "covered fund" for purposes of the regulations adopted to implement Section 619 of the Dodd-Frank Act (such statutory provision together with such implementing regulations, the "**Volcker Rule**"). The Volcker Rule generally prohibits "banking entities" (which is broadly defined to include U.S. banks and bank holding companies and many non-U.S. banking entities, together with their respective subsidiaries and other affiliates) from (i) engaging in proprietary trading, (ii) acquiring or retaining an ownership interest in or sponsoring a "covered fund" and (iii) entering into certain relationships with such funds. The general effects of the Volcker Rule remain uncertain. Any prospective investor in the Notes, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisers regarding such matters and other effects of the Volcker Rule.

(q) **No gross-up for taxes**

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

(r) **Issuer Security**

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

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

(s) **UK Banking Act 2009 and the Bank Recovery and Resolution Directive 2014**

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

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

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

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

As noted above, the stabilisation tools may be used in respect of certain banking group companies provided certain conditions are met. If the Issuer was regarded to be a banking group company and no exclusion applied, then it would be possible in certain scenarios for the

relevant authority to exercise one or more relevant stabilisation tools (including the property transfer powers and/or the bail-in powers) in respect of it, which could result in reduced amounts being available to make payments in respect of the Notes and/or in the modification, cancellation or conversion of any unsecured portion of the liability of the Issuer under the Notes at the relevant time. In this regard, it should be noted that the UK authorities have provided an exclusion for certain securitisation companies, which exclusion is expected to extend to the Issuer, although aspects of the relevant provisions are not entirely clear.

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

As a result of Directive 2014/59/EU ("**BRRD**"), which has been amended by BRRD II as per the below, providing for the establishment of an EEA-wide framework for the recovery and resolution of credit institutions and investment firms and any relevant national implementing measures, it is possible that an institution with its head office in an EEA and/or certain group companies (such as the Swap Counterparty, the Agent Bank, the Paying Agent or the Registrar) could be subject to certain resolution actions in that other state.

BRRD has been implemented in the UK through, among other regulations, the Bank Recovery and Resolution Order 2014 and onshored post Brexit by, among other Statutory Instruments, The Bank Recovery and Resolution and Miscellaneous Provisions (Amendment) (EU Exit) Regulations 2018. Directive (2019/879/EU) amending the BRRD ("**BRRD II**") entered into force on 27 June 2019 and became applicable on 28 December 2020. The UK implemented the majority of the BRRD II provisions which became applicable on 28 December 2020 but not those which became applicable on or after 1 January 2021. The UK has also imposed a 'sunset' on a number of BRRD II provisions. BRRD II implements (among other reforms) the Financial Stability Board's standards on total loss absorbing capacity.

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

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

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

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

If the Seller defaults in its obligations under any such profit share arrangement, fails to provide the relevant Maintenance Lease Services or otherwise defaults in relation to a Lease Agreement or a Leased Vehicle in accordance with the terms of the relevant Lease Agreement, then the relevant Lessee may set off any damages claim arising from the Seller's breach of contract against the Seller's (and, as equitable assignee of or holder of the beneficial interest in the Lease Receivables in the Portfolio, the Issuer's) claim for payment under the relevant Lease Agreement as and when it becomes due. These set-off claims will constitute transaction

set-off as described in the immediately succeeding risk factor and will not be affected or diminished by notice of the assignment to the Issuer being given to the Lessee.

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

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

(u) **Equitable assignment**

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

Since the Issuer has not obtained legal title to the Lease Receivables or otherwise perfected its legal title to the Lease Receivables, the following risks exist:

(a) first, if the Seller wrongly sells any Lease Receivables which have already been sold to the Issuer, to another person and that person acted in good faith and did not have notice of the interests of the Issuer in those Lease Receivables then such person might obtain good title to the Lease Receivables, free from the interests of the Issuer. If this occurred, then the Issuer would not have good title to the affected Lease Receivable and it would not be entitled to payments by a Lessee in respect of that Lease Agreement. However, the risk of third party claims obtaining priority to the interests of the Issuer would be likely to be limited to circumstances arising from a breach by the Seller of its contractual obligations or fraud, negligence or mistake on the part of the Seller or the Issuer or their respective personnel or agents;

(b) second, the rights of the Issuer may be subject to the rights of the Lessee against the Seller, such as rights of set-off, which occur in relation to transactions; and

(c) third, unless the Issuer has perfected the assignment of the Lease Receivables (which it is only entitled to do in certain limited circumstances), the Issuer would not be able to enforce any Lessee's obligations under a Lease Agreement itself but would have to join the Seller as a party to any legal proceedings.

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

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

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

(v) **Scottish Receivables**

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

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

To mitigate this risk, Arval will declare a trust (a "**Scottish Trust**") in favour of the Issuer over the Scottish Receivables and the Issuer will be the beneficiary under the Scottish Trust. To the extent a Scottish court considers the Lease Agreement to be governed by Scots law, legal title to the relevant Scottish Receivable will remain with Arval because no formal assignation of the Scottish Receivable duly intimated to the relevant Lessee(s) will have been made. The legal position of the Issuer under a Scottish Trust is substantially in accordance with that set out above in relation to the holding of an equitable interest in the Lease Receivables governed by the laws of England and Wales.

The Issuer Deed of Charge provides for, among other things, an assignation in security of the Issuer's interest in Scottish Trusts granted pursuant to the Scottish Supplemental Charge.

(w) **Risks in relation to the Sale Trigger Event**

The assignment and sale of the Maintenance Lease Services Amounts, the RV Claims and the VAT Receivables relating to the Lease Receivables comprised in the Portfolio upon the occurrence of a Sale Trigger Event, may be subject to clawback by an administrator or liquidator appointed in respect of the Seller which could be tested from the date of assignment and sale of such Maintenance Lease Services Amounts, RV Claims and VAT Receivables, rather than from the Closing Date.

Furthermore, there is a risk that, because the Maintenance Lease Services Amounts, RV Claims and the VAT Receivables will not be sold to the Issuer on the Closing Date, that it is not possible to effect those sales subsequently upon the occurrence of a Sale Trigger Event, if Arval were to immediately and subsequently become insolvent.

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

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

Where a liquidator of Arval disclaims a Lease Agreement as onerous property, such a disclaimer would only operate so far as is necessary for the purpose of releasing Arval from any liability. Any such disclaimer would therefore not affect the rights or liabilities of any other person (including the rights of the Issuer to receive payments of the rental from Lessees). Notwithstanding this, in order to mitigate against the risks outlined above, if the Fallback Sub-

Maintenance Coordinator has not procured the appointment of a Back-Up Fallback Sub-Maintenance Coordinator within ninety (90) calendar days of the occurrence of a Downgrade Event (provided no Fallback Sub-Maintenance Coordinator Termination Event has occurred), the Back-Up Fallback Sub-Maintenance Facilitator has undertaken to use all reasonable endeavours to identify and approach any potential Suitable Entity to act as Back-Up Fallback Sub-Maintenance Coordinator to carry out the duties of the Fallback Sub-Maintenance Coordinator on substantially the same terms as those in the Fallback Sub-Maintenance Coordinator Agreement with respect to the Maintenance Lease Services.

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

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

(y) **Reliance on warranties**

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

Where a breach of the Lease Warranties or any of them (including the Eligibility Criteria) occurs by reason of the Lease Agreement (or part thereof) being determined illegal, invalid, non-binding or unenforceable (provided that no court order shall be necessary to make such determination) under the CCA, the Seller is not obliged to repurchase the relevant Lease Receivable (including, any Maintenance Lease Services Amounts, any RV Claims and any VAT Receivables, to the extent sold to the Issuer) in accordance with the Receivables Purchase Agreement but is under an obligation on or before the next following Payment Date to pay an amount, calculated by the Servicer in accordance with the Receivables Servicing Agreement, required to compensate the Issuer for any loss suffered by the Issuer as a result of such breach.

If a Lease Receivable has never existed, or has ceased to exist, such that it is not outstanding on the date on which it is otherwise due to be repurchased pursuant to the Receivables Purchase Agreement, the Seller is not obliged to repurchase the Issuer's rights, title, interest and benefit in to and under such Lease Receivable but shall instead indemnify the Issuer and the Issuer Security Trustee against any loss and all liabilities suffered by reason of any warranty or representation relating to or otherwise affecting such Lease Receivable being untrue or incorrect by reference to the facts subsisting at the date on which the relevant warranty or representation was given provided that the amount of such indemnity shall not exceed the Aggregate Outstanding Lease Principal Balance of such Lease Receivables (calculated as at the Cut-Off Date immediately prior to the date on which such Lease Receivables had the Lease Receivables existed on the relevant repurchase date and complied with each of the Lease Warranties in relation to such Lease Receivables as at the relevant date). Payments in respect of such indemnity shall be made by the Seller on the date occurring not later than the next following Payment Date immediately after the Seller has become aware of the relevant breach.

Although the Issuer's rights under this provision form part of Arval's Secured Liabilities secured pursuant to the Arval Deed of Charge, such security is subject to the limitations set out in section "Fixed charges may take effect under English law as floating charges" and the Noteholders will bear the risk deriving from this fact.

(z) **Impact of UK EMIR and EU EMIR**

UK EMIR and EU EMIR (each as amended or replaced from time to time) prescribe a number of regulatory requirements for counterparties to OTC derivatives contracts including (i) a mandatory clearing obligation for certain classes of OTC derivatives contracts (the "**Clearing Obligation**"); (ii) collateral exchange, daily valuation, timely confirmation and other risk mitigation requirements for OTC derivatives contracts not subject to the Clearing Obligation (the "**Risk Mitigation Requirements**"); and (iii) certain reporting requirements (the "**Reporting Requirements**"). In general, the application of such regulatory requirements in respect of the Swap Agreement will depend on the classification of the counterparties to such derivative transactions.

Pursuant to UK EMIR and EU EMIR, counterparties can be classified as: (i) financial counterparties ("**FCs**") (which includes a sub-category of small FCs ("**SFCs**")), and (ii) non-financial counterparties ("**NFCs**"). The category of "NFC" is further split into: (i) non-financial counterparties above the specified "clearing threshold" ("**NFC+s**") in the relevant asset class, and (ii) non-financial counterparties below the specified "clearing threshold" ("**NFC-s**"). Whereas FCs and NFC+ entities may be subject to the relevant Clearing Obligation or, to the extent that the relevant swaps are not subject to the Clearing Obligation, to the relevant Risk Mitigation Requirements, such obligations do not apply in respect of NFC- entities.

The Issuer is currently an NFC- for the purposes of UK EMIR and a third country equivalent to an NFC- (a "**TCE NFC-**"**+**) for the purposes of EU EMIR, although a change in its position cannot be ruled out. Should the status of the Issuer change to an NFC+ or FC for the purposes of UK EMIR and/or a third country equivalent to a FC or NFC+ (a "**TCE FC**" or a "**TCE NFC+**"**,** respectively) for the purposes of EU EMIR, this may result in the application of the relevant Clearing Obligation or (more likely) the relevant collateral exchange obligation and relevant daily valuation obligation under the Risk Mitigation Requirements, as it seems unlikely that any of the swap agreements would fall within the specified types type of OTC derivative contracts that are currently subject to the Clearing Obligation under UK EMIR and EU EMIR. It should also be noted that the collateral exchange obligation should not apply in respect of an Issuer swap agreement entered into prior to the relevant application date, unless such a swap is materially amended on or after that date. In respect of UK EMIR, it should also be noted that, given the intention to seek the UK STS designation for the Notes, in the event that the status of the Issuer under UK EMIR or EU EMIR should change to NFC+ or FC, another exemption from the Clearing Obligation and a partial exemption from the collateral exchange obligation may be available for the Swap Agreement, provided the applicable conditions are satisfied. With regard to the latter, please refer to "Simple, Transparent and Standardised Securitisations and UK STS Designation" and "Non-compliance with the UK Securitisation Framework and the EU Securitisation Regulation, as applicable, may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity of the Notes" above. In respect of EU EMIR, the Notes (given they will not obtain EU STS designation) will not be able to benefit from the

equivalent exemption under EU EMIR should the status of the Issuer and/or Funding change to TCE NFC+ or TCE FC.

The Reporting Requirements under UK EMIR and EU EMIR apply to all types of counterparties and covers the entry into, modification or termination of cleared and non-cleared OTC derivative contracts entered into on or after 12 February 2014. This will therefore apply to the Swap Agreement and any replacement swap agreement. Since 18 June 2020, the FC should, as a rule, be solely responsible and legally liable for reporting on behalf of both itself and the NFC- as well as for ensuring the correctness of the details reported.

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

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

9. RISKS RELATING TO THE CHARACTERISTICS OF THE NOTES

(a) There can be no assurance of Eurosystem eligibility

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

(b) Book-entry registration

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

News Service) and other information provided for under the Conditions only if and to the extent provided by Clearstream Banking S.A. or Euroclear (as the case may be) and their respective participating organisations.

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

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

TRANSACTION OUTLINE

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

TRANSACTION PARTIES ON THE CLOSING DATE

Party	Name	Address	Document under which appointed / Further Information
Issuer and Purchaser	Pulse UK 2024 plc	10th Floor 5 Churchill Place, London, United Kingdom, E14 5HU	N/A
Holdings	Pulse UK 2024 Holdings Limited	10th Floor 5 Churchill Place, London, United Kingdom, E14 5HU	N/A
Seller	Arval UK Limited	Whitehill House, Windmill Hill, Swindon, Wiltshire, SN5 6PE	N/A
Reporting Entity	Pulse UK 2024 plc	10th Floor 5 Churchill Place, London, United Kingdom, E14 5HU	N/A
Servicer	Arval UK Limited	Whitehill House, Windmill Hill, Swindon, Wiltshire, SN5 6PE	Receivables Servicing Agreement by the Issuer. See the section entitled "Description of Certain Transaction Documents- Receivables Servicing Agreement" for more information.
Fallback Maintenance Coordinator	Pulse UK 2024 plc	10th Floor 5 Churchill Place, London, United Kingdom, E14 5HU	Fallback Sub-Maintenance Coordinator Agreement. See the section entitled "Description of Certain Transaction Documents – Fallback Sub-Maintenance Coordinator Agreement" for more information.
Fallback Sub-Maintenance Coordinator	Arval UK Limited	Whitehill House, Windmill Hill, Swindon, Wiltshire, SN5 6PE	Fallback Sub-Maintenance Coordinator Agreement by the Issuer. See the section entitled "Description of Certain Transaction Documents – Fallback Sub-Maintenance Coordinator

Party	Name	Address	Document under which appointed / Further Information
			Agreement" for more information.
Maintenance Reserve Guarantor	BNP Paribas	16 Boulevard des Italiens 75009 Paris France	Maintenance Reserve Guarantee. See the section entitled enforce the Maintenance Reserve Guarantee upon the occurrence of any of the events referred to in Section "Description of Certain Transaction Documents – The Fallback Sub-Maintenance Coordinator Agreement and the Maintenance Reserve Guarantee" for more information.
Agent Bank	France Titrisation	1, Boulevard Haussmann, 75009 Paris, France	Agency Agreement by the Issuer. See the section entitled "Description of Certain Transaction Documents – Agency Agreement" for more information.
Cash Manager	France Titrisation	1, Boulevard Haussmann, 75009 Paris, France	Cash Management Agreement by the Issuer. See the section entitled "Description of Certain Transaction Documents – Cash Management Agreement" for more information.
Reporting Agent	France Titrisation	1, Boulevard Haussmann, 75009 Paris, France	Receivables Servicing Agreement by the Issuer. See the section entitled "Description of Certain Transaction Documents" for more information.
Back-Up Servicer Facilitator	France Titrisation	1, Boulevard Haussmann, 75009 Paris, France	Receivables Servicing Agreement by the Issuer. See the section entitled "Description of Certain Transaction Documents" for more information.

Party	Name	Address	Document under which appointed / Further Information
Back-Up Fallback Sub-Maintenance Facilitator	France Titrisation	1, Boulevard Haussmann, 75009 Paris, France	Fallback Sub-Maintenance Coordinator Agreement. See the section entitled "Description of Certain Transaction Documents – Fallback Sub-Maintenance Coordinator Agreement" for more information.
Reserve Loan Provider	Arval UK Limited	Whitehill House, Windmill Hill, Swindon, Wiltshire, SN5 6PE	Reserve Loan Agreement by the Issuer. See the section entitled "Description of Certain Transaction Documents" for more information.
Swap Counterparty	BNP Paribas	16 Boulevard des Italiens 75009 Paris France	Swap Agreement by the Issuer. See the section entitled "Swap Agreement" for more information.
Account Bank	BNP Paribas, London branch	10 Harewood Avenue, London NW1 6AA, United Kingdom	Bank Account Agreement by the Issuer. See the section entitled "Bank Account Agreement" for more information.
Note Trustee	BNP Paribas Trust Corporation UK Limited	10 Harewood Avenue, London NW1 6AA, United Kingdom	Trust Deed and Issuer Deed of Charge. See the Conditions for further information.
Issuer Security Trustee	BNP Paribas Trust Corporation UK Limited	10 Harewood Avenue, London NW1 6AA, United Kingdom	Issuer Deed of Charge. See the section entitled "Description of Certain Transaction Documents – Issuer Deed of Charge" for more information.
Arval Security Trustee	BNP Paribas Trust Corporation UK Limited	10 Harewood Avenue, London NW1 6AA, United Kingdom	Arval Deed of Charge. See the section entitled "Arval Deed Of Charge" for more information.
Paying Agent	BNP Paribas, Luxembourg Branch	60 avenue J.F. Kennedy, L-1855 Luxembourg, Luxembourg	Agency Agreement by the Issuer. See the section entitled "Description of Certain Transaction Documents – Agency

Party	Name	Address	Document under which appointed / Further Information
			Agreement" for more information.
Registrar	BNP Paribas, Luxembourg Branch	60 avenue J.F. Kennedy, L-1855 Luxembourg, Luxembourg	Agency Agreement by the Issuer. See the section entitled "Description of Certain Transaction Documents – Agency Agreement" for more information.
Corporate Services Provider	CSC Capital Markets UK Limited	10th Floor, 5 Churchill Place, London E14 5HU	Corporate Services Agreement by the Issuer and Holdings. See the section entitled "The Issuer" and "Corporate Administration" for further information.
Arranger	BNP Paribas	16 Boulevard des Italiens 75009 Paris France	N/A
Lead Manager	BNP Paribas	16 Boulevard des Italiens 75009 Paris France	Subscription Agreement
Class B Note Purchaser	Arval UK Limited	Whitehill House, Windmill Hill, Swindon, Wiltshire, SN5 6PE	Subscription Agreement
Listing Agent	BNP Paribas, Luxembourg Branch	60 avenue J.F. Kennedy, L-1855 Luxembourg, Luxembourg	N/A
Data Protection Agent	BNP Paribas	16 Boulevard des Italiens 75009 Paris France	Data Protection Agency Agreement
Data Trustee	CSC Trustees Limited	10th Floor, 5 Churchill Place, London E14 5HU	Data Protection Agency Agreement
Ratings Agencies	DBRS	1 Oliver's Yard, 55-71 City Road, London, England, EC1Y 1HQ	N/A
	Moody's	One Canada Square, Canary Wharf, London, E14 5FA	

THE PORTFOLIO

Please refer to the sections entitled "Characteristics of the Portfolio", "Consumer Credit Regulation in the UK" and "

Description of Certain Transaction Documents" for further detail in respect of the characteristics of the Portfolio and the sale and the servicing arrangements in respect of the Portfolio.

Sale of Portfolio:

On the Initial Purchase Date and on each Additional Portfolio Purchase Date, the Seller is entitled to sell to the Issuer a portfolio of Lease Receivables.

The Lease Receivables will consist of Lease Instalments due by the Lessee in connection with the use of the Leased Vehicle (but, for the avoidance of doubt, the Issuer will not be entitled to retain any Excluded Amounts). For the avoidance of doubt, such Excluded Amounts include in particular: (1) RV Claims (unless a Sale Trigger Event has occurred); (2) any portion corresponding to the Maintenance Lease Services Amounts (unless a Sale Trigger Event has occurred); (3) VAT Receivables (unless: (A) paid to the Issuer upon the occurrence of a Lessee Notification Event, and which Arval shall be entitled to retain or be paid to it as VAT Deferred Purchase Price; or (B) a Sale Trigger Event has occurred).

The Lease Agreements contain specific provisions whereby the Lessees are offered additional services such as maintenance and repair services in relation to the Leased Vehicle. However, any Maintenance Lease Services Amounts will only be sold by the Seller to the Issuer upon a Sale Trigger Event.

Title in the Leased Vehicles will be retained by the Seller.

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

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

(a) the Issuer pays the Initial Purchase Price or the Additional Portfolio Purchase Price, as applicable;

(b) a Transfer Notice attaching the relevant Portfolio Schedule certified by an authorised signatory of the Seller to be true and accurate in all material respects is delivered from the Seller to the Issuer, the Issuer Security Trustee and the Cash Manager; and

(c) no Revolving Period Termination Event has occurred as of the Purchase Date.

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

Features of Lease Receivables:

This section is an overview of certain features of the Lease Receivables as at the Initial Entitlement Date and investors should refer to, and carefully consider, further details in respect of the Lease Receivables set out in "Characteristics of the Portfolio".

Consideration:

The purchase price payable in consideration of the Lease Receivables will be equal to the Initial Purchase Price or the Additional Purchase Price (as applicable) and (subject to the conditions on the payment of Residual Deferred Purchase Price, Junior Deferred Purchase Price, RV Deferred

Purchase Price and VAT Deferred Purchase Price) the Deferred Purchase Price.

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

Representations and Warranties:

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

Examples of the representations and warranties given by the Seller include the following: (i) each of the Lease Agreements, Lease Receivables and Lessees meet the Eligibility Criteria as of the respective Cut-Off Date, (ii) it is the sole legal and beneficial owner of and holds the title of the relevant Leased Vehicle which is hired under a Lease Agreement to a Lessee and any such Leased Vehicle is free of any encumbrances and not subject to any retention of title arrangement or any option to acquire on, over or affecting such Leased Vehicle, other than any Permitted Encumbrance, and (iii) as of the relevant Entitlement Date, the Lease Agreement has not been terminated, repudiated or rescinded by the Seller or the relevant Lessee.

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

Eligibility Criteria:

Pursuant to the terms of the Receivables Purchase Agreement, the Seller will represent and warrant on each Purchase Date that the relevant Lease Agreements, Lease Receivables and Lessees satisfy certain Eligibility Criteria at the Cut-Off Date preceding such Purchase Date.

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

Portfolio Criteria:

Under the Receivables Purchase Agreement, the Seller will represent on each relevant Purchase Date that the Lease Receivables satisfy the Portfolio Criteria during the Revolving Period and on the relevant Cut-Off Date and, for the avoidance of doubt, calculated by taking into account the Additional Portfolio to be purchased on such Purchase Date.

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

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

Repurchase by the Seller:

Pursuant to the Receivables Purchase Agreement, the Seller will be required to repurchase the Lease Receivables (including, any Maintenance Lease Services Amounts, any RV Claims and any VAT Receivables, to the extent sold to the Issuer) in certain circumstances. On repurchase of the Lease Receivables, the Seller will pay to the Issuer the Repurchase Price.

The Seller is obliged to repurchase the Lease Receivables in the following circumstances:

(a) a Lease Agreement or Ancillary Right attached thereto is subject to a Non-Permitted Variation by the Servicer;

(b) a Total Loss occurs in respect of a Leased Vehicle relating to a Lease Receivable in the Portfolio; and

(c) in the event of a breach of the Lease Warranties (including the Eligibility Criteria) made by the Seller which the Servicer determines has a Lease Receivable Material Adverse Effect in respect of the Lease Receivables by reference to the facts and circumstances then subsisting on the relevant Cut-Off Date (subject to certain other conditions described in the Section entitled "Description of Certain Transaction Documents" and provided that, for the purposes of calculating the Repurchase Price in such circumstances where the relevant Lease Agreement is also a Defaulted Lease Receivable, the Aggregate Outstanding Lease Principal Balance shall be calculated as if the relevant Lease Receivables in respect of such Lease Agreement are Performing Lease Receivables).

Other than in respect of paragraph (a) above, the Seller shall have no obligation to repurchase Lease Receivables relating to a Defaulted Lease Receivable although the Seller may, in its sole discretion, request to repurchase any such Defaulted Lease Receivable at the relevant Repurchase Price. The Issuer shall be required to agree to such request unless an Insolvency Event has occurred in relation to the Seller.

The Seller may re-purchase all, but not some, of the Lease Receivables if the Seller exercises its Clean-up Call.

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

Consideration for repurchase:

On repurchase of the Lease Receivables (including, any Maintenance Lease Services Amounts, any RV Claims and any VAT Receivables, to the extent sold to the Issuer), the Seller will pay to the Issuer the Repurchase Price.

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

The Repurchase Price shall be payable on the Payment Date immediately following the date on which the Seller is required to repurchase the Lease Receivables (unless such breach of the Lease Warranty by the Seller which the Servicer determines has a Lease Receivable Material Adverse Effect has been cured in all material respects within twenty (20) Business Days of the Seller becoming aware or (if earlier) being notified by the Servicer or the Issuer of such breach) and the Seller shall be obliged to pay the Repurchase Price to the Issuer (by transferring the same to the General Account).

Where a breach of the Lease Warranties (including the Eligibility Criteria) occurs by reason of the Lease Agreement (or part thereof) being determined illegal, invalid, non-binding or unenforceable under the CCA, the Seller will not be obliged to repurchase the relevant Lease Receivables, but, in the event where the Seller has not repurchased the relevant Lease Receivables, will on or before the Payment Date following the expiration of the twenty (20) Business Days period set out above, pay an amount, calculated by the Servicer in accordance with the Receivables Servicing Agreement, required to compensate the Issuer for any loss suffered by the Issuer as a result of such breach.

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

Servicing of the Portfolio:

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

If the Servicer has not procured for the appointment of a Back-Up Servicer within ninety (90) calendar days following the occurrence of a Downgrade Event and provided that no Servicer Termination Event has occurred, the Back-Up Servicer Facilitator shall identify and approach any potential Suitable Entity to act as Back-Up Servicer and, following such process, the Issuer shall appoint a Suitable Entity to act as Back-Up Servicer until the occurrence of a Servicer Termination Event.

Upon the occurrence of a Servicer Termination Event, the Issuer shall:

(a) forthwith activate the Back-Up Servicer if such Back-Up Servicer has already been appointed following the occurrence of a Downgrade Event; or

(b) if the Servicer has not procured for the appointment of a Back-Up Servicer, (i) within thirty (30) calendar days following the occurrence of the Servicer Termination Event (other than an Insolvency Event of the Servicer) or (ii) upon the occurrence of an Insolvency Event of the Servicer, appoint another Suitable Entity,

to act as Substitute Servicer to take over the tasks of the Servicer under the Receivables Servicing Agreement.

In addition, upon the occurrence of an Insolvency Event in relation to the Servicer and until the activation of a Substitute Servicer, as an incentive for the Servicer to continue to perform its obligations under the Receivables Servicing Agreement, the Issuer shall pay, on each Payment Date, the Servicing Incentive Fee to the Servicer, subject to the Servicer complying in all material respects with its obligations under the Receivables Servicing Agreement.

Delegation:

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

Maintenance Lease Services in respect of the Portfolio:

Pursuant to the Receivables Servicing Agreement, the Seller will agree in favour of the Issuer to perform the Maintenance Lease Services under and in accordance with the terms of the relevant Lease Agreements and in furtherance of such obligation and in furtherance of the Issuer's interest

in the Lease Receivables comprised in the Portfolio the Seller will appoint the Issuer to act as Fallback Maintenance Coordinator who will in turn appoint Arval to act as Fallback Sub-Maintenance Coordinator under the Fallback Sub-Maintenance Coordinator Agreement to coordinate the Maintenance Lease Services under the terms of the relevant Lease Agreements.

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

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

A Back-Up Fallback Sub-Maintenance Coordinator will, on the occurrence of a Downgrade Event, be procured by Arval within ninety (90) calendar days and will be appointed by the Issuer (the "**Back-Up Fallback Sub-Maintenance Coordinator**") subject to and in accordance with a back-up Fallback Sub-Maintenance Coordinator agreement (the "**Back-Up Fallback Sub-Maintenance Coordinator Agreement**") to be entered into by and between, the Issuer, the Back-Up Fallback Sub-Maintenance Coordinator and the Issuer Security Trustee (as directed by the Issuer), which will be substantially on the terms of the Fallback Sub-Maintenance Coordinator Agreement which, in addition, shall include provisions detailing the Back-Up Fallback Sub-Maintenance Coordinator role to be provided by the Back-Up Fallback Sub-Maintenance Coordinator prior to it acting as Fallback Sub-Maintenance Coordinator. Unless and until a Fallback Sub-Maintenance Coordinator Termination Event has occurred in respect of Arval as Fallback Sub-Maintenance Coordinator, the Back-Up Fallback Sub-Maintenance Coordinator will act solely in a stand-by role.

If the Fallback Sub-Maintenance Coordinator has not procured for the appointment of a Back-Up Fallback Sub-Maintenance Coordinator within ninety (90) calendar days of the occurrence of a Downgrade Event (provided no Fallback Sub-Maintenance Coordinator Termination Event has occurred), the Back-Up Fallback Sub-Maintenance Facilitator has undertaken to use all reasonable endeavours to identify and approach any potential Suitable Entity to act as Back-Up Fallback Sub-Maintenance Coordinator to carry out the duties of the Fallback Sub-Maintenance Coordinator on substantially the same terms as those in the Fallback Sub-Maintenance Coordinator Agreement with respect to the Maintenance Lease Services. Following the selection by the Back-Up Fallback Sub-Maintenance Facilitator of a Suitable Entity to act as Back-Up Fallback Sub-Maintenance Coordinator, the Issuer will appoint such entity as Back-Up Fallback Sub-Maintenance Coordinator, provided that such person shall stand by until it is notified by the Issuer of the occurrence of a Fallback Sub-Maintenance Coordinator Termination Event and of its activation.

Upon the occurrence of a Fallback Sub-Maintenance Coordinator Termination Event:

if a Back-Up Fallback Sub-Maintenance Coordinator has been appointed following the occurrence of a Downgrade Event, the Issuer shall forthwith activate such Back-Up Fallback Sub-Maintenance Coordinator to act as Substitute Fallback Sub-Maintenance Coordinator to carry out the duties

of the Fallback Sub-Maintenance Coordinator with respect to the Maintenance Lease Services; or

if no Back-Up Fallback Sub-Maintenance Coordinator has been appointed following the occurrence of a Downgrade Event, and if the Fallback Sub-Maintenance Coordinator has not procured for the appointment of a Back-Up Fallback Sub-Maintenance Coordinator (i) within thirty (30) calendar days following the occurrence of such Fallback Sub-Maintenance Coordinator Termination Event (other than an Insolvency Event of the Fallback Sub-Maintenance Coordinator) or (ii) upon the occurrence of an Insolvency Event of the Fallback Sub-Maintenance Coordinator, the Back-Up Fallback Sub-Maintenance Facilitator shall use all reasonable endeavours to identify and approach any potential Suitable Entity to act as Substitute Fallback Sub-Maintenance Coordinator; and following the selection by the Back-Up Fallback Sub-Maintenance Facilitator of a Suitable Entity to act as Substitute Fallback Sub-Maintenance Coordinator, the Issuer shall appoint such entity as Substitute Fallback Sub-Maintenance Coordinator in accordance with, and subject to, the provisions of the Fallback Sub-Maintenance Coordinator Agreement.

OVERVIEW OF THE TERMS AND CONDITIONS OF THE NOTES

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

FULL CAPITAL STRUCTURE OF THE NOTES

	Class A	**Class B**
Currency	Sterling	Sterling
Initial Principal Amount	£350,000,000	£52,300,000
Status	Offered	Retained
Note Credit Enhancement	Subordination of Class B Note and liquidity support	N/A
Liquidity Support	Liquidity Reserve and excess Available Distribution Amounts	Liquidity Reserve and excess Available Distribution Amounts
Issue Price	100%	100%
Interest Basis	Compounded Daily SONIA	3.80% p.a.
Margin	0.66% p.a.	N/A
Interest Accrual Method	Actual/365	Actual/365
Interest Determination Date	The fifth London Banking Day before the relevant Payment Date	N/A
Payment Dates	25th day of each calendar month	25th day of each calendar month
Business Day Convention	Modified Following	Modified Following
First Payment Date	30 December 2024	30 December 2024
First Interest Period	The period from and including the Closing Date to but excluding the first Payment Date	The period from and including the Closing Date to but excluding the first Payment Date
Revolving Period End Date	Payment Date falling in November 2025	Payment Date falling in November 2025
Redemption Profile	Sequential	
Post Revolving Period Termination Event Redemption Profile	Pass through redemption on each Payment Date subject to and in accordance with the Normal Amortisation Period Priority of Payments. See Condition 6.5 (Mandatory redemption in part)	
Post Accelerated Amortisation Event Redemption Profile	Pass through redemption, subject to and in accordance with the Accelerated Amortisation Period Priority of Payments. See Condition 6.5 (Mandatory redemption in part)	
Clean Up Call	Any Payment Date on which the Aggregate Outstanding Lease Principal Balance of the Portfolio as at the immediately preceding Cut-Off Date is less than 10% of the Aggregate Outstanding Lease	

	Class A	**Class B**
	Principal Balance on the Initial Entitlement Date or any Payment Date on or following the redemption in full of Class A Notes and the Seller exercises its option to repurchase the Lease Receivables in full (including, any Maintenance Lease Services Amounts, any RV Claims and any VAT Receivables, to the extent sold to the Issuer), which requires the Issuer to redeem the Notes in full. See Condition 6.4 (Optional redemption in whole for taxation or other reasons)	
Other Early Redemption in full Events	Please refer to Condition 6.4 (Optional redemption in whole for taxation or other reasons)	
Final Maturity Date	Payment Date falling in May 2036	Payment Date falling in May 2036
Form of the Notes	Registered Notes	Registered Note
Application for Listing	Euronext Dublin	Not Listed
ISIN	**XS2925049772**	N/A
Common Code	**292504977**	N/A
Clearance/Settlement	Clearstream Banking S.A.	N/A
Minimum Denomination	£100,000	£100,000
Form of offer	Reg S	N/A
Initial Purchaser	N/A	Arval

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. Class A Notes will rank senior to the Class B Note as to payments of interest and principal at all times. "**Most Senior Class Outstanding**" means the Class A Notes while they remain outstanding and thereafter the Class B Note while it remains outstanding.
Issuer Security	The Notes are secured and will share the Issuer Security with the other Issuer Secured Liabilities of the Issuer as set out in the Issuer Deed of Charge. The security granted by the Issuer to the Issuer Security Trustee, for itself and on trust for the other Issuer Secured Creditors, includes: (a) a charge by way of first fixed charge of all its rights in respect of the Lease Receivables and Ancillary Rights comprised in the Portfolio and the Additional Portfolio; (b) an assignment, subject to a proviso for re-assignment on redemption, of all its rights in respect of the Issuer Charged

	Documents which, in the case of the Swap Agreement, is subject to netting and set-off provisions therein; (c) a charge by way of first fixed charge over all its rights in respect of Authorised Investments made or purchased from time to time by or on behalf of the Issuer and all interest, moneys and proceeds paid or payable in relation to those Authorised Investments (which may in each case take effect as a floating charge); (d) a charge by way of first fixed charge, of all of its rights in respect of (i) any amounts standing from time to time to the credit of the Bank Accounts; (ii) all interest paid or payable in relation to those amounts; and (iii) all debts represented by those amounts; (e) under the Seller Collection Account Declaration of Trust, the Issuer's Proportion; and (f) a first floating charge over its property, assets and rights whatsoever and wheresoever present and future. See the section entitled "Description of Certain Transaction Documents – Issuer Deed of Charge" for more information. The Issuer will also, execute and deliver to the Issuer Security Trustee, and procure the execution and delivery to the Issuer Security Trustee by the Seller of, a Scottish Supplemental Charge in respect of each Scottish Trust containing an assignation in security of the Issuer's interest in such Scottish Trust. Some of the other Issuer Secured Creditors rank senior to the Issuer's obligations under the Notes in respect of the allocation of proceeds as set out in the relevant Priority of Payments.
Arval Deed of Charge	As security for its obligation to repurchase the Lease Receivables (including, any Maintenance Lease Services Amounts, any RV Claims and any VAT Receivables, to the extent sold to the Issuer) from the Issuer and to make payment of all other amounts due by the Seller to the Issuer in each case pursuant to the Receivables Purchase Agreement and to make payment of all amounts payable to the Arval Security Trustee, any Receiver or any Arval Security Trustee Appointee, Arval will grant floating security to the Arval Security Trustee over the Charged Vehicles pursuant to the terms of the Arval Deed of Charge. The Arval Deed of Charge secures the Arval Secured Liabilities. The floating charge granted by Arval will automatically crystallise if, among other things, (a) any person levies or attempts to levy, distress, execution or other process against any of the Charged Vehicles, which (when combined with any other levy, distress, execution or other process against any of the Charged Vehicles) is in an amount above an aggregate amount equal at any point in time to £15,000,000 or (b) on the occurrence of certain insolvency, administration and winding-up related events relating to Arval, each as more fully described below (although in respect of assets situated in Scotland the charge will only automatically crystallise upon the occurrence of certain insolvency events in respect of the chargor).

	See the section entitled "Arval Deed Of Charge" for more information.
Interest Provisions	Please refer to "Full Capital Structure Of The Notes" as set out above.
Interest Deferral	Interest due and payable on the Class A Notes will not be deferred. For as long as the Class A Notes are outstanding, interest due and payable on the Class B Note may be deferred, in accordance with Condition 15.1 (Interest). Deferred interest will also accrue interest in accordance with Condition 15.1 (Interest) and such additional interest may also be deferred under Condition 15.1 (Interest).
Withholding Tax	All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**"), unless the withholding or deduction of the Taxes is required by applicable law. In that event, the Issuer or, as the case may be, the relevant Paying Agent shall make such payment after the withholding or deduction has been made and shall account to the relevant authorities for the amount required to be withheld or deducted. Neither the Issuer nor any Paying Agent shall be obliged to make any additional payments to Noteholders in respect of such withholding or deduction.
Redemption	The Notes are subject to the following optional or mandatory redemption events: • mandatory redemption in whole on the Final Maturity Date, as fully set out in Condition 2.1 (Status and Relationship between the Notes and Security); • mandatory redemption in part on any Payment Date commencing on the occurrence of a Revolving Period Termination Event subject to availability of Available Distribution Amounts (applied in accordance with the Normal Amortisation Period Priority of Payments, as fully set out in Condition 6.5 (Mandatory redemption in part); • optional redemption in whole on any Payment Date on which the Aggregate Outstanding Lease Principal Balance of the Portfolio as at the immediately preceding Cut-Off Date is less than 10% of the Aggregate Outstanding Lease Principal Balance on the Initial Entitlement Date, as fully set out in Condition 6.4 (Optional redemption in whole for taxation or other reasons); • optional redemption exercisable by the Issuer in whole for tax or other reasons on any Payment Date, as fully set out in Condition 6.4 (Optional redemption in whole for taxation or other reasons); and • optional redemption in whole on any Payment Date on or following the redemption in full of Class A Notes as fully set out in Condition 6.4 (Optional redemption in whole for taxation or other reasons). Any Note redeemed pursuant to the above redemption provisions will be redeemed at an amount equal to the Principal Amount Outstanding of the relevant Note to be redeemed together with

	accrued (and unpaid) interest on the Principal Amount Outstanding of the relevant Note up to (but excluding) the date of redemption.
Issuer Event of Default	As fully set out in Condition 9 (Issuer Events of Default), which includes: • Insolvency Event in respect of the Issuer; • the Issuer defaults in the payment of any interest on the Most Senior Class Outstanding when the same becomes due and payable, and such default continues for a period of five (5) Business Days; • the Issuer defaults in the payment of principal on any Class A Note or (subject to the Class A Notes being redeemed in full) any Class B Note when the same becomes due and payable, and such default continues for a period of five (5) Business Days; and • the Issuer's failure to perform or observe any of its other obligations under the Conditions or any Transaction Document to which it is a party (excluding, for the avoidance of doubt, its obligations to make payments of principal or interest on the Notes) and such default is, in the opinion of the Note Trustee, to be certified in writing, materially prejudicial to the interests of the Noteholders of the Most Senior Class Outstanding and is either (i) in the opinion of the Note Trustee, incapable of remedy or (ii) in the opinion of the Note Trustee, capable of remedy, but remains unremedied for a period of thirty (30) days or such longer period as the Note Trustee may agree after the Note Trustee has given written notice of such default to the Issuer.
Enforcement	If an Issuer Event of Default has occurred and is continuing, the Note Trustee may, and shall, if so requested (i) in writing by the holders of at least 25% in Aggregate Outstanding Principal Amount of the Most Senior Class Outstanding; or (ii) by an Extraordinary Resolution of the Noteholders of the Most Senior Class Outstanding but, in each case, only if it has been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing deliver a Note Acceleration Notice and institute such proceedings or action as may be required in order to enforce or realise the Issuer Security (including, but not limited to, the giving of a direction to the Issuer Security Trustee to enforce or realise the Issuer Security).
Limited Recourse	If at any time following: (a) the occurrence of either: (i) the Final Maturity Date or any earlier date upon which all of the Notes of each Class are due and payable; or (ii) the service of a Note Acceleration Notice; and (b) Realisation of the Issuer Charged Assets and application in full of any amounts available to pay amounts due and

	payable under the Notes in accordance with the applicable Priority of Payments; and (c) the proceeds of such Realisation are insufficient, after payment of all other claims ranking in priority in accordance with the applicable Priority of Payments, to pay in full all amounts then due and payable under any Class of Notes, then the amount remaining to be paid (after such application in full of the amounts first referred to in paragraph (b) above) under such Class of Notes (and any Class of Notes junior to that Class of Notes) shall, on the day following such application in full of the amounts referred to in paragraph (b) above, cease to be due and payable by the Issuer. "**Realisation**" is defined in Condition 18 (Limited Recourse).
Non petition	Each Issuer Secured Creditor (other than the Issuer and the Issuer Security Trustee) agrees with and acknowledges to each of the Issuer and the Issuer Security Trustee, and the Issuer Security Trustee agrees with and acknowledges to the Issuer, that: (a) none of the Issuer Secured Creditors (nor any person on their behalf, other than the Issuer Security Trustee where appropriate) are entitled, otherwise than as permitted by the Transaction Documents, to direct the Issuer Security Trustee to enforce the Issuer Security or take any proceedings or action against the Issuer to enforce or realise the Issuer Security; (b) none of the Issuer Secured Creditors (other than the Issuer Security Trustee) shall have the right to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to any of the Issuer Secured Creditors; (c) until the date falling two years after the Final Discharge Date, none of the Issuer Secured Creditors nor any person on their behalf shall initiate or join any person in initiating an Insolvency Event or the appointment of an Insolvency Official in relation to the Issuer other than a Receiver or an administrator appointed under Clause 11 (*Receiver*) of the Issuer Deed of Charge; and (d) none of the Issuer Secured Creditors shall be entitled to take or join in the taking of any corporate action, legal proceedings or other procedure or step which would result in the Priority of Payments not being complied with.
Obligations as corporate obligations	Other than as provided for in the Transaction Documents, no Transaction Party shall have any recourse against nor shall any personal liability attach to any shareholder, officer, agent, employee or director of the Issuer in his capacity as such, by any proceedings or otherwise, in respect of any obligation, covenant, or agreement of the Issuer contained in the Transaction Documents.
Governing Law	English law.

RIGHTS OF NOTEHOLDERS AND RELATIONSHIP WITH OTHER ISSUER SECURED CREDITORS

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

Prior to an Issuer Event of Default	Noteholders holding not less than 10% of the Principal Amount Outstanding of the Notes of any Class or Classes (if such meeting relates to more than one Class of Notes) then outstanding are entitled to request that the Note Trustee convene a Noteholders' meeting of such Class or Classes (if such meeting relates to more than one Class of Notes) (subject to the Note Trustee being indemnified and/or secured and/or prefunded to its satisfaction). Noteholders of any Class or Classes can also participate in a Noteholders' meeting of such Class or Classes convened by the Issuer or Note Trustee to consider any matter affecting their interests. However, unless the Issuer has an obligation to take such action under the relevant Transaction Documents, so long as no Issuer Event of Default has occurred and is continuing, the Noteholders are not entitled to instruct or direct the Issuer to take any actions, either directly or through the Note Trustee, without the consent of the Issuer and, if applicable, certain other Transaction Parties.		
Following an Issuer Event of Default	Following the occurrence of an Issuer Event of Default, Noteholders of the Most Senior Class Outstanding may, if they hold not less than 25% of the Principal Amount Outstanding of the Notes of such Class then outstanding, give written instructions or may pass an Extraordinary Resolution (in a Noteholders' meeting), directing the Note Trustee (provided it has been indemnified and/or secured and/or prefunded to its satisfaction) to deliver a Note Acceleration Notice to the Issuer stating that all Classes of Notes are immediately due and repayable at their respective Principal Amount Outstanding.		
Noteholders Meeting provisions		**Initial meeting**	**Adjourned meeting**
	Notice period:	At least 21 Clear Days and no more than 42 Clear Days	Not less than 10 Clear Days and no more than 42 Clear Days
	Quorum:	not less than 10% of the Principal Amount Outstanding of the relevant Class or Classes of Notes for the initial meeting for all Ordinary Resolutions; and a majority of the Principal Amount Outstanding of the relevant Class or Classes of Notes for the initial meeting for all Extraordinary Resolutions (other than a Basic Terms Modification, which requires not less than 75% of the Principal Amount Outstanding of	any holding for the adjourned meeting (other than a Basic Terms Modification, which requires not less than 25% of the Principal Amount Outstanding of the relevant Class or Classes of Notes).

		the relevant Class or Classes of Notes).	
	Required majority:	a majority of votes cast for matters requiring Ordinary Resolution; and not less than 75% of votes cast for matters requiring Extraordinary Resolution.	a majority of votes cast for matters requiring Ordinary Resolution; and not less than 75% of votes cast for matters requiring Extraordinary Resolution.
	Written Resolution:	not less than 75% of the Principal Amount Outstanding of the relevant Class or Classes of Notes in respect of a matter requiring an Extraordinary Resolution and a majority of the Principal Amount Outstanding of the relevant Class or Classes of Notes in respect of a matter requiring an Ordinary Resolution. A Written Resolution has the same effect as an Extraordinary Resolution or Ordinary Resolution, as the case may be.	
	Electronic Resolution:	a resolution (being a resolution passed by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) to the Paying Agent or another specified agent and/or the Trustee in accordance with the operating rules and procedures of the relevant clearing system(s)) by or on behalf of one or more persons holding not less than 75% of the Principal Amount Outstanding of the Notes of the relevant Class or Classes then outstanding in respect of a matter requiring an Extraordinary Resolution and by or on behalf of one or more persons holding not less than a clear majority in aggregate of the Principal Amount Outstanding of the Notes of the relevant Class or Classes then outstanding in respect of a matter requiring an Ordinary Resolution) (an "**Electronic Resolution**"). An Electronic Resolution shall take effect as if it were an Extraordinary Resolution or Ordinary Resolution, as the case may be. Electronic Resolutions shall only be applicable to Notes held in Euroclear and/or Clearstream, Luxembourg.	
Matters requiring Extraordinary Resolution	Broadly speaking, the following matters require an Extraordinary Resolution: • Basic Terms Modification; • to remove the Note Trustee, the Arval Security Trustee and/or the Issuer Security Trustee and to approve the appointment of a new Note Trustee and/or Issuer Security Trustee and/or Arval Security Trustee; • to discharge or exonerate the Note Trustee, the Arval Security Trustee or the Issuer Security Trustee from any liability in respect of any act or omission for which it may have become or may become responsible under the Trust Deed, the Notes, the Arval Deed of Charge or the Issuer Deed of Charge; and • to waive any breach or authorise any proposed breach by the Issuer or (if relevant) any other Transaction Party of any obligation		

	under or in respect of the Transaction Documents or any act or omission which may otherwise constitute an Issuer Event of Default or Issuer Potential Event of Default.
Basic Terms Modification	The following proposals constitute a Basic Terms Modification: • to change any date fixed for payment of principal or interest in respect of the Notes of any class, to change the Final Maturity Date of the Notes of any class, to change the amount of principal or interest due on any date in respect of the Notes of any class or to alter the method of calculating the amount of any payment in respect of the Notes of any class (other than a Base Rate Modification); • (except in accordance with Clause 25 (*Substitution*) of the Trust Deed) to effect the exchange, conversion or substitution of the Notes of any Class for, or the conversion of such Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed; • to change the currency in which amounts due in respect of the Notes are payable; • any amendment to any Priority of Payments; • permitting the issuance by the Issuer of any note, unit or other instruments other than in accordance with the express provisions of the Notes already considered; • to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or • to amend the definition of Basic Terms Modification.
Relationship between Classes of Noteholders to only regard interests of the Most Senior Class Outstanding	Subject to the provisions governing a Basic Terms Modification, an Extraordinary Resolution of Noteholders of the Most Senior Class Outstanding shall be binding on all other Classes and would override any resolutions to the contrary by them. A Basic Terms Modification requires an Extraordinary Resolution of each Class of Notes then outstanding.
Issuer/Seller as Noteholder	For the purpose of, among other things, the right to attend and vote at any meeting of Noteholders, any Written Resolution in writing or by Electronic Resolution and any direction made by Noteholders. Each Class A Note carries the right to one (1) vote, provided that, in the event that a Noteholders' meeting is convened by the Issuer or upon requisition by Class A Noteholders holding not less than ten (10) per cent. of the Aggregate Outstanding Principal Amount of the Class A Notes then outstanding) in respect of any Conflicted Matter, a Conflicted Noteholder shall not be entitled to participate to such General Meeting. It is understood that the Class A Notes held by such Conflicted Noteholder with respect to any Conflicted Matter shall be treated as if they were not outstanding, where: "**Conflicted Matter**" means any of the following matters: (a) the disapplication of the Veto Right of Class A Noteholders. in relation to a proposed Base Rate Modification (as defined in Condition 11.9);

	(b) the termination of Arval's role (i) as Servicer following the occurrence of a Servicer Termination Event or (ii) as Fallback Sub-Maintenance Coordinator following the occurrence of a Fallback Sub-Maintenance Coordinator Termination Event; (c) the occurrence of an Accelerated Amortisation Event; and (d) the enforcement of any of the Issuer's claims against Arval as Seller and/or Servicer for breach of any of its obligations under the Transaction Documents. "**Conflicted Noteholder**" means with respect to the Class A Notes, Arval or any of its affiliates (other than any asset management entity belonging to the BNP Paribas group) when acting in a principal capacity, unless it is (or more than one of them together in aggregate are) the holder of 100 per cent. of the Class A Notes.
Relationship between Noteholders and other Issuer Secured Creditors	So long as any Notes are outstanding and there is a conflict between the interests of the Noteholders (or any Class thereof) and any other Issuer Secured Creditor, the Note Trustee and the Issuer Security Trustee will take into account only the interests of the Noteholders (or such Class thereof) in the exercise of their discretion. Consent right of the Swap Counterparty Any amendment, modification or supplement made to (or any waiver is given in respect of) any of the Transaction Documents shall require the prior written consent of the Swap Counterparty: (a) where, in the reasonable opinion of the Swap Counterparty, such amendment, modification, supplement or waiver has or could have a material adverse effect on the Swap Counterparty; (b) which amends any Priority of Payments; (c) where such amendment, modification supplement or waiver, in respect of the Class A Notes, amends the interest rate, the Payment Dates, the maturity date, the terms of repayment, the currency or the redemption rights; or (d) which has the effect of amending Clause 21.5 (*Modification*) of the Trust Deed.
Provision of Information to the Noteholders	Arval (as originator) will procure that the information and reports as more fully set out in the section of this Prospectus headed "Description of Certain Transaction Documents" are published when and in the manner set out in such section.

CREDIT STRUCTURE AND CASHFLOW

Available Distribution Amount:	"**Available Distribution Amount**" means, on each Payment Date, an amount equal to the credit balance of the General Account as of such date, (i) less any negative remuneration (if any) of the Issuer Cash and Authorised Investments to be debited to the General Account from time to time and (ii) provided that, in respect of amounts standing to the credit of the General Account and corresponding to Maintenance Lease Services Collections credited by the Fallback Sub-Maintenance Coordinator on the General Account as part of the Collections in accordance with the Fallback Sub-Maintenance Coordinator Agreement (and for the avoidance of doubt, only following the occurrence of a Sale Trigger Event), such sums are only applied to pay the amount referred to in item (a) of the Normal Amortisation Period Priority of Payments or in item (a) of the Accelerated Amortisation Period Priority of Payments, as applicable and that any surplus shall not form part of the Available Distribution Amount. See "Risk Factors – Risk Factors relating to the Notes" and "Description of Certain Transaction Documents – Cash Management Agreement" below for more information on the operation of the reserves.
Revolving Period Priority of Payments:	For the avoidance of doubt no payment of principal will be made on the Class A Notes or the Class B Note during the Revolving Period subject to any repayment made by the Issuer in accordance with Condition 6.4 (Optional redemption in whole for taxation or other reasons). During the Revolving Period, the Available Distribution Amount will be distributed on each Payment Date (taking into account the transfer in full of the amounts standing to the credit of the Liquidity Reserve Account to the Operating Ledger on the Collections Transfer Date immediately preceding such Payment Date) according to the following order of priority (in each case if and to the extent payments of a higher order of priority have been made in full) (the "**Revolving Period Priority of Payments**"): (a) to pay any taxes due and payable by the Issuer, other than corporation tax on amounts standing to the credit of the Retained Profit Ledger; (b) to pay *pari passu* and *pro rata* any amounts payable to the Arval Security Trustee, Issuer Security Trustee and Note Trustee (and any Appointee or Arval Security Trustee Appointee, as applicable) and the Trustee Agent under the Arval Deed of Charge and/or Issuer Deed of Charge and/or Trust Deed and to any Receiver appointed under the Arval Deed of Charge and/or Issuer Deed of Charge; (c) to pay *pari passu* and *pro rata* any Senior Expenses (other than those paid under item (b) above); (d) to credit an amount equal to £350 on each Payment Date to the Retained Profit Ledger; (e) to pay all amounts due and payable by the Issuer to the Swap Counterparty under the Swap Agreement (including any termination payments to the extent not satisfied by any amounts available to be applied in accordance with the Swap Collateral Account Priority of Payments) except for any Swap Subordinated Termination Amounts;

	(f) to pay *pari passu* and *pro rata* to the Class A Noteholders the Class A Notes Interest Amount payable on that date in respect of the Class A Notes (including, without limitation, overdue interest); (g) to transfer into the Liquidity Reserve Account an amount equal to the Liquidity Reserve Required Amount on such date; (h) to pay any Additional Portfolio Purchase Price (up to the Required Replenishment Amount) then payable by the Issuer to the Seller in respect of any Additional Portfolio on such Payment Date; (i) to credit to the Replenishment Ledger an amount equal to the Required Replenishment Amount less any amounts paid to the Seller by the Issuer for the acquisition of the Additional Portfolio on such Payment Date, per paragraph (h) above; (j) to pay *pari passu* and *pro rata* to the Class B Noteholders the Class B Notes Interest Amount payable on that date in respect of the Class B Notes (including, without limitation, overdue interest); (k) to pay the Swap Subordinated Termination Amount (if any) due and payable by the Issuer to the Swap Counterparty; (l) to pay the Seller, as Junior Deferred Purchase Price in relation to any Lease Receivable, an amount equal to the Aggregate Outstanding Balance Increase Amount relating to the immediately preceding Collection Period plus all accrued but unpaid Aggregate Outstanding Balance Increase Amounts of all previous Collection Periods; (m) to pay to the Reserve Loan Provider amounts payable to it in respect of (i) accrued and unpaid interest on each Advance under the Reserve Loan (including, without limitation, overdue interest); and then (ii) the principal outstanding with respect to each relevant Advance (on a *pro rata* basis) under the Reserve Loan, in accordance with the terms of the Reserve Loan Agreement; and (n) to pay the Seller any remaining funds by way of Residual Deferred Purchase Price.
Normal Amortisation Period Priority of Payments:	During the Normal Amortisation Period, the Available Distribution Amount (taking into account the transfer in full of the amounts standing to the credit of the Liquidity Reserve Account to the General Account on the Collections Transfer Date immediately preceding such Payment Date) will be distributed on each Payment Date according to the following order of priority (in each case if and to the extent payments of a higher order of priority have been made in full) (the **"Normal Amortisation Period Priority of Payments**"): (a) to pay, only as from the occurrence of a Sale Trigger Event, to the Fallback Sub-Maintenance Coordinator until the activation of the Substitute Fallback Sub-Maintenance Coordinator or to the Substitute Fallback Sub-Maintenance Coordinator following its activation, (i) the Maintenance Lease Services Collections collected over the preceding Collection Periods and not yet paid, up to the Maintenance Costs incurred during such Collection Periods and (ii) if the Maintenance Lease Services Collections are insufficient to pay the Maintenance Costs incurred during such Collection Periods, an amount equal to the lowest of (1) such shortfall of Maintenance Costs and (2) the balance of the

	Maintenance Reserve Account as at the immediately preceding Payment Date; (b) to pay any taxes due and payable by the Issuer, other than corporation tax on amounts standing to the credit of the Retained Profit Ledger; (c) to pay *pari passu* and *pro rata* any amounts payable to the Arval Security Trustee, Issuer Security Trustee and Note Trustee (and any Appointee or Arval Security Trustee Appointee, as applicable) and the Trustee Agent under the Arval Deed of Charge and/or Issuer Deed of Charge and/or Trust Deed and to any Receiver appointed under the Arval Deed of Charge and/or Issuer Deed of Charge; (d) to pay *pari passu* and *pro rata* any Senior Expenses (other than those paid under item (c) above); (e) to credit an amount equal to £350 on each Payment Date to the Retained Profit Ledger; (f) to pay all amounts due and payable by the Issuer to the Swap Counterparty under the Swap Agreement (including any termination payments to the extent not satisfied by any amounts available to be applied in accordance with the Swap Collateral Account Priority of Payments) except for any Swap Subordinated Termination Amounts; (g) to pay *pari passu* and *pro rata* to the Class A Noteholders the Class A Notes Interest Amount payable on that date in respect of the Class A Notes (including, without limitation, overdue interest); (h) to transfer into the Liquidity Reserve Account an amount equal to the Liquidity Reserve Required Amount on such date; (i) to pay *pari passu* and *pro rata* to the Class A Noteholders the Class A Notes Amortisation Amount, due and payable on that date; (j) to pay *pari passu* and *pro rata* to the Class B Noteholders the Class B Notes Interest Amount payable on that date in respect of the Class B Notes (including, without limitation, overdue interest); (k) to pay *pari passu* and *pro rata* to the Class B Noteholders the Class B Notes Amortisation Amount, due and payable on that date; (l) to pay the Swap Subordinated Termination Amount (if any) due and payable by the Issuer to the Swap Counterparty; (m) to pay the Seller, as Junior Deferred Purchase Price in relation to any Lease Receivable, an amount equal to the Aggregate Outstanding Balance Increase Amount relating to the immediately preceding Collection Period plus all accrued but unpaid Aggregate Outstanding Balance Increase Amounts of all previous Collection Periods; (n) to pay to the Reserve Loan Provider amounts payable to it in respect of (i) accrued and unpaid interest on each Advance under the Reserve Loan (including, without limitation, overdue interest); and then (ii) the principal outstanding with respect to each relevant Advance under the Reserve Loan (on a *pro rata* basis), in accordance with the terms of the Reserve Loan Agreement; and

	(o) to pay to the Seller any remaining funds by way of Residual Deferred Purchase Price.
Accelerated Amortisation Period Priority of Payments:	After the occurrence of an Accelerated Amortisation Event, all funds available to the Issuer (including any amounts standing to the credit of the General Account and all monies received or recovered by the Issuer Security Trustee or any Receiver in respect of the Issuer Charged Assets, but excluding any amounts standing to the credit of the Swap Collateral Accounts, the Maintenance Reserve Account, any Tax Credits and any Replacement Swap Premium and Collections representing VAT Collections) will be applied by the Issuer Security Trustee (or the Cash Manager on its behalf) on any Payment Date according to the following order of priority (in each case if and to the extent payments of a higher order of priority have been made in full) (the "**Accelerated Amortisation Period Priority of Payments**"): (a) to pay, only as from the occurrence of a Sale Trigger Event, to the Fallback Sub-Maintenance Coordinator until the activation of the Substitute Fallback Sub-Maintenance Coordinator or to the Substitute Fallback Sub-Maintenance Coordinator following its activation, (i) the Maintenance Lease Services Collections collected over the preceding Collection Periods and not yet paid, up to the Maintenance Costs incurred during such Collection Periods and (ii) if the Maintenance Lease Services Collections are insufficient to pay the Maintenance Costs incurred during such Collection Periods, an amount equal to the lowest of (1) such shortfall of Maintenance Costs and (2) the balance of the Maintenance Reserve Account as at the immediately preceding Payment Date; (b) to pay any taxes due and payable by the Issuer, other than corporation tax on amounts standing to the credit of the Retained Profit Ledger; (c) to pay *pari passu* and *pro rata* any amounts payable to the Arval Security Trustee, Issuer Security Trustee and Note Trustee (and any Appointee or Arval Security Trustee Appointee, as applicable) and the Trustee Agent under the Arval Deed of Charge and/or Issuer Deed of Charge and/or Trust Deed and to any Receiver appointed under the Arval Deed of Charge and/or Issuer Deed of Charge; (d) to pay *pari passu* and *pro rata* any Senior Expenses (other than those paid item under (c) above); (e) to credit an amount equal to £350 on each Payment Date to the Retained Profit Ledger; (f) to pay all amounts due and payable by the Issuer to the Swap Counterparty under the Swap Agreement (including any termination payments to the extent not satisfied by any amounts available to be applied in accordance with the Swap Collateral Account Priority of Payments) except for any Swap Subordinated Termination Amounts; (g) to pay *pari passu* and *pro rata* to the Class A Noteholders the Class A Notes Interest Amount payable on that date in respect of the Class A Notes (including, without limitation, overdue interest); (h) to pay *pari passu* and *pro rata* to the Class A Noteholders the Class A Notes Amortisation Amount, due and payable on that date, until the Class A Notes are redeemed in full;

	(i) to pay *pari passu* and *pro rata* to the Class B Noteholders the Class B Notes Interest Amount payable on that date in respect of the Class B Notes (including, without limitation, overdue interest); (j) to pay *pari passu* and *pro rata* to the Class B Noteholders the Class B Notes Amortisation Amount, due and payable on that date, until the Class B Notes are redeemed in full; (k) to pay the Swap Subordinated Termination Amount (if any) due and payable by the Issuer to the Swap Counterparty; (l) to pay the Seller, as Junior Deferred Purchase Price in relation to any Lease Receivable, an amount equal to the Aggregate Outstanding Balance Increase Amount relating to the immediately preceding Collection Period plus all accrued but unpaid Aggregate Outstanding Balance Increase Amounts of all previous Collection Periods; (m) to pay to the Reserve Loan Provider amounts payable to it in respect of (i) accrued and unpaid interest on each Advance under the Reserve Loan (including, without limitation, overdue interest); and then (ii) the principal outstanding with respect to each relevant Advance under the Reserve Loan (on a *pro rata* basis), in accordance with the terms of the Reserve Loan Agreement; and (n) to pay to the Seller any remaining funds by way of Residual Deferred Purchase Price. No payment, transfer and/or withdrawal may be made from any of the Bank Accounts (other than any Swap Collateral Accounts from which transfers and/or withdrawals may be made in accordance with the Swap Agreement) at any time upon and after the occurrence of an Accelerated Amortisation Event without the prior written consent of the Issuer Security Trustee.
VAT Collections	Any amounts representing VAT Collections received by the Issuer, shall be paid to the Seller as VAT Deferred Purchase Price on Payment Dates and shall not, for the avoidance of doubt, be applied in accordance with the Priority of Payments (including, for the avoidance of doubt, the Accelerated Amortisation Period Priority of Payments).
General Credit Structure	The general credit structure of the transaction includes, broadly speaking, the following elements: (a) Credit Enhancement: • In relation to the Class A Notes, the subordination as to payment of interest and principal payments in respect of the Class B Notes; • Liquidity support by subordinating the repayment of any Liquidity Reserve Release Amount to the payment of interest and principal under the Notes; and • The excess spread, which will provide the first loss protection to the Class A Notes. (b) Liquidity Support: • Subordination in payments of interest of the Class B Notes; • Application of any remaining Available Distribution Amount after payment of more senior ranking claims in the applicable

	Priority of Payments to pay the Class A Notes Interest Amount and the Class A Notes Amortisation Amount; and • Liquidity Reserve Required Amount (from the Closing Date) credited to the Liquidity Reserve Account prior to each Payment Date to be part of the Available Distribution Amount. (c) Hedging: • Availability of an interest rate swap provided by the Swap Counterparty to hedge floating interest rate risk on the Class A Notes against fixed income to be received by the Issuer in respect of the Lease Receivables (the "**Interest Rate Swap**"). See the section entitled "Swap Agreement" for more information.
Bank Accounts and Cash Management	Collections by the Servicer Pursuant to the Receivables Servicing Agreement, the Servicer will procure that all Collections in respect of the Lease Receivables are credited to the Seller (Non-Customer Collection Account) on a weekly basis, and then to the General Account on each Collections Transfer Date. Seller Collection Account Declaration of Trust The Seller has agreed to hold all amounts standing to the credit of the Seller (Non-Customer) Collection Account on trust for among other things the Issuer and itself absolutely (the "**Seller Collection Account Declaration of Trust**"). See "SELLER COLLECTION ACCOUNT DECLARATION OF TRUST". General Account The General Account shall be: (a) credited: (i) on the Closing Date, with the proceeds of the issue by the Issuer of the Notes (without prejudice to any set-off arrangement on that date); (ii) by the Seller, on the Closing Date, with the Start-up Reserve Advance in accordance with the provisions of the Reserve Loan Agreement; (iii) on or before each Collections Transfer Date, with all Collections credited to the Seller Collections Accounts during the preceding Collection Period in accordance with the Receivables Servicing Agreement; (iv) by the Servicer, on each Collections Transfer Date, with any Deemed Collections; (v) by the Swap Counterparty on each relevant Payment Date, with the Swap Net Amount due by it to the Issuer in accordance with the Swap Agreement; (vi) on or before each Collections Transfer Date, with the proceeds resulting from the investment of the Issuer Cash and Authorised Investments;

(vii) with the interest (if any) earned on cash in the Bank Accounts and on the Seller (Non-Customer) Collection Account;

(viii) on each Collections Transfer Date, with the amounts standing to the credit of the Liquidity Reserve Account;

(ix) by the Seller or Servicer, on any relevant date, with any Repurchase Price and/or Compensation Payment Obligation and/or Issuer Share Vehicle Sale Proceeds and/or (on and following the occurrence of a Sale Trigger Event) any aggregate Total Vehicle Sale Proceeds;

(x) as from the occurrence of a Sale Trigger Event, by the Fallback Sub-Maintenance Coordinator on each Collections Transfer Date with the Maintenance Lease Services Collections relating to the Lease Receivables comprised in the Portfolio (with such Maintenance Lease Services Collections calculated with respect to the Collection Period immediately following each relevant Collections Transfer Date on which they are paid) in accordance with the terms of the Fallback Sub-Maintenance Coordinator Agreement;

(xi) when applicable, at any time with any amount required to be transferred on such date from the Commingling Reserve Account in accordance with the terms of the Cash Management Agreement and the Reserve Loan Agreement;

(xii) when applicable, at any time with any amount required to be transferred on such date from the Set-Off Reserve Account in accordance with the terms of the Reserve Loan Agreement;

(xiii) with any other payment, which are not otherwise expressly specified herein, if any, paid by any obligor of the Issuer in relation to the Portfolio or under any of the Transaction Documents;

(xiv) with the proceeds resulting from the sale of the then outstanding Lease Receivables, as the case may be made in accordance with the provisions of the Transaction Documents;

(xv) with any Swap Collateral Account Surplus paid from the Swap Collateral Account;

(xvi) on any date, with any enforcement proceeds received by means of enforcement of the Arval Deed of Charge;

(xvii) on each Payment Date on which a Fallback Sub-Maintenance Coordinator Termination Event has occurred and is continuing, and to the extent that there is a shortfall in the payment of the Maintenance Costs, with an amount equal to such shortfall, to be transferred on such Payment Date from the Maintenance Reserve Account in accordance with the terms of the Reserve Loan Agreement;

(xviii) on each Payment Date following the repayment in full of all Commingling Reserve Advances under the Reserve Loan, with any amount which is to be released by the Cash

Manager from the Commingling Reserve Account, in accordance with the terms of the Cash Management Agreement;

(xix) on each Payment Date following the repayment in full of all Set-Off Reserve Advances under the Reserve Loan, with any amount which is to be released by the Cash Manager from the Set-Off Reserve Account, in accordance with the terms of the Cash Management Agreement; and

(xx) on each Payment Date following the repayment in full of all Maintenance Reserve Advances under the Reserve Loan, with any amount which is to be released by the Cash Manager from the Maintenance Reserve Account in accordance with the terms of the Cash Management Agreement; and

(b) debited:

(i) on the Closing Date, with the Initial Purchase Price in consideration to the purchase of the Initial Portfolio, without prejudice to any set-off arrangement on that date;

(ii) on each Payment Date, an amount equal to the RV Deferred Purchase Price and the VAT Deferred Purchase Price for payment to the Seller outside the applicable Priority of Payments; and

(iii) then, on each Payment Date, with the Available Distribution Amount, pursuant to the applicable Priority of Payments.

Liquidity Reserve Account

The Liquidity Reserve Account shall be:

(a) credited:

(i) by the Seller, on the Closing Date, with the Liquidity Reserve Required Amount pursuant to the Reserve Loan Agreement without prejudice to any set-off arrangement on that date; and

(ii) on each Payment Date, with such amount as is necessary for the credit standing to the Liquidity Reserve Account to be equal to the Liquidity Reserve Required Amount applicable on that Payment Date, from the Available Distribution Amount, in accordance with and subject the applicable Priority of Payments; and

(b) debited in full on each Collections Transfer Date, in order to credit the General Account and form part of the Available Distribution Amount.

Commingling Reserve Account

Commingling Reserve Account on the Closing Date

On the Closing Date, the Commingling Reserve Required Amount shall be equal to zero.

Credit of the Commingling Reserve Account after the Closing Date

If a Commingling Reserve Trigger Event occurs the Commingling Reserve Account shall be credited by the Seller in accordance with the terms of the Reserve Loan Agreement.

The Servicer shall ensure that the credit balance of the Commingling Reserve Account shall always be equal on each Payment Date to the Commingling Reserve Required Amount.

The Commingling Reserve Required Amount shall be calculated by the Cash Manager on the basis of the information provided to it by the Servicer. Such calculation shall be made on each Calculation Date.

Debit of the Commingling Reserve Account

In accordance with and subject to the terms of Cash Management Agreement, if a Servicer Termination Event has occurred, the Cash Manager shall immediately debit the Commingling Reserve Account and shall immediately credit the General Account up to any unpaid part of the Collections, in order to enable the Issuer to satisfy its obligations as set out in the Transaction Documents, which sum shall form part of the Available Distribution Amount.

If, on any Calculation Date, the current balance of the Commingling Reserve Account exceeds the applicable Commingling Reserve Required Amount, an amount equal to such difference shall be released by the Cash Manager by debiting the Commingling Reserve Account on the next following Payment Date and :

(a) prior to the repayment in full of all Commingling Reserve Advances under the Reserve Loan, shall be transferred directly back to the Servicer outside of the applicable Priority of Payments, in order to be applied towards the repayment of any Commingling Reserve Advance under the Reserve Loan in accordance with the terms of the Reserve Loan Agreement; and

(b) upon repayment in full of all Commingling Reserve Advances under the Reserve Loan, shall be credited to the General Account, which monies shall form part of the Available Distribution Amount on such Payment Date.

Final Release and Repayment of the Commingling Reserve Advance

If the appointment of the Servicer has been terminated by the Issuer in accordance with the terms of the Receivables Servicing Agreement, or on the date on which the Notes have been repaid in full, the Issuer shall release all monies standing to the Commingling Reserve Account subject to the satisfaction of all outstanding Servicer's obligations under the Receivables Servicing Agreement prior to termination (including, but not limited to, with respect to the collection and administration of the Lease Receivables) and:

(a) prior to the repayment in full of all Commingling Reserve Advances under the Reserve Loan, directly transfer back to the Servicer such monies outside the applicable Priority of Payments, in order to be applied towards the repayment of any Commingling Reserve Advance under the Reserve Loan in accordance with the terms of the Reserve Loan Agreement; and

(b) upon repayment in full of all Commingling Reserve Advances under the Reserve Loan, credit such monies to the General

Account, which monies shall form part of the Available Distribution Amount on such Payment Date.

Set-Off Reserve Account

The Set-Off Reserve Account shall be:

(a) credited by the Servicer, no later than sixty (60) calendar days upon the occurrence of a Set-Off Reserve Trigger Event, with the Set-Off Reserve Advance; and

(b) debited:

(i) by the Cash Manager on any date as from the occurrence of a Set-Off Reserve Trigger Event, with an amount equal to the aggregate amount the Lessees have set off against, deducted from or withheld on, amounts due as Lease Receivables, where those amounts have not been paid by the Servicer to the Issuer as Deemed Collections on the immediately preceding Collections Transfer Date in respect of the immediately preceding Collection Period, which amount shall be credited by the Cash Manager on the same day to the General Account and form part of the Available Distribution Amount;

(ii) by the Cash Manager if, on any Calculation Date, the current balance of the Set-Off Reserve Account exceeds the applicable Set-Off Reserve Required Amount, with an amount equal to such difference on the next following Payment Date and:

(A) prior to the repayment in full of all Set-Off Reserve Advances under the Reserve Loan, which amount shall be transferred directly back to the Reserve Loan Provider outside of the applicable Priority of Payments, in order to be applied towards the repayment of any Set-Off Reserve Advance under the Reserve Loan in accordance with the terms of the Reserve Loan Agreement; and

(B) upon repayment in full of all Set-Off Reserve Advances under the Reserve Loan, to credit the General Account, which monies shall form part of the Available Distribution Amount on such Payment Date.

(iii) on the Payment Date following service of a notice from the Servicer to the Issuer, the Cash Manager, and the Issuer Security Trustee that no Set-Off Reserve Trigger Event is continuing, in full to:

(A) prior to the repayment in full of all Set-Off Reserve Advances under the Reserve Loan, repay the Servicer outside any Priority of Payments in order to be applied towards the repayment of any Set-Off Reserve Advance under the Reserve Loan in accordance with the terms of the Reserve Loan Agreement; and

(B) upon repayment in full of all Set-Off Reserve Advances under the Reserve Loan, credit the General Account, which monies shall form part of

the Available Distribution Amount on such Payment Date; and

(iv) on the Payment Date immediately following the full repayment by the Issuer of all principal and interest under the Notes, in full to:

(A) prior to the repayment in full of all Set-Off Reserve Advances under the Reserve Loan, repay the Servicer outside any Priority of Payments in order to be applied towards the repayment of any Set-Off Reserve Advance under the Reserve Loan in accordance with the terms of the Reserve Loan Agreement; and

(B) upon repayment in full of all Set-Off Reserve Advances under the Reserve Loan, credit the General Account, which monies shall form part of the Available Distribution Amount on such Payment Date.

Swap Collateral Account

The Swap Collateral Account shall be:

(a) credited and debited in accordance with the provisions of the credit support annex entered into between the Issuer and the Swap Counterparty in relation to the Swap Agreement, on any relevant date;

(b) credited with any Swap Termination Payment payable by the Swap Counterparty to the Issuer pursuant to the Swap Agreement further to the termination of the Swap Agreement;

(c) credited with any Tax Credits received by the Issuer and such amounts will be paid directly to the Swap Counterparty in accordance with the Swap Agreement and the Issuer Deed of Charge;

(d) credited with any Replacement Swap Premium due and payable by a replacement swap counterparty; and

(e) in case of an early termination of a transaction under the Swap Agreement, the credit balance (if any) of the Swap Collateral Account shall be debited in the following order of priority (the "**Swap Collateral Account Priority of Payments**"):

(i) where the Issuer designated such Early Termination Date following an Event of Default in respect of which the Swap Counterparty is the Defaulting Party, or an Additional Termination Event as a result of the failure of the Swap Counterparty to comply with the requirements of the rating downgrade provisions (as such terms are defined in the Swap Agreement);

(A) *first*, in or towards payment by the Issuer directly to any replacement swap counterparty of any Replacement Swap Premium to be paid by the Issuer in order to enter into a replacement swap

agreement (such payment being made outside any Priority of Payments);

(B) second, in or towards repayment by the Issuer directly to the Swap Counterparty of any amount of collateral credited to the Swap Collateral Account due to be retransferred by the Issuer to the Swap Counterparty, pursuant to the terms and conditions of the Swap Agreement (such payment being made outside any Priority of Payments);

(C) third, any Swap Termination Payment payable by the Issuer to the Swap Counterparty pursuant to the Swap Agreement further to the termination of the Swap Agreement;

(D) fourth, the surplus (if any) (a "**Swap Collateral Account Surplus**") on such day to be transferred to the General Account; or

(ii) where such Early Termination Date (as defined in the Swap Agreement) has been designated otherwise than as specified at item (i) above;

(A) *first*, in or towards repayment by the Issuer directly to the Swap Counterparty of any amount of collateral credited to the Swap Collateral Account due to be retransferred by the Issuer to the Swap Counterparty, pursuant to the terms and conditions of the Swap Agreement (such payment being made outside any Priority of Payments);

(B) *second*, any Swap Termination Payment payable by the Issuer to the Swap Counterparty pursuant to the Swap Agreement further to the termination of the Swap Agreement;

(C) *third*, in or towards payment by the Issuer directly to any replacement swap counterparty of any Replacement Swap Premium to be paid by the Issuer in order to enter into a replacement swap agreement (such payment being made outside any Priority of Payments);

(D) *fourth*, the Swap Collateral Account Surplus on such day to be transferred to the General Account.

Maintenance Reserve Account

Maintenance Reserve Account on the Closing Date

On the Closing Date, the Maintenance Reserve Required Amount shall be equal to zero.

Credit of the Maintenance Reserve Account after the Closing Date

The Maintenance Reserve Account shall be credited by the Fallback Sub-Maintenance Coordinator within:

(a) three (3) Business Days of the occurrence of a Maintenance Reserve Trigger Event which is an Insolvency Event with respect to the Fallback Sub-Maintenance Coordinator;

(b) fourteen (14) calendar days of the occurrence of a Maintenance Reserve Trigger Event which is continuing because both (i) the Fallback Sub-Maintenance Coordinator ceases to have the Fallback Sub-Maintenance Coordinator Required Ratings and (ii) the Maintenance Reserve Guarantor (or Replacement Maintenance Reserve Guarantor as the case may be) ceases to have the Maintenance Reserve Guarantor Required Ratings; and

(c) thirty (30) calendar days of the occurrence of any other Maintenance Reserve Trigger Event which is continuing,

with such amount required to be paid by the Fallback Sub-Maintenance Coordinator in order for the balance standing to the credit of the Maintenance Reserve Account to be equal to the Maintenance Reserve Required Amount.

Pursuant to the Maintenance Reserve Guarantee, the Maintenance Reserve Guarantor has unconditionally and irrevocably undertaken to pay to the Issuer at the Issuer's first demand all sums due by the Fallback Sub-Maintenance Coordinator to the Issuer and remaining unpaid with respect to the funding of the Maintenance Reserve Advance, up to the Maintenance Reserve Guarantee Maximum Amount. Pursuant to the Fallback Sub-Maintenance Coordinator Agreement, the Issuer, will enforce the Maintenance Reserve Guarantee upon the occurrence of any of the events referred to in Section "Description of Certain Transaction Documents – Fallback Sub-Maintenance Coordinator Agreement and Maintenance Reserve Guarantee".

For as long as a Maintenance Reserve Trigger Event has occurred and is continuing, the Servicer shall ensure that the credit balance of the Maintenance Reserve Account shall always be equal on each Payment Date to the Maintenance Reserve Required Amount.

The Maintenance Reserve Required Amount shall be calculated on each Calculation Date by the Cash Manager on the basis of the information provided to it by the Fallback Sub-Maintenance Coordinator.

Debit of the Maintenance Reserve Account

The Maintenance Reserve Account shall be debited:

(a) on each Payment Date, and, as from the occurrence of a Sale Trigger Event, provided that the Fallback Sub-Maintenance Coordinator is not in breach of its undertaking to credit, on each Collections Transfer Date, the General Account with the Maintenance Lease Services Collections, with any amount equal to the excess standing to the credit of the Maintenance Reserve Account over the Maintenance Reserve Required Amount then outstanding (as such amount is calculated on the immediately preceding Calculation Date), which shall be paid to:

(i) prior to the repayment in full of all Maintenance Reserve Advances under the Reserve Loan, to the Fallback Sub-Maintenance Coordinator or the Maintenance Reserve Guarantor, as applicable, on the same day outside the Priority of Payments, in order to be applied towards the repayment of any Maintenance Reserve Advance under

the Reserve Loan in accordance with the terms of the Reserve Loan Agreement; and

(iii) upon repayment in full of all Maintenance Reserve Advances under the Reserve Loan, to the General Account, which monies shall form part of the Available Distribution Amount on such Payment Date;

(b) on each Payment Date on which a Fallback Sub-Maintenance Coordinator Termination Event has occurred and is continuing, and to the extent that there is a shortfall in the payment of the Maintenance Costs, with an amount equal to such shortfall, which shall be credited on the same day to the General Account and form part of the Available Distribution Amount;

(c) on the Payment Date following service of a notice from the Fallback Sub-Maintenance Coordinator to the Issuer, the Cash Manager and the Issuer Security Trustee that no Maintenance Reserve Trigger Event is continuing, in full to:

(i) prior to the repayment in full of all Maintenance Reserve Advances under the Reserve Loan, repay the Fallback Sub-Maintenance Coordinator or the Maintenance Reserve Guarantor, as applicable, outside any Priority of Payments, in order to be applied towards the repayment of any Maintenance Reserve Advance under the Reserve Loan in accordance with the terms of the Reserve Loan Agreement; and

(ii) upon repayment in full of all Maintenance Reserve Advances under the Reserve Loan, credit the General Account, which monies shall form part of the Available Distribution Amount on such Payment Date; and

(d) on the Payment Date immediately following the full repayment by the Issuer of all principal and interest under the Notes, in full to:

(i) prior to the repayment in full of all Maintenance Reserve Advances under the Reserve Loan, repay the Fallback Sub-Maintenance Coordinator or the Maintenance Reserve Guarantor, to the extent any sums have been paid by Maintenance Reserve Guarantor, outside any Priority of Payments, in order to be applied towards the repayment of any Maintenance Reserve Advance under the Reserve Loan in accordance with the terms of the Reserve Loan Agreement; and

(ii) upon repayment in full of all Maintenance Reserve Advances under the Reserve Loan, credit the General Account, which monies shall form part of the Available Distribution Amount on such Payment Date.

Upon substitution of the Maintenance Reserve Guarantor with a Replacement Maintenance Reserve Guarantor, any Maintenance Reserve Advance paid by the Maintenance Reserve Guarantor will be returned to the Maintenance Reserve Guarantor outside the Priority of Payments and an equivalent amount shall be paid to the Issuer by the Replacement Maintenance Reserve Guarantor.

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

Overview of key Swap Terms	The Interest Rate Swap has the following key commercial terms: • Notional amount: the notional amount under the Swap Agreement will be: (a) on the Closing Date and on the first Payment Date, an amount equal to GBP 350,000,000; and (b) in respect of each subsequent Fixed Rate Payer Payment Date and each Floating Rate Payer Payment Date (each as defined in the Swap Agreement), an amount equal to: (i) when the immediately preceding Payment Date falls during the Revolving Period, the Aggregate Outstanding Principal Amount of the Class A Notes, as of such immediately preceding Payment Date calculated by the Agent Bank on the applicable Calculation Date; and (ii) when the immediately preceding Payment Date falls during the Normal Amortisation Period or the Accelerated Amortisation Period, the lesser of: (A) the Aggregate Outstanding Principal Amount of the Class A Notes as of such immediately preceding Payment Date calculated by the Agent Bank on the applicable Calculation Date; and (B) the Aggregate Performing Outstanding Lease Principal Balance as of such immediately preceding Payment Date calculated by the Agent Bank on the applicable Calculation Date. • Rate of interest payable by the Issuer: 4.572% per annum. • Rate of interest payable by the Swap Counterparty: Compounded Daily SONIA subject to a floor of -0.66% per annum. • Frequency of payment: monthly.

TRIGGERS TABLE

Nature of Trigger / Required Ratings	**Description of Trigger / Required Ratings**	**Consequence of Trigger**
Downgrade Event	"**Downgrade Event**" means in respect of the requirement to appoint a Back-Up Servicer or a Back-Up Fallback Sub-Maintenance Coordinator, neither Arval Company Group, nor the Majority Shareholder has the following ratings: (a) a long-term unsecured, unsubordinated and unguaranteed debt obligations rating of at least "Baa3" by Moody's; and (b) (i) a DBRS Critical Obligations Rating of at least "BBB" or (ii) if a DBRS Critical Obligations Rating is not currently maintained on the relevant entity a DBRS Long-term Rating of at least "BBB (low)" by DBRS, or, if there is no DBRS Long-term Rating, but the relevant entity is rated by any one of Fitch, Moody's and S&P a DBRS Equivalent Rating with respect to its long-term debt obligations between "1" and "10", or such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then ratings of the Class A Notes.	Back-Up Servicer If the Servicer has not procured the appointment of a Back-Up Servicer within ninety (90) calendar days following the occurrence of a Downgrade Event and provided that no Servicer Termination Event has occurred, the Back-Up Servicer Facilitator shall identify and approach any potential Suitable Entity to act as Back-Up Servicer and, following such process, the Issuer shall appoint a Suitable Entity to act as Back-Up Servicer. Upon the occurrence of a Servicer Termination Event, the Issuer shall: (1) forthwith activate the Back-Up Servicer if such Back-Up Servicer has already been appointed following the occurrence of a Downgrade Event; or (2) if the Servicer has not procured for the appointment of a Back-Up Servicer (i) within thirty (30) calendar days following the occurrence of the Servicer Termination Event (other than an Insolvency Event of the Servicer) or (ii) upon the occurrence of an Insolvency Event of the Servicer, appoint another Suitable Entity, to act as Substitute Servicer to take over the tasks of the Servicer under the Receivables Servicing Agreement. For these purposes "**procure**" shall mean both identifying and sourcing a Suitable Entity to act in such capacities, as the case may be, and negotiating the terms of appointment of such Suitable Entity (including, for the avoidance of doubt, the preparation of all relevant documentation) and procurement and procuring shall be read accordingly. Back-Up Fallback Sub-Maintenance Coordinator If the Fallback Sub-Maintenance Coordinator has not procured for the appointment of a Back-Up Fallback Sub-Maintenance Coordinator within ninety (90) calendar days of the occurrence of

Nature of Trigger / Required Ratings	**Description of Trigger / Required Ratings**	**Consequence of Trigger**
		a Downgrade Event (provided no Fallback Sub-Maintenance Coordinator Termination Event has occurred), the Back-Up Fallback Sub-Maintenance Facilitator has undertaken to use all reasonable endeavours to identify and approach any potential Suitable Entity to act as Back-Up Fallback Sub-Maintenance Coordinator to carry out the duties of the Fallback Sub-Maintenance Coordinator on substantially the same terms as those in the Fallback Sub-Maintenance Coordinator Agreement with respect to the Maintenance Lease Services. Following the selection by the Back-Up Fallback Sub-Maintenance Facilitator of a Suitable Entity to act as Back-Up Fallback Sub-Maintenance Coordinator, the Issuer will appoint such entity as Back-Up Fallback Sub-Maintenance Coordinator, provided that such person shall stand by until it is notified by the Issuer of the occurrence of a Fallback Sub-Maintenance Coordinator Termination Event and of its activation.
Commingling Reserve Trigger Event	"**Commingling Reserve Trigger Event**" means any of the following events: (a) neither Arval Company Group, nor the Majority Shareholder meets the Commingling Reserve Required Ratings; or (b) an Insolvency Event in relation to the Seller.	The Servicer shall make the Commingling Reserve Advance by way of a transfer of such amounts and shall credit the Commingling Reserve Account within: (a) thirty (30) calendar days after the downgrade (in case of a downgrade by DBRS or Moody's) of the ratings of the both Arval Company Group and the Majority Shareholder below the Commingling Reserve Required Ratings up to the applicable Commingling Reserve Required Amount on the Commingling Reserve Account; or (b) thirty (30) calendar days from the date on which the Seller is subject to any Insolvency Event, in accordance with the terms of the Reserve Loan Agreement.
Set-Off Reserve Trigger Event	"**Set-Off Reserve Trigger Event**" means the occurrence of any of the following events:	The Servicer shall make the Set-Off Reserve Advance by way of a transfer of such amounts and shall credit the Set-Off Reserve Account within sixty (60)

Nature of Trigger / Required Ratings	**Description of Trigger / Required Ratings**	**Consequence of Trigger**
	(a) a Seller Event of Default has occurred and is continuing; or (b) a Servicer Termination Event has occurred and is continuing; or (c) neither Arval Company Group, nor the Majority Shareholder meets the Set-Off Reserve Required Ratings.	calendar days after the occurrence of such Set-Off Reserve Trigger Event in accordance with the terms of the Reserve Loan Agreement.
Seller Event of Default	"**Seller Event of Default**" means with respect to Arval in its capacity as Seller and Repurchaser (but excluding, for the avoidance of doubt, in its capacity as Servicer), the earliest to occur of the following: (a) a default is made by Arval in the payment on the due date of any amount due and payable by it under any Transaction Document to which it is a party (except, in relation to the payment of the Maintenance Reserve Advance, if the Maintenance Reserve Advance has been funded by the Maintenance Reserve Guarantor up to the Maintenance Reserve Required Amount pursuant to the Maintenance Reserve Guarantee) and such failure is not remedied within five (5) Business Days (or fifteen (15) calendar days if the breach is due to force majeure or technical reasons) after notice thereof has been given by the Purchaser or the Issuer Security Trustee to Arval; (b) Arval fails duly to perform or comply with any of its material obligations under any Transaction Document to which it is a party (other than a payment obligation referred to in paragraph (a) above) and if such failure is capable of being remedied, such failure, is not remedied within twenty (20) Business Days after notice thereof has been	The occurrence of a Seller Event of Default will constitute a Set-Off Reserve Trigger Event, a Lessee Notification Event and a Revolving Period Termination Event. Upon the occurrence of a Seller Event of Default, the Arval Security Interests created in favour of the Arval Security Trustee pursuant to the Arval Deed of Charge will become enforceable.

Nature of Trigger / Required Ratings	**Description of Trigger / Required Ratings**	**Consequence of Trigger**
	given by the Purchaser or the Issuer Security Trustee to Arval or such other party; (c) an Insolvency Event has occurred in respect of Arval; (d) Arval is dissolved or other procedures are initiated which will or may result in a liquidation of Arval (other than due to an intra group merger where Arval is the surviving entity); (e) any representation or warranty in the Receivables Purchase Agreement granted by Arval or in any report provided by Arval, is materially false or incorrect and such inaccuracy, if capable of remedy, is not remedied within ten (10) Business Days (or fifteen (15) calendar days if the breach is due to *force majeure* or technical reasons) of notice from the Issuer and has a material adverse effect in relation to the Issuer.	
Maintenance Reserve Trigger Event	"**Maintenance Reserve Trigger Event**" means the occurrence of any of the following events: (a) a Fallback Sub-Maintenance Coordinator Termination Event has occurred and is continuing; or (b) the Fallback Sub-Maintenance Coordinator ceases to have the Fallback Sub-Maintenance Coordinator Required Ratings and the Maintenance Reserve Guarantor (or Replacement Maintenance Reserve Guarantor as the case may be) ceases to have the Maintenance Reserve Guarantor Required Ratings.	The Maintenance Reserve Account shall be credited by the Fallback Sub-Maintenance Coordinator within: (a) three (3) Business Days of the occurrence of a Maintenance Reserve Trigger Event which is an Insolvency Event with respect to the Fallback Sub-Maintenance Coordinator; (b) fourteen (14) calendar days of the occurrence of a Maintenance Reserve Trigger Event which is continuing because both (i) the Fallback Sub-Maintenance Coordinator ceases to have the Fallback Sub-Maintenance Coordinator Required Ratings and (ii) the Sub-Maintenance Reserve Guarantor (or Replacement Maintenance Reserve Guarantor as the case may be) ceases to have the Maintenance

Nature of Trigger / Required Ratings	**Description of Trigger / Required Ratings**	**Consequence of Trigger**
		Reserve Guarantor Required Ratings; or (c) thirty (30) calendar days of the occurrence of any other Maintenance Reserve Trigger Event which is continuing.
Sale Trigger Event	"**Sale Trigger Event**" means the occurrence of any of the following events: (a) Arval, in any material respect, (i) fails to observe or perform any of its covenants and obligations under or pursuant to the Receivables Servicing Agreement; or (ii) breaches any term of the Receivables Servicing Agreement or any other Transaction Document to which it is a party, unless cured within five (5) Business Days after being notified or becoming aware of such failure or breach; (b) an Insolvency Event, or any event which with the giving of notice, lapse of time, making of any determination or any combination thereof would constitute an Insolvency Event in respect of Arval; (c) any Financial Indebtedness of Arval is not paid when due nor within any originally applicable grace period (and where there is no such grace period, subject to a cure period of three (3) Business Days in respect of any such Financial Indebtedness incurred due to failure to make a payment due to an administrative or technical issue) or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); (d) any commitment for any Financial Indebtedness of Arval is cancelled or suspended by a creditor as a	Maintenance Lease Services Amounts The Seller must sell to the Issuer all of its rights, title, interest and benefit to receive payment of all Maintenance Lease Services Amounts relating to the Lease Receivables comprised in the Portfolio, on the basis that Arval will assume its obligations as Fallback Sub-Maintenance Coordinator as from such event and the Issuer will assume its maintenance obligations as the Fallback Maintenance Coordinator. As from the occurrence of a Sale Trigger Event, the Fallback Sub-Maintenance Coordinator undertakes to credit on each Collections Transfer Date the General Account with the Maintenance Lease Services Collections relating to the Lease Receivables comprised in the Portfolio. These will form part of the Available Distribution Amount which will be applied by the Issuer on each Payment Date (in accordance with the applicable Priority of Payments), but only to pay the amount referred to in item (a) of the Normal Amortisation Period Priority of Payments and item (a) of the Accelerated Amortisation Period Priority of Payments, as applicable; any surplus shall not form part of the Available Distribution Amount and shall be transferred to the Seller outside the applicable Priority of Payments. As from the occurrence of a Sale Trigger Event, the Fallback Maintenance Coordinator expressly authorises: (a) any Substitute Fallback Sub-Maintenance Coordinator appointed under the Fallback Sub-Maintenance Coordinator Agreement; and (b) in respect of a Sale Trigger Event that is an Insolvency Event and as from the notification of the assignment of the Portfolio to the relevant Lessees in accordance with the provisions of the Receivables Purchase Agreement, the Issuer, to collect the Maintenance Lease

Nature of Trigger / Required Ratings	**Description of Trigger / Required Ratings**	**Consequence of Trigger**
	result of an event of default (however described); (e) any creditor of Arval becomes entitled to declare any Financial Indebtedness of Arval due and payable prior to its specified maturity as a result of an event of default (however described); (f) any floating charge granted by Arval to any other person (whether permitted by the Transaction Documents or not) crystallises for any reason whatsoever; (g) the Crystallisation Threshold is reached; or (h) the rating of Arval Company Group (or if Arval Company Group is not assigned any such ratings, the Majority Shareholder) falls below the Sale Required Ratings. No Sale Trigger Event will occur if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (c) to (e) above is less than £10,000,000 (or its equivalent in any other currency or currencies).	Services Collections directly from the Lessees in order to apply such sums to the satisfaction of its payment obligations towards the Issuer under the Fallback Sub-Maintenance Coordinator Agreement. The Issuer shall, and shall procure that any such Maintenance Lease Services Collections directly collected from the Lessees shall accordingly be credited to the General Account to the satisfaction of the Fallback Maintenance Coordinator's obligations under the Fallback Sub-Maintenance Coordinator Agreement. <u>RV Claims</u> The Seller must sell to the Issuer all of its rights, title, interest and benefit to the RV Claims relating to the Lease Receivables comprised in the Portfolio. Following this, the Issuer agrees to pay to the Seller, on each Payment Date outside the applicable Priority of Payments, as RV Deferred Purchase Price an amount by which Total Vehicle Sale Proceeds exceed the aggregate Issuer Share Vehicle Sale Proceeds relating to the Lease Receivables on each Payment Date after which the Issuer receives such RV Claims. <u>VAT Receivable</u> The Seller must sell to the Issuer all of its rights, title, interest and benefit to the VAT Receivables relating to the Lease Receivables comprised in the Portfolio.
Maintenance Reserve Guarantor	The Maintenance Reserve Guarantor is required to have the Maintenance Reserve Guarantor Required Ratings.	If the Maintenance Reserve Guarantor ceases to have the Maintenance Reserve Guarantor Required Ratings, then (i) the Fallback Sub-Maintenance Coordinator shall credit the Maintenance Reserve Advance to the Maintenance Reserve Account up to the Maintenance Reserve Required Amount within fourteen (14) days from the loss of the Maintenance Reserve Guarantor Required Ratings and (ii) the Maintenance Reserve Guarantor shall use its best efforts to procure, within thirty (30) days from the loss of the Maintenance Reserve Guarantor Required Ratings, for the appointment of another person having at least the

Nature of Trigger / Required Ratings	**Description of Trigger / Required Ratings**	**Consequence of Trigger**
		Maintenance Reserve Guarantor Required Ratings as Replacement Maintenance Reserve Guarantor under a Replacement Maintenance Reserve Guarantee. Immediately following (i) the funding of the Maintenance Reserve Advance up to the Maintenance Reserve Required Amount and (ii) a Replacement Maintenance Reserve Guarantor having entered into a Replacement Maintenance Reserve Guarantee, the Maintenance Reserve Guarantor will be released from any liability (including any present or future and whether actual or contingent liability) under the Maintenance Reserve Guarantee.
Servicer Termination Events	"**Servicer Termination Event**" means the occurrence of any of the following events: (a) the Servicer fails to pay any amount due under the Receivables Servicing Agreement or make any Advance required pursuant to the Reserve Loan Agreement on the due date or on demand, if so payable, or to direct the Account Bank in respect of such amount, and such failure has continued unremedied for a period of five (5) Business Days (or thirty (30) calendar days if the breach is due to *force majeure* or technical reasons); or (b) without prejudice to paragraph (a) above, the Servicer in any material respect (i) fails to observe or perform any of its covenants and obligations under or pursuant to the Receivables Servicing Agreement or (ii) breaches any term of the Receivables Servicing Agreement or any other Transaction Document to which it is a party and such failure continues unremedied for a period of five (5) Business Days (or fifteen (15) calendar days if the breach is	Ability of the Issuer or the Issuer Security Trustee to terminate the appointment of Servicer. If the Servicer has not procured for the appointment of a Back-Up Servicer within ninety (90) calendar days following the occurrence of a Downgrade Event and provided that no Servicer Termination Event has occurred, the Back-Up Servicer Facilitator shall use all reasonable endeavours to identify and approach any potential Suitable Entity to act as Back-Up Servicer. Following the selection by the Back-Up Servicer Facilitator of a Suitable Entity to act as Back-Up Servicer, the Issuer will appoint such entity to act as Back-Up Servicer, provided that such person shall stand by until it is notified by the Issuer of a Servicer Termination Event. Upon the occurrence of a Servicer Termination Event, the Issuer or the Issuer Security Trustee shall: forthwith activate the Back-Up Servicer if such Back-Up Servicer has already been appointed following the occurrence of a Downgrade Event; or if the Servicer has not procured for the appointment of a Back-Up Servicer, (i) within thirty (30) calendar days following the occurrence of the Servicer Termination Event (other than an Insolvency Event of the Servicer) or (ii) upon the occurrence of an Insolvency

Nature of Trigger / Required Ratings	**Description of Trigger / Required Ratings**	**Consequence of Trigger**
	due to *force majeure* or technical reasons) after the earlier of the Servicer becoming aware of such default and written notice of such failure being received by the Servicer from the Issuer or the Issuer Security Trustee (such notice requiring the same to be remedied); or (c) any representation or warranty in the Receivables Purchase Agreement (excluding any Corporate Warranties and Lease Warranties) made on the Closing Date, for the Initial Portfolio, and as at each Additional Portfolio Purchase Date, for any Additional Portfolio, or in any report provided by the Seller or the Servicer, is materially false or incorrect and such inaccuracy, if capable of remedy, is not remedied within five (5) Business Days (or fifteen (15) calendar days if the breach is due to force majeure or technical reasons) of the earlier of the Servicer becoming aware of such default and receipt by the Servicer of a notice from the Issuer or the Issuer Security Trustee requiring the same to be remedied; (d) the occurrence of an Insolvency Event in relation to the Servicer; (e) pursuant to Clause 4.4 (*Comingling Reserve Account*) of the Cash Management Agreement, any failure by the Servicer to credit the Commingling Reserve Account with such amount indicated by the Issuer in writing, which is not remedied by the Servicer within five (5) Business Days (or within thirty (30) calendar days if such breach is due to	Event of the Servicer, appoint another Suitable Entity, to act as Substitute Servicer to take over the tasks of the Servicer under the Receivables Servicing Agreement.

Nature of Trigger / Required Ratings	Description of Trigger / Required Ratings	Consequence of Trigger
	force majeure or technical reasons); or (f) any part of the Collections and, following the occurrence of a Sale Trigger Event, the Maintenance Lease Services Collections, due by the Servicer to the Issuer has not been credited to the General Account in accordance with the terms of the Receivables Servicing Agreement, and such breach was not remedied by the Servicer: (a) within five (5) Business Days after the earlier of the date on which it is aware of such breach and/or receipt of notification in writing to the Servicer by the Issuer to remedy such breach; or (b) thirty (30) calendar days after the earlier of the date on which it is aware of such breach and/or receipt of notification in writing to the Servicer by the Issuer to remedy such breach if the breach is due to force majeure or technical reason.	
Fallback Sub-Maintenance Coordinator Termination Event	"**Fallback Sub-Maintenance Coordinator Termination Event**" means the occurrence of any of the following events: 1. **Breach of obligations** Any breach by the Fallback Sub-Maintenance Coordinator of: (a) any of its material non-monetary obligations under the Fallback Sub-Maintenance Coordinator Agreement and such breach is not remedied by the Fallback Sub-Maintenance Coordinator within: (i) five (5) Business Days; or (ii) thirty (30) calendar days if the breach is	If the Fallback Sub-Maintenance Coordinator has not procured for the appointment of a Back-Up Fallback Sub-Maintenance Coordinator within ninety (90) calendar days of the occurrence of a Downgrade Event (provided no Fallback Sub-Maintenance Coordinator Termination Event has occurred), the Back-Up Fallback Sub-Maintenance Facilitator has undertaken to use all reasonable endeavours to identify and approach any potential Suitable Entity to act as Back-Up Fallback Sub-Maintenance Coordinator to carry out the duties of the Fallback Sub-Maintenance Coordinator on substantially the same terms as those in the Fallback Sub-Maintenance Coordinator Agreement with respect to the Maintenance Lease Services. Following the selection by the Back-Up Fallback Sub-Maintenance Facilitator of a Suitable Entity to act as Back-Up Fallback Sub-Maintenance Coordinator, the Issuer will appoint, such entity as

Nature of Trigger / Required Ratings	**Description of Trigger / Required Ratings**	**Consequence of Trigger**
	due to *force majeure* or technical reasons, after the earlier of the date on which it is aware of such breach and/or receipt of notification in writing to the Fallback Sub-Maintenance Coordinator to remedy such breach; or (b) any of its material monetary obligations under the Fallback Sub-Maintenance Coordinator Agreement (except, in relation to the payment of the Maintenance Reserve Advance, if the Maintenance Reserve Advance has been funded by the Maintenance Reserve Guarantor up to the Maintenance Reserve Required Amount pursuant to the Maintenance Reserve Guarantee) and such breach is not remedied by the Fallback Sub-Maintenance Coordinator within: (i) three (3) Business Days; or (ii) five (5) Business Days if the breach is due to *force majeure* or technical reasons; after the earlier of the date on which it is aware of such breach and/or receipt of notification in writing to the Fallback Sub-Maintenance Coordinator by the Issuer to remedy such breach. 2. **Breach of representations, warranties or undertakings:** Any relevant representation, warranty or undertaking made or given by the Fallback Sub-Maintenance Coordinator in the Fallback Sub-Maintenance Coordinator Agreement is	Back-Up Fallback Sub-Maintenance Coordinator, provided that such person shall stand by until it is notified by the Issuer of the occurrence of a Fallback Sub-Maintenance Coordinator Termination Event and of its activation. Upon the occurrence of a Fallback Sub-Maintenance Coordinator Termination Event: (1) if a Back-Up Fallback Sub-Maintenance Coordinator has been appointed following the occurrence of a Downgrade Event, the Issuer shall forthwith activate such Back-Up Fallback Sub-Maintenance Coordinator to act as Substitute Fallback Sub-Maintenance Coordinator to carry out the duties of the Fallback Sub-Maintenance Coordinator with respect to the Maintenance Lease Services; or (2) if no Back-Up Fallback Sub-Maintenance Coordinator has been appointed following the occurrence of a Downgrade Event, and if the Fallback Sub-Maintenance Coordinator has not procured for the appointment of a Back-Up Fallback Sub-Maintenance Coordinator (i) within thirty (30) calendar days following the occurrence of such Fallback Sub-Maintenance Coordinator Termination Event (other than an Insolvency Event of the Fallback Sub-Maintenance Coordinator) or (ii) upon the occurrence of an Insolvency Event of the Fallback Sub-Maintenance Coordinator, the Back-Up Fallback Sub-Maintenance Facilitator shall use all reasonable endeavours to identify and approach any potential Suitable Entity to act as Substitute Fallback Sub-Maintenance Coordinator; and following the selection by the Back-Up Fallback Sub-Maintenance Facilitator of a Suitable Entity to act as Substitute Fallback Sub-Maintenance Coordinator, the Issuer shall appoint such entity as Substitute Fallback Sub-Maintenance Coordinator in accordance with, and subject to, the provisions of the Fallback Sub-Maintenance Coordinator Agreement. The occurrence of an Insolvency Event with respect to the Fallback Sub-Maintenance Coordinator will automatically entitle the Issuer to enforce the Maintenance Reserve Guarantee.

Nature of Trigger / Required Ratings	**Description of Trigger / Required Ratings**	**Consequence of Trigger**
	materially false or incorrect or has been breached and such breach results in a material adverse effect on the Issuer's ability to make payments in respect of the Class A Notes, and/or the Class B Notes and, where such materially false or incorrect representation or warranty or breached undertaking can be corrected or remedied by the Fallback Sub-Maintenance Coordinator, is not corrected or remedied by the Fallback Sub-Maintenance Coordinator within: (i) five (5) Business Days; or (ii) thirty (30) calendar days if the breach is due to *force majeure* or technical reasons, after the earlier of the date on which it is aware of such misrepresentation or such breach and/or receipt of notification in writing to the Fallback Sub-Maintenance Coordinator by the Issuer to remedy such false or incorrect representation or warranty or breached undertaking.	
	3. The Fallback Sub-Maintenance Coordinator ceases or threatens to cease to carry on a substantial part of its business (save where the Fallback Sub-Maintenance Coordinator certifies by two directors that the same would not result in a Material Adverse Effect) which it now conducts directly or indirectly or the Fallback Sub-Maintenance Coordinator is deemed unable to pay its debts or becomes unable to pay its debts as they fall due or otherwise becomes insolvent.	

Nature of Trigger / Required Ratings	**Description of Trigger / Required Ratings**	**Consequence of Trigger**
	4. It becomes unlawful for the Fallback Sub-Maintenance Coordinator to perform any of the services under the Fallback Sub-Maintenance Coordinator Agreement in any material respect. 5. **Insolvency proceedings and resolution measures:** An Insolvency Event has occurred with respect to the Fallback Sub-Maintenance Coordinator.	
Fallback Sub-Maintenance Coordinator Change of Control	"**Fallback Sub-Maintenance Coordinator Change of Control**" means the circumstance that the Maintenance Reserve Guarantor ceases to own more than fifty percent (50%) of the shareholding of the Fallback Sub-Maintenance Coordinator (whether directly or indirectly).	Following a Fallback Sub-Maintenance Coordinator Change of Control, the Maintenance Reserve Guarantor may procure to find a Replacement Maintenance Reserve Guarantor and the obligations of the Maintenance Reserve Guarantor under the Maintenance Reserve Guarantee will continue until the later of (a) thirty (30) days following a Fallback Sub-Maintenance Coordinator Change of Control; or (b) a Replacement Maintenance Reserve Guarantor having issued a Replacement Maintenance Reserve Guarantee (such date being the Maintenance Reserve Guarantee Cut-Off Date). The Maintenance Reserve Guarantor will be released from any liability (including any present or future and whether actual or contingent liability) under the Maintenance Reserve Guarantee arising after the Maintenance Reserve Guarantee Cut-Off Date.
Lessee Notification Event	"**Lessee Notification Event**" means the occurrence of any of the following events: (a) a Severe Deterioration Event; (b) a Servicer Termination Event; (c) the appointment of a Substitute Servicer pursuant to the Receivables Servicing Agreement;	Upon the occurrence of a Lessee Notification Event, the Issuer (or any agent appointed by it) (i) shall immediately liaise with the Servicer and/or the Substitute Servicer and the Data Protection Agent (or, if applicable, its successor) in order to immediately notify the Lessees of the sale and assignment of the Lease Receivables by the Seller to the Issuer and (ii) may direct (and/or require the Seller to direct) all or any of the Lessees to pay the amounts outstanding in respect of Lease Receivables (which, following the occurrence a Sale Trigger Event, shall include the Maintenance Lease Services Amounts, RV Claims and VAT

Nature of Trigger / Required Ratings	**Description of Trigger / Required Ratings**	**Consequence of Trigger**
	(d) the Insolvency Event of the Fallback Sub-Maintenance Coordinator; and/or (e) a Seller Event of Default.	Receivables) directly to the Issuer, into the General Account or into an account which is specified by the Issuer (or any agent on the Issuer's behalf). See the section entitled "Description of Certain Transaction Documents" for more information.
Automatic Crystallisation Event	"**Automatic Crystallisation Event**" means the occurrence of any of the following events: (a) Arval ceases to carry on all or a substantial part of its business or ceases to be a going concern; (b) Arval stops making payments to its creditors or gives notice to its creditors that it intends to stop payment; (c) the presentation of a petition for the compulsory winding-up of Arval is made; (d) the convening of a meeting for the passing of a resolution for the voluntary winding-up of Arval occurs; (e) the presentation of a petition or application for the making of an administration order in relation to Arval occurs; (f) any person who is entitled to do so giving written notice of its intention to appoint an administrator of Arval or filing such a notice with the court; (g) any floating charge granted by Arval to any other person (whether permitted by the Transaction Documents or not) crystallises for any reason whatsoever; or (h) the Crystallisation Threshold is reached.	The floating charge granted by Arval over the Charged Vehicles will automatically crystallise into a fixed charge (although in respect of assets situated in Scotland the charge will only automatically crystallise upon the occurrence of certain insolvency events in respect of the chargor). Arval shall (i) give to the Arval Security Trustee and the Trustee Agent, on request such information as the Arval Security Trustee or the Trustee Agent, as applicable, may require regarding the Charged Vehicles, including whether they are currently subject of a Lease Agreement and in any event shall provide such information on each day falling three (3) Business Days prior to each Payment Date; (ii) give to the Arval Security Trustee and the Trustee Agent such information as it may require regarding certain realisation considerations set out in the Arval Deed of Charge; (iii) not enter into any leasing, sub-leasing or similar arrangement with respect to Charged Vehicles; and (iv) not dispose of or deal with any Charged Vehicle without the prior consent of the Trustee Agent acting on behalf of the Arval Security Trustee.
Swap Counterparty Ratings Trigger	"**Swap Counterparty Ratings Trigger**" means: (a) Collateral Trigger: The Swap Counterparty, or any	The Swap Counterparty must provide collateral within thirty 30 Business Days (to the extent required depending on the

Nature of Trigger / Required Ratings	**Description of Trigger / Required Ratings**	**Consequence of Trigger**
	additional guarantor, must satisfy the following requirements: it has a long-term counterparty risk assessment from Moody's of "Baa1(cr)" or above or, if a counterparty risk assessment is not available for such entity, if its long-term, unsecured and unsubordinated debt or counterparty obligations are rated "Baa1" or above by Moody's. (b) Transfer Trigger: The Swap Counterparty, or any additional guarantor, must satisfy the following requirements: it has a long-term counterparty risk assessment from Moody's of "Baa3(cr)" or above or, if a counterparty risk assessment is not available for such entity, if its long-term, unsecured and unsubordinated debt or counterparty obligations are rated "Baa3" or above by Moody's.	value of the Interest Rate Swap to each of the parties at such time.) The Issuer may terminate the Swap Agreement if the Swap Counterparty fails to provide collateral in respect of the Swap Agreement in the relevant time period (to the extent the Swap Counterparty is required to do so) and such failure is not remedied on or before the third Business Day after notice of such failure is given to the Swap Counterparty. The Swap Counterparty must use its commercially reasonable efforts either, as soon as reasonably practicable to transfer its obligations in respect of the Interest Rate Swap to an entity that is eligible to be an Swap Counterparty under the Moody's criteria or obtain a guarantee in respect of its obligations under the Interest Rate Swap from an entity with at least the relevant Moody's subsequent required ratings. The Issuer may terminate the Swap Agreement if the Swap Counterparty either: (a) fails to use its commercially reasonable efforts to take the relevant actions described above; or (b) either: (i) at least thirty (30) Business Days have elapsed since the Swap Counterparty last had the Moody's Collateral Trigger required ratings, or (ii) at least thirty (30) Business Days have elapsed since the Swap Counterparty last had the Moody's Transfer Trigger required ratings and, among other things, an offer has been made by a third party that is able to assume the obligations in respect of the Swap Agreement of the Swap Counterparty.
	(c) Collateral Trigger: A Long-Term DBRS Rating of at least "A" by DBRS,	Subject to the terms of the Swap Agreement, the consequence of breach is that the Swap Counterparty will be obliged to (a) post collateral and may (b) (i) procure a transfer to a DBRS Eligible Counterparty of its obligations under the Swap Agreement or (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Swap Agreement or (iii) take such other action as required to maintain or restore the rating of the Class A Notes by DBRS.

Nature of Trigger / Required Ratings	**Description of Trigger / Required Ratings**	**Consequence of Trigger**
	(d) Transfer Trigger: A Long-Term DBRS Rating of at least "**BBB**".	Subject to the terms of the Swap Agreement, the consequence of breach is that the Swap Counterparty will be obliged to: (a) post or continue to post collateral; and also to (b) use commercially reasonable efforts to take one of the following actions: (i) to procure a transfer to an DBRS Eligible Counterparty of its obligations under the Swap Agreement; (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Swap Agreement; or (iii) take such other action as required to maintain or restore the rating of the Class A Notes by DBRS.
Account Bank Minimum Required Ratings	"**Account Bank Minimum Required Ratings**" means ratings of at least (i) a COR of at least A (high) by DBRS, or if a COR from DBRS is not available, a long-term, senior, unsecured debt rating of A by DBRS (either by way of a public rating or, in its absence, by way of a private rating supplied by DBRS), provided that if the Account Bank is not rated by DBRS, a DBRS Equivalent Rating at least equal to A by DBRS; and (iii) a long term bank deposit rating of at least A2 by Moody's; or, failing which, in each case, such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then rating of the Class A Notes.	The consequences of breach are that the Account Bank's appointment may be terminated by the Issuer (such termination being effective on a replacement account bank being appointed by the Issuer) The Cash Manager and the Issuer shall within thirty (30) calendar days of the downgrade of the Account Bank below the minimum ratings required to be an Eligible Bank use commercially reasonable efforts to appoint a replacement financial institution or institutions which is an Eligible Bank as Account Bank.
	The consequences of the relevant triggers being breached are set out in more detail in "Description of Certain Transaction Documents".	

REGULATORY REQUIREMENTS

General

Arval, as originator will retain a material net economic interest of not less than five per cent. (5%) in the securitisation as required by SECN 5.2.1R of the FCA Risk Retention Rules and Article 6(1) of the EU Securitisation Regulation (which does not take into account any relevant national measures). As at the Closing Date and while any of the Notes remain outstanding, such interest will be comprised of an interest in the Class B Note in accordance with SECN 5.2.8R(1)(d) of the FCA Risk Retention Rules. Any change to the manner in which such interest is held will be notified to Noteholders.

Arval has provided a corresponding undertaking with respect to the interest to be retained by it to the Lead Manager in the Subscription Agreement.

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

The Lease Receivables in the Portfolio are homogeneous for purposes of SECN 2.2.9R(1) and SECN 2.4 of the UK STS Rules, on the basis that all Lease Receivables in the Portfolio: (i) have been underwritten by Arval in accordance with similar underwriting standards applying similar approaches with respect to the assessment of a potential Lessee's credit risk (as described in the Section titled "Characteristics of the Portfolio – 2. Seller's ORIGINATION AND UNDERWRITING Procedures" (ii) are auto leases entered into substantially on the terms of similar standard documentation; (iii) are serviced by the Servicer pursuant to the servicing agreement in accordance with similar servicing procedures with respect to monitoring, collecting and administering cash receivables of the Seller (as described in the Section titled "Characteristics of the Portfolio" – "3. SELLER'S SERVICING PROCEDURES"); and (iv) form one asset type, being that of auto loans and leases (iv) are homogeneous with reference to the homogeneity factor set out in SECN 2.4.2R(4)(b), which is that the Lessees are either resident or incorporated in the same jurisdiction.

As detailed in Section "CHARACTERISTICS OF THE PORTFOLIO – 2. Seller's ORIGINATION AND UNDERWRITING Procedures" of the Prospectus, the exposures are all underwritten in accordance with Arval's credit policy, which key underlying principles are fundamentally similar for all customers (whether business or individuals), including golden rules that all customers must meet, such as UK residency/registration and UK bank accounts (with very limited exceptions), no indicators of insolvency/bankruptcy. Similar exclusions and restrictions also apply to all customers (for example, know your customer ("KYC") requirements, no taxi or chauffeurs, no sub-hire, sanctions checks, ESG considerations, type of vehicle). Arval's Expert System is utilised in the approval process in all cases, with slight differences between business customers and private individuals being primarily dependent on customer type, and size of exposure and regulatory requirements.

As detailed in Section "CHARACTERISTICS OF THE PORTFOLIO – 3. SELLER'S SERVICING PROCEDURES" of the Prospectus, the exposures are all serviced in accordance with equivalent procedures for monitoring, collecting and administering of cash receivables. All customers in the pool, whether business or individuals, are invoiced monthly and pay by direct debit; the rejection of a direct debit or an invoice that is still unpaid one day after the due date is considered past due. At that point for all customers the soft collections process commences and ends upon payment of the overdue amount, when the file is sent to external lawyers to commence legal proceedings or when the debt is written off. Arval is alert to changes in a customer's credit across all segments, for example non-payment of invoices. For all customers, Credit is notified if a risk of insolvency is detected and collectors are watchful for external fraud across all customer segments. There is a centralised Collections team, with different sub-teams due to specialist requirements in managing the different types of debt. All Collections personnel report to the Head of Collections and fall within the remit of the Credit Risk and Provisioning Committee.

Arval confirms that it has applied to the Lease Receivables which will be transferred by it to the Issuer the same sound and well-defined criteria for credit-granting in accordance with the UK Credit-Granting Rules which it applies to non-securitised Lease Receivables. In particular, Arval has:

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

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

Any material change to the Origination and Underwriting Procedures or Servicing Procedures after the date of this Prospectus which would affect the homogeneity (as determined in accordance with SECN 2.2.9R(1) and SECN 2.4 of the UK STS Rules) of the Lease Receivables comprising the Portfolio or which would materially affect the overall credit risk or the expected average performance of the Portfolio will (to the extent such change affects the Lease Receivables included in the Portfolio) be disclosed (along with explanation of the rationale for such changes being made) to investors by the Seller without undue delay.

The Seller's rights and obligations to sell Lease Receivables to the Issuer and/or repurchase Lease Receivables from the Issuer pursuant to the Receivables Purchase Agreement, do not constitute active portfolio management for purposes of SECN 2.2.8R of the UK STS Rules.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above and in this Prospectus generally for the purposes of complying with the UK Due Diligence Rules and Article 5 of the EU Securitisation Regulation and any national measures which may be relevant and none of the Issuer, Arval (in its capacity as the Seller) nor the Arranger or any Lead Manager makes any representation that the information described above or in the Prospectus is sufficient in all circumstances for such purposes.

For further information on the requirements referred to above and below in this section "Regulatory Requirements" and the corresponding risks, please refer to the Risk Factors entitled "Regulatory treatment of ABS (including Basel III and risk retention)" and "Non-compliance with the UK Securitisation Framework and the EU Securitisation Regulation, as applicable, may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity of the Notes".

Reporting

Designation

For the purposes of the FCA Transparency Rules and in accordance with SECN 6.3.1R of the FCA Transparency Rules, the Issuer has been designated as the entity to fulfil the requirements of the FCA Transparency Rules and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf. The Issuer shall comply with the disclosure obligations imposed on originators under the FCA Transparency Rules provided that the Issuer will not be in breach of such undertaking if it fails to so comply due to events, actions or circumstances beyond its control after having used reasonable efforts to comply with the relevant requirements applicable to it under the UK Securitisation Framework.

The Seller, as originator, is responsible for compliance with SECN 2.2.29R and 6.3.1R in respect of the FCA Transparency Rules.

Reporting under the UK Securitisation Framework

The Reporting Entity will:

(a) publish a monthly investor report as required by and in accordance with SECN 6.2.1R(5) of the FCA Transparency Rules no later than one month following the due date for the payment of interest, which shall be provided and contain the information required by SECN 11 Annex 12R (the "**UK Investor Report**") and simultaneously with the publication of the information under paragraph (b) below. For the avoidance of doubt, such reporting shall include any change in the Priority of Payment which will materially affect the repayment of the Notes without undue delay;

(b) publish on a monthly basis certain loan-by-loan information in relation to the Portfolio in respect of the relevant Collection Period as required by and in accordance with SECN 6.2.1R(1) of the FCA Transparency Rules and SECN 11 Annex 5R (no later than one month following the due date for the payment of interest and simultaneously with the publication of the report under

paragraph (a) above, which shall be provided in the form of the standardised template set out in SECN 11 Annex 5R;

(c) publish any information required to be reported pursuant to SECN 6.2.1R(6) and SECN 6.2.1R(7) (as applicable) of the FCA Transparency Rules without delay, which shall be provided in the form of accordance with SECN 11 Annex 14R); and

(d) as required by SECN 6.2.1R(4) (i) make available copies of the UK STS Notification to investors, and in the case of primary market investments: (1) before pricing or commitment to invest in draft or initial form; (2) no later than 15 days after closing of the transaction in final form; and (3) an updated version as soon as practicable following any material change (in each case prepared in accordance with the SECN 2.5, SECN 2.6 and SECN 2.7), the Transaction Documents and this Prospectus.

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

Separately, it should be noted that the information required under SECN 2.2.25, SECN 2.2.27 and 2.2.28 (inclusive) of the UK STS Rules will be made available by the Seller before pricing or original commitment to invest, and the information required under SECN 2.2.27 will be made available by the Seller to investors and potential investors on request. In accordance with SECN 2.2.29, before pricing or original commitment to invest, the following information will be made available by the Seller: (i) information required by SECN 6.2.1R(1) of the FCA Transparency Rules and (ii) at least in draft or initial form, information required by SECN 6.2.1R(2) to (4) (inclusive) of the FCA Transparency Rules. The final documentation will be made available to investors at the latest 15 days after the Closing Date.

The above undertakings are subject always to any requirement of law, and provided that: (i) the Reporting Entity will not be in breach of such undertaking if the Reporting Entity fails to so comply, having used its reasonable efforts, due to events, actions or circumstances beyond the Reporting Entity's control; and (ii) the Reporting Entity is only required to do so to the extent that the disclosure requirements under the FCA Risk Retention R remain in effect.

Pursuant to SECN 2.5.1 of the UK STS Rules, the Seller acknowledges that notwithstanding the designation of the Issuer as UK Reporting Entity, the Seller shall be responsible for the compliance with FCA Risk Retention Requirements.

Reporting under the EU Securitisation Regulation

In addition to the above, the Reporting Entity undertakes to comply with the transparency requirements of Article 7 of the EU Securitisation Regulation.

The Reporting Entity will procure that the Reporting Agent shall:

(a) publish a monthly investor report as required by and in accordance with Article 7(1)(e) of the EU Securitisation Regulation and the EU Article 7 Technical Standards no later than one month following the due date for the payment of interest, which shall be provided and contain the information required by Annex XII of the EU Article 7 Technical Standards (the "**EU Investor Report**" and together with the UK Investor Report, an "**Investor Report**") and simultaneously with the publication of the information under paragraph (b) above. For the avoidance of doubt, such reporting shall include any change in the Priority of Payment which will materially affect the repayment of the Notes without undue delay;

(b) publish on a monthly basis certain loan-by-loan information in relation to the Portfolio in respect of the relevant Collection Period as required by and in accordance with Article 7(1)(a) of the EU Securitisation Regulation and the EU Article 7 Technical Standards no later than one month following the due date for the payment of interest and simultaneously with the publication of the report under paragraph (a) above, which shall be provided in the form of the standardised template set out in Annex V of the EU Article 7 Technical Standards; and

(c) publish any information required to be reported pursuant to Articles 7(1)(f) or 7(1)(g) (as applicable) of the EU Securitisation Regulation without delay, which shall be provided in the form of the standardised template set out in the EU Article 7 Technical Standards.

The Reporting Entity undertakes that it will procure that the information referred to above is made available to the Noteholders, any competent authority and, upon request, to potential investors in the Notes on the website of European Data Warehouse at https://editor.eurodw.eu.

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

UK Due Diligence Rules and EU Securitisation Regulation

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

Please also see the sections of this Prospectus entitled "Key Portfolio Characteristics" and "*Historical Performance Data*

Monthly reporting

Each of the Fallback Sub-Maintenance Coordinator and the Servicer has agreed under the Transaction Documents to provide such information as required by the Servicer and/or the Reporting Agent and/or the Cash Manager to prepare any Investor Report and/or Monthly Management Report.

Cashflow model

For the purpose of compliance with SECN 2.2.27R the Issuer shall make available on Intex and Bloomberg a cash flow model, either directly or indirectly through one or more entities which provide such cash flow models to investors generally. The Issuer shall procure that such cash flow model (i) precisely represents the contractual relationship between the Lease Receivables and the payments flowing between the Seller, investors in the Notes, other third parties and the Issuer, and (ii) is made available to investors in the Notes before pricing of the Notes and on an ongoing basis and to potential investors in the Notes upon request.

Environmental Performance Reporting

For the purpose of compliance with SECN 2.2.28R of the UK STS Rules and Article 22(4) of the EU Securitisation Regulation, the Servicer confirms that it will publish information on the environmental performance of the Leased Vehicles relating to the Lease Receivables to be reported pursuant to SECN 2.2.28R of the UK STS Rules (before pricing or original commitment to invest and on an ongoing basis as part of the information disclosed pursuant to SECN 6.2.1 R(1) of the FCA Transparency Rules to be made available to investors after closing of the transaction) and Article 22(4) of the EU Securitisation Regulation on the Closing Date and on an ongoing basis as part of the information disclosed pursuant to SECN 6.2.1 R(1) of the FCA Transparency Rules and part (a) of Article 7(1) of the EU Securitisation Regulation.

CONSUMER CREDIT REGULATION IN THE UK

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

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

A Lease Agreement will be a regulated consumer hire agreement if it is a 'consumer hire agreement' which is not an 'exempt agreement' as described in article 60N of the RAO. A Lease Agreement will be a consumer hire agreement if the Seller hires goods, i.e. a Leased Vehicle, to an individual or relevant recipient of credit for the bailment or, in Scotland, the hiring, of goods to the hirer so long as the Lease Agreement is not a hire purchase agreement and is capable of subsisting for three months. 'Individual' carries its literal meaning of 'natural person' and 'relevant recipient of credit' extends to partnerships of two to three partners and certain unincorporated associates.

The FSMA requires a person who carries on certain regulated activities in respect of regulated consumer hire agreements to be authorised or properly exempt. Arval, as the Servicer of the Regulated Lease Agreements, holds Part 4A permission from the FCA for its regulated activities relating to the Lease Agreements. A person holding Part 4A permission from the FCA is an FCA authorised person for the purposes described in paragraph (b)(i) below. In addition to its licensing obligations, the FCA has been responsible for supervising the FSMA conduct of business regime for such regulated agreements since it took over from the Office of Fair Trading from 1 April 2014, with various conduct of business rules set out in its Consumer Credit sourcebook ("**CONC**"). The Consumer Credit Act 1974 (the "**CCA**") also contains conduct of business rules relating to matters such as prescribed form and content requirements for regulated agreements (also described in more detail below).

The Lease Receivables have been originated by the Seller as a mixture of Regulated Lease Agreements and unregulated lease agreements. All of the agreements under which the Lease Receivables are due are Operating Lease Agreements. None of the Lease Receivables are regulated credit agreements.

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

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

A Lease Agreement entered into with a consumer might be subject to cancellation rights provided under the Information Regulations. A Regulated Lease Agreement may be cancellable under section 67 of the CCA where pre-contract discussions include oral representations made when in the physical presence of the Lessee by a person acting as, or on behalf of, the "negotiator" as defined in the CCA, and the Lessee signed the agreement away from certain business premises. The Lessee may send notice of cancellation under the CCA at any time during the five days starting with the day after he or she received the last notice of cancellation rights when properly given. If the Lessee cancels a Regulated Lease Agreement under the CCA, then he is entitled to recover his past payments. In practice, due to the way these agreements are entered into by the Seller it is highly unlikely that they will be cancellable under section 67 of the CCA.

(b) **Regulated Lease Agreements might be unenforceable**

Any Regulated Lease Agreement has to comply with requirements under the CCA or FSMA (as applicable) as to authorisation of the Seller and any intermediary acting as

a credit broker, documentation and procedures for entering into agreements and (in so far as applicable) pre-contract disclosure. If it does not comply with those requirements, then to the extent that the agreement is regulated by the CCA or treated as such, it is unenforceable against the Lessee:

(i) without an order of the court (in relation to regulated consumer hire agreements), if the Seller or any dealer or other credit broker does not hold the required authorisation/ Part 4A permission at the relevant time; or

(ii) without a court order in other cases where there has been a failure to comply with the documentation and procedures for entering into a Regulated Lease Agreement as set out in the CCA and the relevant secondary legislation and, in exercising its discretion whether to make the order, the court would take into account any prejudice suffered by the Lessee and any culpability of the Seller.

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

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

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

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

(c) **Termination by Seller**

The Seller has the right to terminate the Regulated Lease Agreement in the event of an unremedied breach of agreement by the Lessee. In such cases the Seller is entitled to repossess the Leased Vehicle. The court may impose conditions.

If the Seller was to repossess a Leased Vehicle or to obtain an order for its delivery, there remains a risk that the court would exercise its power under section 132 of the CCA (as set out under risk factor "Lease Agreements regulated by the Financial Services and Markets Act 2000 and the Consumer Credit Act 1974

" above). Further the court has an inherent equitable jurisdiction to grant the Lessee relief against forfeiture. This applies in cases where it would be harsh and unconscionable for the owner to refuse the Lessee an opportunity to tender late performance. The Lessee would have to apply promptly for relief and prove that he can within a reasonable time discharge arrears and remedy other breaches.

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

(d) **Time Orders**

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

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

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

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

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

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

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

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

which it depends. The CRA also applies substantially the same test of fairness to consumer notices and generally refers to term and notices interchangeably.

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

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

Where a term in a consumer contract is susceptible of multiple different meanings, the meaning most favourable to the consumer will prevail.

The provisions in the CRA governing unfair contractual terms and implied terms as to title, description and quality or fitness of the goods apply in respect of contracts entered into on or after 1 October 2015.

(b) **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 can be made to existing consumer protection legislation – including the CRA – 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. Reforms are being implemented in legislation, including the DMCCA. The reforms include changes to the CPUTR (see "Lease Agreements regulated by FSMA and CCA and within scope of consumer legislation"). 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.

(c) **The Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013**

The Information Regulations provide for consumers to receive pre-Contract information and enjoy cancellation rights in respect of certain non-financial services contracts (such as Regulated Lease Agreements) which are executed at a distance or off-premises. The Information Regulations provide for the consumer to send notice of cancellation at any time during the 14 days starting with the day after the agreement is made or, if later, the consumer received the last of the prescribed information. These cancellation rights are not restricted in application to Regulated Lease Agreements and may apply to any Lease Agreement where the Lessee is a consumer.

If the Lessee cancels the Lease Agreement, under the Information Regulations then he is entitled to recover his past payments under the agreement, and is liable to pay

charges if proportionate and disclosed as payable for a cancelled agreement, and if with the Lessee's consent performance started before the cancellation period expired.

CHARACTERISTICS OF THE PORTFOLIO

The descriptions under paragraphs 1 (General), 2 (Seller's Origination and Underwriting Procedures) and 3 (Seller's Servicing Procedures) below are a summary of, and are based on, certain template documents and procedures of Arval.

1. GENERAL

Lease Agreements are offered by the Seller to Corporate Lessees and Retail Lessees.

Corporate Lessees are relationship managed by the Seller's Corporate sales division, and most typically the lessees have entered into or intend to enter into ten (10) or more lease agreements with the Seller.

Retail Lessees are managed by the Seller's Retail sales division. They can be Business Lessees, Regulated Business Lessees or Regulated Individual Lessees.

(a) Business Lessees have most typically entered into or intend to enter into less than ten (10) lease agreements, or they have been introduced to the Seller by an intermediary.

(b) Regulated Business Lessees are customers that enter into regulated Business Contract Hire agreements, typically sole traders.

(c) Regulated Individual Lessees are natural persons that enter into regulated Personal Contract Hire agreements for their personal use.

On the Closing Date, the Class A Notes and the Class B Notes issued by the Issuer will be 100% collateralised by the Portfolio of Purchased Receivables.

2. SELLER'S ORIGINATION AND UNDERWRITING PROCEDURES

2.1 Credit risk procedures

General

The Seller's credit risk policy sets out the internal guidelines for the acceptance of clients or new business and the approval of credit limits. The purpose of the policy is two-fold: to achieve an optimal balance between risk and return when accepting new business, and to ensure a responsible approach to lending through lender-focused credit worthiness and customer-focused affordability assessments (i.e. an assessment of the customer's ability to make payment of the monthly rentals and sustain this throughout the duration of the lease).

The Seller's credit risk policy is detailed under a number of sub-policies which cover all customer types and aspects of its credit approval process. They set out how the Seller checks the credit worthiness of a customer and assesses affordability, determined by the type of customer, the type of product and the size of the required credit limit. The sub-policies are adapted to the Seller's business model, local practices and regulations, and the Seller ensures that, at all times, its credit policy and business activities remain compliant with the credit risk guidelines issued by the Arval Company Group.

The key principles underlying the Seller's credit policy is fundamentally similar for all customers, including golden rules that customers must meet, such as UK residency/registration and UK bank accounts (with very limited exceptions), no indicators of insolvency/bankruptcy, and for businesses, a trading history. Exclusions and restrictions take into account factors such as the proposed use of the vehicle, know your customer ("**KYC**") requirements, no sub-hire, sanctions checks, ESG considerations (e.g. checks of industry / sector in line with Arval and BNP Paribas group sustainability policies, and more comprehensive checks for select customers), type of vehicle, and for business customers, industry sector.

The Seller's credit risk department sets out the procedures, validates the process as a whole and also has a role in reviewing larger or more complex credit proposals.

2.2 **Credit Assessment Process**

Origination

The Seller uses the *Plateforme de Risque de Crédit* tool ("**PRC**"), an Arval Company Group tool, for the receipt, review and centralising the decisioning of credit proposals. Links between PRC and the Seller's core lease system, credit reference agency and BNP Paribas' client repositories mean information is automatically inserted in a credit request, and the customer is then passed through a series of credit and for new customers, fraud rules.

The Seller's credit risk decision process relies on a dedicated, specialised and automated system ("**Expert System**"). The Seller's Expert System generates the internal rating (where applicable) using (i) internal rating score bands (according to the following colour code: refusal = red, referral to analyst = orange, approval = green) and (ii) rules defined jointly between the sales department and the credit risk department (fraud and credit risk related).

The Expert System then sends an automated acceptance, decline or refer decision. Applications for prestige vehicles above a defined threshold are always referred.

The Seller's direct sales teams and sales intermediaries maintain the relationship with existing and prospective clients at initiation and throughout the credit process. They are responsible for obtaining credit application/proposal information from the customer. The automated process is triggered by such intermediary or Seller’s internal sales person submitting a credit proposal through the Seller’s systems.

Primary responsibility for the approval process sits with the Seller's credit onboarding team.

Credit checks are required for new customers, as well as any request to renew or increase an existing credit limit. A referral to the onboarding department is also required if a credit event affects a Lessee, for example if there is a change in the ownership of the customer or the customer is in financial difficulties.

If the sales team wish to act contrary to the recommendations of the onboarding team or credit team, e.g. to approve a credit carrying a decline recommendation, the decision is escalated to a higher delegation. Escalations and unusual requests are referred to the Arval UK Credit Risk and Provisioning Committee, which is attended, amongst others, by the managing director, chief risk officer and sales directors. Material credit cases may also be escalated to the Arval Credit Risk and Provisioning Committee.

Where there is an amendment to an existing Lease Agreement, for example, an extension or a change in the services provided, there is no new credit check, except when the solvency of the customer has significantly deteriorated (for example if the Seller is made aware through credit reference agency alerts), there are unpaid invoices or the previous credit check on the customer led to a refusal of credit proposal.

The validity of credit limits for Corporate Lessees is maximum 1 year and for Retail Lessees 3 months). For customers with limits of over £500,000, the credit assessment is refreshed annually, unless an exceptional approval is given for an extension. For customers with limits of £500,000 and under, after validity of the credit limit expires, no new order or renewal can be made.

As part of its underwriting process, the Seller uses data from a credit reference agency for all new business or increases in credit, in conjunction with information provided by the customer and, where accessible, from the Seller’s internal systems and from BNP Paribas if there is an existing relationship. The credit reference agency used is Experian; for credit checking of Regulated Lessees, Equifax is also used. Credit limits in all cases are calculated based on the type of product.

The process that is followed depends on the amounts of the credit and the customer rating (if applicable). This also establishes the delegation, effectively, who is authorised to approve the credit proposal.

All Corporate Lessees and Business Lessees established as limited companies or LLPs are rated, as per the following rules:

- If the customer has an existing internal BNP Paribas rating, then (subject to limited exceptions) that rating must be used.

- Otherwise, for credit limits up to £500,000, the rating generated by the Expert System is used; for credits over £500,000 an internal rating using an agreed BNPP rating model is generated.

The rating is recommended by the credit onboarding team and validated by the credit risk team when the limit falls outside the onboarding team's delegation.

Delegations given to a decision-making level depend on the total exposure to the customer/the customer group including the credit request, customer rating, asset characteristics, presence on watch-list and other specificities listed in the Seller's credit policy (for example, sensitive or forbidden activities or non-standard vehicles).

All Corporate Lessees, Business Lessees and Regulated Business Lessees with credit limits up to and including £250,000 fall within the automated credit decisioning process within the Expert System.

For (i) Corporate Lessees, Business Lessees and Regulated Business Lessees with credit above £250,000, and (ii) referrals from the Expert System, the Seller's credit onboarding team prepares the credit analysis, gathering the necessary data; this may include the customer's rating, financial information, customer's group structure, CAIS payment information and CIFAS alerts (which provides access to the national fraud database within the Expert System), as well as previous payment history if an existing customer. The onboarding credit analyst will then prepare a recommendation, taking account of the Arval Company Group sustainability policies as well as applicable credit policy. For credits outside their delegation (due to size, complexity or customer rating), the onboarding team will onward refer for recommendation by the credit risk team.

Some approvals are conditional. For example, reduced global exposure, limited validity or a higher initial payment. Very occasionally, a parent company guarantee or cash deposit may be required.

For the credit checking of Regulated Individual Lessees, the Seller has outsourced the Expert System to its sister company, Creation Financial Services Limited, referred to as BNP Paribas Personal Finance ("**BNPP PF**"). BNPP PF is regulated by the FCA and is a market leader in the provision of consumer-based lending products, including credit cards and motor loans.

BNPP PF's automated decision tool uses a motor finance scorecard which meets the FCA's standards. The rules to be applied in the tool have been defined by the Seller (with the advice of BNPP PF) and tailored to meet the Seller's risk appetite for private individuals. The Seller closely oversees the outsource through reporting, meetings, formal controls and back testing. Scorecard changes can be initiated at any time by the Seller, and any scorecard change recommended by BNPP PF needs to be approved by the Seller.

Data collated by the Seller is sent via a system link within PRC to BNPP PF. In addition to the proposal data, BNPP PF obtains customer data from credit reference agencies (both Experian and Equifax), including electoral roll confirmation, bankruptcy, county court judgements, lending history and CIFAS fraud warnings. The affordability assessment is carried out by BNPP PF, and as part of the assessment, verification of the income and debt to income ratio is also obtained. BNPP PF will also consider any vulnerability characteristics of the customer. The Expert System rules are based on the Equifax Risk Navigator score.

BNPP PF sends the automated decision (accept, refer, decline) back to PRC. If referred, a BNPP PF credit underwriter will use the information obtained from the credit reference agency to establish the credit worthiness of the customer. In addition, the Seller will usually ask for additional information (such as proof of identity, address and bank statements) for high value vehicles. If there is an appeal, the final decision is with the Seller.

KYC

KYC is performed by specialist teams in accordance with applicable policies. The information is reviewed with a periodicity or review trigger depending on the level of risk presented by the customer.

Controls

Controls are performed regularly on the credit granting process as well as a review of the evolution of the portfolio by the Credit Risk and Provisioning Committee, which looks at the spread of internal ratings, arrears evolution, top 10 exposures and trends.

The Seller's internal automated decision tools are monitored by risk management to ensure the automated decisions closely reflect expert opinion. Periodic audit checks are also undertaken on a sample of decisions. Scorecards are regularly monitored and changes to the scorecard are subject to a sign-off process.

Key credit risk appetite indicators are also produced periodically and compared with early warning and limit levels. Escalation processes and action plans are defined and launched if risk appetite limits are breached.

Management of alerts

All limited company customers are monitored by Experian, and the Seller has defined bespoke criteria. Experian sends daily alerts related to topics such as insolvency filings, registration of preferential rights, publication of judgements, changes in corporate data such as registered office and downgrade of Experian ratings. These alerts are reviewed by the onboarding team and, when necessary, a credit risk study is then launched and appropriate decisions are taken. Ad hoc alerts are also identified (e.g. from the press).

All customers are assigned an internal score based on the customer's internal rating (if applicable) and with reference to Experian (with 0 indicating the best credit and 2 the worst) and are subject to close monitoring of their payment performance. The collections department will inform the credit risk department of specific situations and/or to consider blocking credit limits. This could be during a Credit Risk and Provisioning Committee or when a concern arises.

2.3 **Contracting procedures**

Lease Agreements are offered by the Seller either in a master hire product, permitting multiple Lease Agreements under a single set of terms and conditions or alternatively, a separate lease incorporating the standard terms and conditions is entered into for each Vehicle.

Under each Lease Agreement, the Seller is entitled to receive a periodic rental until the Lease Agreement terminates as consideration for use of the vehicle and the services provided to the Lessee.

Contractual arrangements

The descriptions below are based on template documents of the Seller. All Regulated Lease Agreements, and Master Services Agreements with Business Lessees, are non-negotiable. The majority of Master Services Agreements with Corporate Lessees are not negotiated.

Some of the Retail business is also sourced through white-label partnerships the Seller has entered into, under which it trades as Honda Contract Hire, Hyundai Contract Hire, Omoda & Jaecoo Contract Hire and MG Fleet Solutions respectively. In such cases, the Seller enters into the Lease Agreements directly with the Lessees, with the terms of those Lease Agreements being identical to those of equivalent Lease Agreements entered into with Lessees which are sourced directly or through other intermediaries.

Corporate Lessees and Business Lessees

A Master Services Agreement is entered into between the Seller and a Corporate Lessee or Business Lessee which establishes the terms and conditions upon which the Seller agrees to lease vehicle(s) to the Corporate Lessee or Business Lessee and for any additional services which the Seller has agreed to provide.

Separate Lease Agreements for each vehicle are concluded pursuant to the Master Services Agreement. The Lease Agreement sets out the details relating to the vehicle, i.e. rental and excess mileage rate, make/model and the Leased Vehicle specifications, term of the lease, contract mileage, rental and relevant services.

International corporate customers may enter into an international framework agreement with the Seller's parent company, Arval Service Lease S.A., which governs cooperation between Arval Company Group companies and the customer's group companies at international level. The international framework agreement may contain commercial terms and conditions that are incorporated into the Master Services Agreement and, where relevant, the underlying Lease Agreements.

Regulated Lessees

Regulated Lessees enter into a separate Regulated Lease Agreement for each vehicle that the Lessee leases from the Seller. The Regulated Lease Agreement sets out the applicable terms and conditions as well as the rental, excess mileage rate, any additional service changes, make, model and specification of the vehicle, as well as the initial term of the Lease Agreement.

Services

For Corporate Lessees and Business Lessees, the Seller offers a wide range of services, the terms of which, if taken up by the Lessee, are described in the Master Services Agreement or relevant Lease Agreement (as applicable), including (but not limited to):

- Service, maintenance and repair (including tyres)
- Breakdown assistance services
- Fines management
- Provision of insured leased vehicles through Arval Total Care
- Accident management
- Downtime management
- Risk management (FleetProtect)
- Motor Insurance Database
- Outsourcing solutions
- Telematics (Arval Connect)
- Facilitation of fuel cards

Facilitation of short-term rental vehicles

For Regulated Lessees, the Seller only offers maintenance and repair (including tyres) and breakdown assistance services, and the Arval Total Care product.

Customers can choose which services they require, and services can be added or removed during the term of the lease.

Calculation and payment of the lease rental

Each Lease Agreement sets out the brand, model and specification of the vehicle selected, the term and contract mileage for the lease and the services subscribed by the Lessee, as well as the rental payable. Some Lease Agreements for larger international customers may also include provision for lease term/mileage and rental combinations within the contractual terms.

The amount of the lease rental payable by the Lessee will depend on factors including the cost of the vehicle, its residual value at the end of the lease, the agreed mileage, the services

contracted and the lease period. The lease rental represents the aggregation of a series of components which reflect each of the different aspects of the Lease Agreement: principal (the cost to the Seller of amortising the leased vehicle to its Residual Value), interest, management fee and administration costs, value added tax, and contracted services. If there is an increase in vehicle tax from the rate in place when the lease agreement is entered into, Arval is entitled to pass on that increase to the customer.

The rental is payable in advance until the vehicle is returned at the end of the lease. If the Lessee retains the vehicle after the end of the contractual term of the Lease Agreement (or the initial term for Regulated Lease Agreements), rentals are then paid in arrears.

Insurance

Pursuant to the Regulated Lease Agreements (for Regulated Lessees) or the Master Services Agreements (for Corporate Lessees and Business Lessees), and unless the vehicle is an insured leased vehicle under the Arval Total Care product, Lessees are under a contractual obligation to take out comprehensive insurance in respect of the vehicle, which provides cover for third party liability and (unless agreed by the Seller for certain Corporate Lessees) for damage to, or Total Loss of, the vehicle regardless of who is at fault.

Where the vehicle is an insured leased vehicle under the Arval Total Care product, the Seller as the owner of the vehicle retains the risk of loss or damage to the vehicle.

For more information on Insurance, see further "Insurance Policies" and "Arval Total Care (**ATC**)" in the section entitled “Risk Factors”.

3. SELLER’S SERVICING PROCEDURES

3.1 Contractual Mileage and Adjustments

Contractual mileage – Excess cost price per mile

At the time the Lessee enters into a Lease Agreement, a mileage allowance is agreed, as well as the cost per mile if the allowance is exceeded.

If, at the end of the Lease Agreement, the mileage of a Leased Vehicle is in excess of the mileage agreed in the Lease Agreement, the excess miles will be invoiced by the Seller to the Lessee. Where a Leased Vehicle is returned before or after the original contract term, the agreed contract mileage allowance is pro-rated and any excess mileage is calculated based on the pro-rata allowance.

The Seller may agree alternative provisions with large and / or strategic customers.

Contract adjustment

For Corporate Lessees and Business Lessees, subject to the terms of the relevant Master Services Agreement, the term or mileage of Lease Agreements can usually be adjusted. For Regulated Lessees, the mileage allowance in a Regulated Lease Agreement can be changed at the customer's request but at the discretion of the Seller.

Following a change in the term or mileage allowance, the future Lease Instalments due under the relevant Lease Agreement are recalculated and adjusted.

With the agreement of the Seller, a Lease Agreement entered into with a Corporate Lessee or Business Lessee can be novated to a third-party lessee. The terms of the Lease Agreement are unchanged.

3.2 End of Lease Agreements

Lease Agreements end either by termination at the end of the contract term or by early termination. In either case, the Leased Vehicle needs to be returned by the Lessee.

Contract term and extensions

For Regulated Lessees, Regulated Lease Agreements have a defined initial term. At the end of the initial term, the Lease Agreement does not terminate, but remains in effect until terminated by notice by either the Seller or the Lessee.

For Corporate Lessees and Business Lessees, Lease Agreements terminate at the end of the agreed contract term. However, a Lease Agreement approaching the end of the contract term can be extended at the request of the Lessee and with the approval of the Seller.

If a Corporate Lessee or Business Lessee continues to use a leased vehicle after the end of the contract term but with no formal contractual amendment or if the leased vehicle is not returned, the use of the vehicle will remain subject to the provisions of the Lease Agreement, and with the understanding that the lease rental will continue to be payable for use of the vehicle.

Early termination of the Lease Agreement

Early termination by the Lessee: by notice

A Lessee may terminate a Lease Agreement provided it complies with any notification requirements set out in the relevant agreement, usually a requirement to give one month's notice, as well as any other contractual obligations.

An early termination amount is payable in accordance with the terms of the relevant agreement if a Regulated Lease Agreement is terminated during the initial term, or an Unregulated Lease Agreement is terminated before the end of the contract term (including any formally extended term). The Lessee must also pay to the Seller any amounts which are payable upon termination (for example, any excess mileage charge) or which are overdue.

The early termination fees are waived for the Seller's Salary Sacrifice Lease Agreement product, in some circumstances, such as when a driver leaves his/her employment or is subject to a life event (eg. maternity) (subject to limits). Reduced early termination fees may also occasionally be negotiated by Corporate Lessees or agreed with Regulated Lessees based on specific circumstances (on a case-by-case basis).

An early termination fee is not payable if a Regulated Lease Agreement is terminated after the initial term or a Lease Agreement is terminated after the end of the contract term.

Early termination by the Seller

By notice: The Seller can terminate a Regulated Lease Agreement following the end of the initial term by giving one month's prior notice to the Lessee. Subject to any agreement to the contrary, the Seller can also terminate an Unregulated Lease Agreement where the Lessee continues to use the vehicle after the end of the contractual term by giving reasonable notice to the Lessee.

Upon default: The Seller may terminate a Lease Agreement upon the occurrence of a non-remedied event of default, as specified in the relevant agreement. For Regulated Lease Agreements, the Seller must also comply with applicable legal and regulatory obligations, including the compulsory requirement to serve default notices and to take into consideration the vulnerability of the customer prior to serving a default notice. Early termination fees are payable in accordance with the contract terms if a Lease Agreement is terminated for default.

Return of the vehicle at the end of the Lease Agreement and final payments

Upon termination of a Lease Agreement, the Lessee is required to return the vehicle. The Seller will arrange for the vehicle to be collected and the vehicle will be inspected for damage and wear and tear at the point of collection.

Lease Instalments cease to be invoiced when the vehicle is collected and the Lessee is then billed for any amounts owing, including:

- any unpaid Lease Instalments and other amounts due or payable at the end of the lease (for example, payments for damage to the vehicle (subject to fair wear and tear), excess mileage and outstanding fines); and

- early termination fees as determined in accordance with the terms of the relevant Lease Agreement.

Remarketing

Upon its return, the vehicle is prepared for remarketing. The Seller decides on the best sales channel for remarketing the vehicle to ensure a competitive valuation is received, taking account of factors such as the nature of the vehicle, its age and condition. The Seller sells a large proportion of vehicles to traders through "MotorTrade", a digital auction platform, and to individuals, either directly, through retail partners or to the driver at the end of the Lease Agreement. The remainder of vehicles are sold through traditional physical auction or internationally (principally to the Republic of Ireland) through Arval Trading.

The Seller may also choose to re-lease the vehicle through its Arval re-lease product, which offers Retail customers the option of leasing selected used vehicles; or the vehicle may be added to the Seller's medium term rental (Flex) fleet where vehicles are rented for a period of 1-24 months.

Theft or Total Loss

In the event of the theft or total loss of a vehicle, the Lessee must inform the Seller promptly. The relevant Lease Agreement does not terminate until the Seller has received proceeds from the insurer/an insurer has refused payment and, in the case of a Regulated Lease Agreement, the Seller has notified the Lessee that the Lease Agreement is terminated.

If however the Lessee has leased an insured vehicle covered by Arval Total Care, and absent fault on the part of the Lessee, the Lease Agreement will terminate 21 days after a theft is reported to the Seller or when the loss is agreed in the case of a total loss.

3.3 **Collections**

General

The procedures described below define how invoices on the Lease Receivables are collected and recovered by the Seller.

Lease Instalments are usually invoiced monthly, although the frequency may on occasion be reduced for larger Corporate Lessees on request (e.g. quarterly or annually). Where a Lessee has more than one vehicle, they may choose whether they receive one invoice per Lease Agreement or an invoice grouping a number of Lease Agreements. The invoices cover the agreed instalments for all services. Additional invoices sent to the customer (e.g. for fines, non-contractual maintenance or end of contract charges) are charged as the event takes place.

Lessees pay by a direct debit mandate or, if agreed by the Seller, by bank transfers. Aside from public sector customers, the number of Lessees paying by cheque is de minimis. The rejection of a direct debit, or an invoice that is still unpaid one day after the due date, is considered as past due. Direct debits are re-presented to the Lessee's bank and should they remain unpaid after re-presentation, the collections process will commence.

For Lessees not paying by direct debit, the Seller's transaction accounting department matches bank transactions with general accounting on a daily basis, mainly through automatic, but also some manual, reconciliations of payments files. Reconciliation also allows the transaction accounting department to monitor and resolve any possible mismatch of payments. All accounts which have no past due instalments are managed by the customer service team.

Organisation

The Seller has two dedicated teams in charge of collections, which are located in Swindon: one team deals with Corporate collections and the other with Retail collections. The collections department is composed of 16 collections co-ordinators (as at the end of June 2024), a team manager and a collections analyst, and is led by the head of collections. The department falls under the management responsibility of the Director of Global Operations and Collections.

In addition, other departments such as finance, credit risk and compliance can also be involved in the collections process, as well as business and account managers who can, when required, contact the Lessees in order to discuss the unpaid and/or disputed invoices directly in order to accelerate the due payments. This practice is used with larger Corporate Lessees where the debt needs to be escalated.

If at any point the Seller detects a risk of insolvency in respect of a Lessee, an alert is raised to the credit risk department for specific internal follow-up. If bankruptcy procedures or insolvency proceedings are commenced against a Lessee, the file is transferred within the collections department or to credit for specific treatment.

Beginning of the collection process: soft collections

The process starts as soon as there is a delay in payment on the Lease Instalment Due Date (day past due) and ends (i) upon payment of the overdue amount, (ii) when the file is transmitted for litigation, or (iii) when the debt is written-off.

When appropriate for Corporate Lessees, soft collections can also start before the invoice is unpaid by the Lessee, for example, anticipating risks by checking with the Lessee that an unexpected or unusually large invoice is well received and good for payment.

The aim of the soft collections process is to regularise all delinquent files as quickly as possible. Corporate Lessee debts are managed by way of debt and debtor categorization, and Retail Lessee debts by way of collections workflows. To preserve the quality of its book, for each rental amount in delay, the Seller sends dunning letters to its customers and in parallel tries to contact the customer to understand the reason for the delay or the dispute and to obtain a promise of payment.

The Seller has recently launched a dialling service from a third party Equivo Limited for Retail Lessees. Equivo contact Lessees in the early stages of arrears and perform simple transactions such as sending payment links, whilst reporting progress to the Seller on a weekly basis.

Collectors need to be alert to external fraud in respect of all segments.

Collections process

For Corporate Lessees, the Lessee is categorised using standard type sets and in accordance with the account criteria (i.e. whether a purchase order needs to be raised, direct debit, third party platform, complex). The categories determine how the Corporate collections team manage the debt and liaise internally with teams such as finance and accounts payable.

The debt is then categorised enabling the collector to coordinate the activity required for each overdue invoice category for a Lessee.

Where debt becomes difficult to collect, the account and details are escalated internally to the business and account managers to raise the issue with their contacts at the Lessee. In some cases, late payment charges are raised, where it is agreed that it is appropriate to do so.

If the debt remains outstanding, it is escalated further to senior management within the Seller to decide a strategy that in rare cases would involve internal and/or external lawyers to help recover the debt, and external providers to recover vehicles if necessary.

For Regulated Lessees, the Seller's regulated business is regulated under the Consumer Credit Act 1974 and governed by the Financial Conduct Authority (FCA). There are specific requirements on how the Seller must manage these Lessees and ensure that it provides the best customer outcomes, including granting forbearance, concession or potentially writing off debt in cases where customers are deemed vulnerable.

The soft collections activity takes place following a workflow, using timing parameters and involves a series of outbound calls and email reminders (and letter reminders where emails are returned). During the soft collections process, the Seller is required under applicable laws to issue default and termination notices, and thereafter Notice of Sums In Arrears (NOSIA) and Subsequent Notice of Sums In Arrears (SNOSIA) during the life of the debt.

Repossession and/or litigation commences as described below where no forbearance is agreed, all reasonable steps have been taken and where the debt is equal to or greater than 3 months' rental and is 109 days old.

For Business Lessees the workflow is substantially similar to the one for Regulated Lessees but is shorter. Repossession and/or litigation commences as described below when no forbearance is agreed, all reasonable steps have been taken and where the debt is equal to or greater than 1 month's rental and is 57 days old.

For all customers, as soon as the Lessee pays the overdue invoices, the file is removed from the outstanding collection database. Sometimes, after verification, the due amount is not justified (e.g. commercial negotiation, amounts cannot be justified etc) and the Seller can cancel the due amount by providing a corresponding credit note amount. Any such agreement is subject to internal sign-off.

Once the relevant collections process has been followed, the full or partial remaining due amount can be written-off in accordance with delegation levels. The write-off is always documented.

Forbearance

Where the Seller identifies that a Regulated Lessee is vulnerable, and in financial distress, the collector will determine whether an affordability assessment is required or if the Lessee should be given breathing space (30 – 60 days cessation from payment) whilst the Lessee is signposted to an appropriate charity/debt charity.

If an affordability assessment is deemed appropriate, the Seller and the Regulated Lessee in default may reach an agreement concerning a payment arrangement that will set out any forbearance and/or how the Lessee will manage the outstanding debt. The payment plan is monitored, with frequent reviews and communication. Any payment plan will be for invoices in arrears only, and for the relevant Lease Agreement to continue the Lessee will need to maintain ongoing payments under the Lease Agreement.

Should the Regulated Lessee not be able to maintain the plan or ongoing Lease Instalments, a decision will be made to terminate the Lease Agreement or signpost the Lessee to the appropriate debt charity who will perform a further affordability assessment; the debt charity will advise the Lessee, and the Seller as appropriate, which could mean the Lessee returning the vehicle. In such situations, there would be negotiation on how to restructure the debt and the Seller would assess whether it is appropriate to raise all or part of the early termination charges, including any end of contract charges.

For Business Lessees, the Seller may allow a 3-month payment plan on arrears. Any increase needs to be reviewed by the collections manager and/or head of collections. The collections team monitors these accounts in the same way as for Regulated Lessees. However with unregulated customers, where the payment plan fails, the Lessee will be notified and the account will re-commence its journey within the collections workflow.

The Seller does not enter into payment plans with Corporate Lessees.

Repossession and Litigation

The Seller uses outsource providers for the collection of debts for Regulated Lessees and Business Lessees at the end of the soft collections process. Recovery of vehicles is passed to repossession agents; crystallised debt is passed for external debt collection and potentially litigation. Where the vehicle has not been successfully repossessed after 12 weeks, the vehicle is passed to external fraud and theft experts.

The goal is to recover the vehicle, outstanding debt and repossession fees amicably or failing that through legal enforcement. The outsource service providers are all regulated by the FCA. For Corporate Lessees, if a debt remains outstanding following soft collection it is escalated internally and managed on a case by case basis.

<u>Repossession</u>

The Seller has outsourced repossession activities to Engage Services (ESL) Limited, trading as Engage and located in Birmingham, UK ("Engage"). Engage is a market leader in the recovery of vehicle and non-vehicle assets.

Reasons for a customer file to be passed for repossession include a duly justified decision from the collections manager, and/or a decision from the Credit Risk and Provisioning Committee, which will principally be due to no possibility of repayment in the short term, insolvency, an established case of fraud, refusal of a customer to make a payment after soft collections, or information from the risk department about a deteriorating situation of the customer.

Before initiating repossession activity, soft collections activity within the collections team must be completed, reaching the end of the relevant collections workflow. Collections protocol must be followed and all regulatory notices and legal letters issued where applicable.

The Seller's collections department includes a team of specialists who vet and refer accounts and manage the Seller's third party outsources. This is managed by way of an internal database to ensure that the flow of activity is constant, removing any risk of unnecessary delay.

Once the vehicle has been recovered, the collections team arrange for the debt to be crystallised, namely for invoicing to cease and for contractual early termination charges to be raised. Once crystallised, the debt is then reviewed by the team who decide whether it is viable to pass the debt for external debt recovery and/or litigation (see below).

Should repossession prove to be unsuccessful, the vehicle is passed to fraud and theft agents.

Fraud and Theft

The Seller has outsourced fraud and theft investigations to Legate Group Limited, located in Manchester, UK ("**Legate**"). Legate is a commercial investigation company established in 2005 that specialises in motor finance theft and fraud.

Referral to Legate is initiated, monitored and managed by the collections team specialists once Engage have confirmed that they have been unable to recover the vehicle.

Where the vehicle is successfully recovered, the collections team will arrange for the debt to be crystallised and reviewed for external debt recovery activity. If the vehicle is not recovered within 12 weeks, the vehicle is terminated on the Seller's system, with the net book value billed to the Lessee's account.

Legate reports the stolen vehicle to the police if they are unable to recover the vehicle or if fraud has been identified. If it is deemed that the vehicle has been stolen, the debt will be reviewed for external debt recovery. If the vehicle is deemed to be part of fraudulent activity, e.g. the contract signatory was unaware of the lease, the vehicle and related lease agreement will be terminated on the Seller's system after 12 weeks and the debt is written-off. However, in both cases Legate will continue to attempt to locate and recover the vehicle.

External Debt Collection and Litigation

Engage has sub-contracted external debt collection and litigation to stevensdrake limited ("**stevensdrake**"), a firm of solicitors located in Crawley, UK. They have specialist experience in motor finance debt recovery through the courts.

A Lessee's file will be transferred to external debt collectors for reasons similar to those above for repossession, where a debt is crystallised and a Lessee is refusing to make a payment.

Before initiating any judicial actions, the collections team will vet each account at the point of referral.

Where a debt has been passed to the Seller's outsource service providers for recovery, they will follow their internal workflows using a series of calls and dunning strategies. In some cases, they will also apply forbearance, which will be agreed with the Seller's collections team.

The case will also be vetted by the Seller's specialist team for its viability for legal recovery action. If not viable, the debt will be written-off. If viable, legal recovery activity will commence

with stevensdrake who will seek to obtain a Judgement Order and enforce any judgement. The Seller's specialist team monitors each stage of the process.

4. INFORMATION RELATING TO THE PROVISIONAL PORTFOLIO AND HISTORICAL DATA

General

The following section sets out the aggregated information relating to the provisional initial portfolio of Lease Receivables complying with the Eligibility Criteria as of 31 August 2024 selected by the Seller as of 5 September 2024 and based on information available as of such date.

It is anticipated that the portfolio of Lease Receivables to which the Issuer is exposed will, on the Closing Date, be equal to the aggregate Outstanding Principal Amount of all Classes of Notes as of the Closing Date.

On or after the Closing Date, the composition and characteristics of the pool of Lease Agreements may change as a result of the selection of the final portfolio and the acquisition of Additional Portfolios during the Revolving Period, the amortisation of the Lease Receivables contained in the Portfolio, Lease Agreements becoming Defaulted Lease Receivables or as a result of early terminations of Lease Receivables, any retransfer of Lease Receivables or renegotiations entered into by the Servicer in accordance with the Servicing Procedures.

External verification of a sample of underlying exposures

An appropriate and independent third party has performed:

(a) an agreed upon procedures (AUP) review on a representative sample of the provisional portfolio of Lease Receivables in existence as of 31 March 2024, applying a confidence level of at least 98 per cent. prior to the issuance of the Notes, including verification that the data disclosed in respect of the Lease Receivables is accurate; and

(b) a review on the provisional portfolio of Lease Receivables in existence as of 5 September 2024 of (i) the compliance of the provisional portfolio with the Eligibility Criteria that were able to be tested prior to issuance of the Notes and (ii) the data in respect of stratification tables disclosed in respect of the underlying exposures being accurate.

(c) The third party undertaking the review only has obligations to the parties to the engagement letters governing the performance of the agreed upon procedures subject to the limitations and exclusions contained therein. The Seller confirms that no significant adverse findings have been found.

KEY PORTFOLIO CHARACTERISTICS

STATISTICAL INFORMATION RELATING TO THE PROVISIONAL INITIAL PORTFOLIO

Portfolio Summary	Total	Retail	Corporate
Aggregate Outstanding Lease Principal Balance (GBP)	402,299,999.67	357,990,528.22	44,309,471.45
Number of Lease Agreements	66,436	62,427	4,009
Number of Lessees	54,026	53,641	385
Number of Lessee Company Groups	53,938	53,623	315
Average Outstanding Lease Principal Balance per Lease Agreement (GBP)	6,055.45	5,734.55	11,052.50
Average Outstanding Lease Principal Balance per Lessee Company Group (GBP)	7,458.56	6,676.06	140,664.99
Discount Rate (%)	8%		
Weighted Average Initial Adjusted Lease Maturity (months)	40.91		
Weighted Average Remaining Term (months)	26.48		
Weighted Average Seasoning (months)	14.43		

Commercial Segments	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
Corporate	4,009	6.03%	44,309,471.45	11.01%
Retail	62,427	93.97%	357,990,528.22	88.99%
o/w Business	25,322	38.11%	202,258,967.12	50.28%
o/w Regulated Individuals	35,861	53.98%	149,132,920.64	37.07%
o/w Regulated Business	1,244	1.87%	6,598,640.46	1.64%
Total	**66,436**	**100%**	**402,299,999.67**	**100%**

Outstanding Lease Principal Balance (GBP)	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
>0 and<=2,500	18,160	27.3%	24,995,265.15	6.21%
>2,500 and <=5,000	15,474	23.3%	57,959,126.75	14.41%
>5,000 and <=7,500	12,542	18.9%	77,293,953.77	19.21%
>7,500 and <=10,000	8,414	12.7%	72,632,418.99	18.05%
>10,000 and <=15,000	8,194	12.3%	99,151,635.48	24.65%
>15,000 and <=20,000	2,505	3.8%	42,477,169.73	10.56%
>20,000 and <=25,000	773	1.2%	17,117,598.02	4.25%
>25,000 and <=50,000	368	0.6%	10,355,529.43	2.57%
>50,000 and <=65,000	6	0.0%	317,302.35	0.08%
Total	**66,436**	**100%**	**402,299,999.67**	**100%**

Lease Instalment (GBP)	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
>0 and<=250	24,708	37.19%	70,475,629.94	17.52%
>250 and <=500	32,274	48.58%	212,920,226.07	52.93%
>500 and <=750	7,602	11.44%	90,817,144.79	22.57%
>750 and <=1,000	1,607	2.42%	23,740,905.89	5.90%
>1,000 and <=1,250	196	0.30%	3,286,301.91	0.82%
>1,250 and <=1,500	35	0.05%	583,704.02	0.15%
>1,500 and <=2,100	14	0.02%	476,087.05	0.12%
Total	**66,436**	**100%**	**402,299,999.67**	**100%**

Initial Lease Duration (months)	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
=24	5,204	7.83%	16,372,442.12	4.07%
>24 and <=36	38,837	58.46%	211,316,445.50	52.53%
>36 and <=48	19,006	28.61%	142,938,366.50	35.53%
>48 and <=60	3,389	5.10%	31,672,745.55	7.87%
Total	**66,436**	**100%**	**402,299,999.67**	**100%**

Adjusted Lease Duration (months)	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
>=12 and <=24	4,172	6.28%	14,965,255.57	3.72%
>24 and <=36	33,249	50.05%	205,267,256.03	51.02%
>36 and <=48	21,250	31.99%	145,348,410.40	36.13%
>48 and <=60	6,266	9.43%	34,928,870.10	8.68%
>60 and <=72	1,499	2.26%	1,790,207.57	0.44%
Total	**66,436**	**100%**	**402,299,999.67**	**100%**

Remaining Maturity (months)	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
>=3 and <=6	8,265	12.44%	9,138,803.10	2.27%
>6 and <=12	14,336	21.58%	34,645,191.26	8.61%
>12 and <=24	20,551	30.93%	123,039,795.03	30.58%
>24 and <=36	18,760	28.24%	171,195,398.07	42.55%
>36 and <=48	3,862	5.81%	52,840,973.80	13.13%
>48 and <=60	662	1.00%	11,439,838.41	2.84%
Total	**66,436**	**100%**	**402,299,999.67**	**100%**

Seasoning (months)	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
>=0 and<=6	11,623	17.50%	109,496,338.80	27.22%
>6 and <=12	11,477	17.28%	96,094,994.21	23.89%
>12 and <=24	18,908	28.46%	135,261,124.21	33.62%
>24 and <=36	12,245	18.43%	42,286,068.35	10.51%
>36 and <=48	7,840	11.80%	14,130,018.54	3.51%
>48 and <=60	3,245	4.88%	3,897,974.43	0.97%
>60 and <=72	1,098	1.65%	1,133,481.13	0.28%
Total	**66,436**	**100%**	**402,299,999.67**	**100%**

Year of Origination	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
2019	1,425	2.14%	1,665,815.11	0.41%
2020	3,454	5.20%	4,345,490.87	1.08%
2021	8,749	13.17%	17,836,353.33	4.43%
2022	15,257	22.96%	64,693,929.41	16.08%
2023	19,017	28.62%	147,143,546.26	36.58%
2024	18,534	27.90%	166,614,864.69	41.42%
Total	**66,436**	**100%**	**402,299,999.67**	**100%**

Year of Adjusted Lease Maturity	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
2025	23,964	36.07%	50,182,931.28	12.47%
2026	20,526	30.90%	128,275,982.45	31.89%
2027	17,684	26.62%	163,141,847.12	40.55%
2028	3,641	5.48%	49,906,484.67	12.41%
2029	621	0.93%	10,792,754.15	2.68%
Total	**66,436**	**100%**	**402,299,999.67**	**100%**

Country	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
United Kingdom	66,436	100.00%	402,299,999.67	100.00%
Total	**66,436**	**100%**	**402,299,999.67**	**100%**

Regions	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
South East	10,568	15.91%	63,608,679.26	15.81%
North West	9,694	14.59%	58,970,610.55	14.66%
East of England	7,771	11.70%	49,204,287.59	12.23%
West Midlands	6,461	9.73%	42,033,439.08	10.45%
London	6,717	10.11%	40,207,202.45	9.99%
Yorkshire and The Humber	5,683	8.55%	34,193,025.37	8.50%
East Midlands	5,254	7.91%	33,849,470.20	8.41%
Scotland	5,505	8.29%	29,167,886.26	7.25%
South West	4,352	6.55%	26,878,383.33	6.68%
Wales	2,230	3.36%	12,257,744.37	3.05%
North East	2,201	3.31%	11,929,271.21	2.97%
Total	**66,436**	**100%**	**402,299,999.67**	**100%**

Payment Type	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
Direct debit	66,436	100.00%	402,299,999.67	100.00%
Total	**66,436**	**100%**	**402,299,999.67**	**100%**

Payment Frequency	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
Monthly	66,436	100.00%	402,299,999.67	100.00%
Total	**66,436**	**100%**	**402,299,999.67**	**100%**

Industries (top 10)	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
74 Other Business Activities	5,803	8.73%	46,418,720.99	11.54%
45 Construction	5,463	8.22%	42,709,009.90	10.62%
51 Wholesale Trade and Commission Trade, Except of Motor Vehicles and Motorcycles	2,915	4.39%	25,712,531.85	6.39%
29 Manufacture of Machinery and Equipment Not Elsewhere Classified	1,552	2.34%	16,945,051.62	4.21%
52 Retail Trade, Except of Motor Vehicles and Motorcycles	1,824	2.75%	13,994,341.68	3.48%
36 Manufacture of Furniture	938	1.41%	9,120,058.13	2.27%
85 Health and Social Work	1,009	1.52%	7,557,827.37	1.88%
72 Computer and Related Activities	1,000	1.51%	7,491,422.73	1.86%
70 Real Estate Activities	1,046	1.57%	7,403,487.83	1.84%
50 Sale, Maintenance and Repair of Motor Vehicles and Motorcycles	991	1.49%	6,421,229.21	1.60%
Individual	35,861	53.98%	149,132,920.64	37.07%
Other	8,034	12.09%	69,393,397.72	17.25%
Total	**66,436**	**100%**	**402,299,999.67**	**100%**

Lessee Company Groups (top 25)	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
Lessee Company Group 1	649	0.98%	6,919,160.80	1.72%
Lessee Company Group 2	171	0.26%	2,376,092.78	0.59%
Lessee Company Group 3	134	0.20%	2,105,384.53	0.52%
Lessee Company Group 4	156	0.23%	1,768,655.87	0.44%
Lessee Company Group 5	179	0.27%	1,734,108.25	0.43%
Lessee Company Group 6	121	0.18%	1,507,342.76	0.37%
Lessee Company Group 7	95	0.14%	1,287,689.88	0.32%
Lessee Company Group 8	93	0.14%	1,067,748.42	0.27%
Lessee Company Group 9	118	0.18%	1,018,516.98	0.25%
Lessee Company Group 10	114	0.17%	1,014,458.94	0.25%
Lessee Company Group 11	112	0.17%	915,223.87	0.23%
Lessee Company Group 12	81	0.12%	869,885.03	0.22%
Lessee Company Group 13	182	0.27%	845,014.58	0.21%
Lessee Company Group 14	57	0.09%	814,485.52	0.20%
Lessee Company Group 15	62	0.09%	800,088.97	0.20%
Lessee Company Group 16	69	0.10%	789,032.93	0.20%
Lessee Company Group 17	45	0.07%	782,797.45	0.19%
Lessee Company Group 18	59	0.09%	716,706.83	0.18%
Lessee Company Group 19	99	0.15%	701,157.31	0.17%
Lessee Company Group 20	77	0.12%	680,392.87	0.17%
Lessee Company Group 21	50	0.08%	678,955.31	0.17%
Lessee Company Group 22	69	0.10%	636,519.70	0.16%
Lessee Company Group 23	33	0.05%	631,414.16	0.16%
Lessee Company Group 24	48	0.07%	574,693.16	0.14%
Lessee Company Group 25	34	0.05%	572,653.80	0.14%
Other	63,529	95.62%	370,491,818.97	92.09%
Total	**66,436**	**100%**	**402,299,999.67**	**100%**

Lessees (top 20)	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
Lessee 1	649	0.98%	6,919,160.80	1.72%
Lessee 2	134	0.20%	2,105,384.53	0.52%
Lessee 3	131	0.20%	1,992,078.59	0.50%
Lessee 4	156	0.23%	1,768,655.87	0.44%
Lessee 5	179	0.27%	1,734,108.25	0.43%
Lessee 6	121	0.18%	1,507,342.76	0.37%
Lessee 7	95	0.14%	1,287,689.88	0.32%
Lessee 8	118	0.18%	1,018,516.98	0.25%
Lessee 9	81	0.12%	1,005,562.73	0.25%
Lessee 10	112	0.17%	915,223.87	0.23%
Lessee 11	81	0.12%	869,885.03	0.22%
Lessee 12	182	0.27%	845,014.58	0.21%
Lessee 13	57	0.09%	814,485.52	0.20%
Lessee 14	85	0.13%	800,954.09	0.20%
Lessee 15	62	0.09%	800,088.97	0.20%
Lessee 16	69	0.10%	789,032.93	0.20%
Lessee 17	45	0.07%	782,797.45	0.19%
Lessee 18	59	0.09%	716,706.83	0.18%
Lessee 19	99	0.15%	701,157.31	0.17%
Lessee 20	77	0.12%	680,392.87	0.17%
Other	63,844	96.10%	374,245,759.83	93.03%
Total	**66,436**	**100%**	**402,299,999.67**	**100%**

New/used Vehicles	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
New	66,436	100.0%	402,299,999.67	100.00%
Total	**66,436**	**100%**	**402,299,999.67**	**100%**

Vehicle Manufacturers (top 15)	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
HYUNDAI	8,919	13.42%	48,316,048.99	12.01%
VOLKSWAGEN	7,830	11.79%	47,480,418.51	11.80%
FORD	5,531	8.33%	38,533,850.85	9.58%
VAUXHALL	4,773	7.18%	30,009,834.75	7.46%
KIA	4,798	7.22%	27,573,259.91	6.85%
AUDI	3,884	5.85%	24,804,715.28	6.17%
BMW	2,541	3.82%	19,308,606.27	4.80%
NISSAN	3,299	4.97%	17,790,979.94	4.42%
TESLA	1,727	2.60%	17,245,489.87	4.29%
MERCEDES-BENZ	3,369	5.07%	15,124,930.17	3.76%
CITROEN	2,424	3.65%	15,062,305.38	3.74%
PEUGEOT	2,353	3.54%	12,501,738.50	3.11%
SKODA	1,544	2.32%	10,553,784.43	2.62%
SEAT	3,153	4.75%	10,146,204.97	2.52%
VOLVO	1,217	1.83%	10,084,732.92	2.51%
Other	9,074	13.66%	57,763,098.93	14.36%
Total	**66,436**	**100.0%**	**402,299,999.67**	**100.00%**

Vehicle Original Valuation Amount (GBP)	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
>5,000 and <=10,000	577	0.87%	563,804.43	0.14%
>10,000 and <=20,000	22,040	33.17%	77,173,067.97	19.18%
>20,000 and <=30,000	31,125	46.85%	186,719,039.73	46.41%
>30,000 and <=40,000	8,007	12.05%	80,334,080.54	19.97%
>40,000 and <=50,000	3,209	4.83%	38,569,067.56	9.59%
>50,000 and <=120,000	1,478	2.22%	18,940,939.44	4.71%
Total	**66,436**	**100.0%**	**402,299,999.67**	**100.00%**

Fuel Type	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
Petrol	30,417	45.78%	131,715,322.92	32.74%
Diesel	13,799	20.77%	95,873,349.79	23.83%
Electric	10,542	15.87%	90,738,286.05	22.55%
Petrol / Plugin Elec hybrid	4,805	7.23%	47,933,038.05	11.91%
Petrol / Electric hybrid	6,830	10.28%	35,673,349.87	8.87%
Diesel / Plugin Elec hybrid	35	0.05%	252,021.00	0.06%
Electric petrol REX	8	0.01%	114,631.99	0.03%
Total	**66,436**	**100.0%**	**402,299,999.67**	**100.00%**

Emission EPC	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
EPCA	15,700	23.63%	140,369,975.07	34.89%
EPCB	6,855	10.32%	25,474,317.53	6.33%
EPCC	20,554	30.94%	89,971,053.35	22.36%
EPCD	11,724	17.65%	60,210,350.33	14.97%
EPCE	7,941	11.95%	49,861,612.50	12.39%
EPCF	3,083	4.64%	30,545,767.17	7.59%
EPCG	579	0.87%	5,866,923.72	1.46%
Total	**66,436**	**100.0%**	**402,299,999.67**	**100.00%**

Maintenance Lease Services	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
Maintained by Customer	37,885	57.02%	209,532,841.00	52.08%
Guaranteed Maintenance	28,519	42.93%	192,417,783.51	47.83%
Actual Cost Maintenance	32	0.05%	349,375.16	0.09%
Total	**66,436**	**100%**	**402,299,999.67**	**100.00%**

Arval Total Care	Number of Lease Receivables	Lease Receivables (%)	Outstanding Lease Principal Balance (GBP)	Outstanding Lease Principal Balance (%)
Other	64,163	96.58%	381,440,106.50	94.81%
Arval Total Care	2,273	3.42%	20,859,893.17	5.19%
Total	**66,436**	**100%**	**402,299,999.67**	**100%**

Assumed Amortisation of the Portfolio

The amortisation scenario below is based on a CPR of 0%. It should be noted that the actual amortisation of the Portfolio may differ substantially from the amortisation scenario indicated below:

Month	Aggregate Outstanding Lease Principal Balance EoP	Principal Paid	Interest Paid
0	402,300,000	-	-
1	398,813,461	3,486,538	339,696
2	381,682,394	17,131,068	2,251,315
3	362,311,532	19,370,862	2,544,549
4	342,934,685	19,376,846	2,415,410
5	324,201,429	18,733,256	2,286,231
6	305,977,301	18,224,129	2,161,343
7	288,246,834	17,730,467	2,039,849
8	271,099,178	17,147,655	1,921,646
9	254,523,505	16,575,673	1,807,328
10	238,378,598	16,144,907	1,696,823
11	222,917,764	15,460,834	1,589,191
12	208,005,789	14,911,975	1,486,118
13	193,604,955	14,400,833	1,386,705
14	179,689,881	13,915,074	1,290,700
15	166,194,245	13,495,636	1,197,933
16	153,145,894	13,048,352	1,107,962
17	140,860,867	12,285,027	1,020,973
18	129,225,947	11,634,920	939,072
19	118,113,831	11,112,116	861,506
20	107,559,350	10,554,481	787,426
21	97,509,848	10,049,502	717,062
22	87,918,152	9,591,697	650,066
23	78,868,252	9,049,900	586,121
24	70,323,881	8,544,371	525,788
25	62,307,174	8,016,706	468,826
26	54,804,006	7,503,169	415,381
27	47,806,574	6,997,432	365,360
28	41,383,211	6,423,363	318,710
29	35,680,368	5,702,843	275,888
30	30,666,242	5,014,126	237,869
31	26,296,234	4,370,008	204,442
32	22,582,975	3,713,258	175,308
33	19,471,424	3,111,551	150,553
34	16,827,601	2,643,824	129,809
35	14,641,449	2,186,151	112,184
36	12,776,392	1,865,058	97,610
37	11,056,030	1,720,362	85,176
38	9,456,901	1,599,129	73,707
39	7,977,134	1,479,767	63,046
40	6,645,877	1,331,256	53,181
41	5,489,440	1,156,438	44,306
42	4,511,639	977,801	36,596
43	3,690,965	820,673	30,078

44	3,031,085	659,881	24,606
45	2,506,703	524,381	20,207
46	2,090,997	415,706	16,711
47	1,770,660	320,337	13,940
48	1,498,858	271,802	11,804
49	1,242,918	255,940	9,992
50	1,001,627	241,291	8,286
51	777,137	224,490	6,678
52	580,000	197,138	5,181
53	416,964	163,036	3,867
54	280,648	136,315	2,780
55	165,767	114,882	1,871
56	83,035	82,732	1,105
57	33,455	49,580	554
58	6,598	26,857	223
59	0	6,598	44
60	-	0	-

HISTORICAL PERFORMANCE DATA

The historical information and the other information set out below represent the historical experience of the Seller prepared on the basis of the internal data of the Seller. None of the Issuer Security Trustee, the Arval Security Trustee, the Note Trustee, the Arranger or the Lead Manager has undertaken or will undertake any investigation, review or searches to verify the historical information. In addition, the below information has not been audited by any auditor.

Because this historical information was extracted for the period from January 2018 to June 2024, a significant number of Lease Receivables assigned to the Issuer may not have arisen from a Lease Agreement being part of the provisional portfolio of Lease Receivables. In addition, the future performance of the Lease Receivables might differ from this historical information and such differences might be significant. Actual performance may be influenced by a variety of economic, geographic and other factors beyond the control of the Seller. It may also be influenced by changes in the Seller's origination and underwriting and servicing procedures.

The Seller has extracted data on the historical performance of its entire portfolio of lease receivables in the UK, with the application of the following filtering criteria only:

- the Lease Agreement is a Long Term Lease Agreement of a Leased Vehicle;
- the Lease Agreement was entered into between the relevant Lessee and the Seller;
- the Lessee does not belong to the same Company Group as the Seller;
- the Lessee: (i) is not an employee of any companies within the Arval Company Group; and (ii) to the best knowledge of the Seller, is not an employee of any companies within the same Company Group as the Seller;
- the Lessee is a private company, LLP, sole trader or natural person and is not a public sector entity;
- the Lessee (i) if it is a private company or LLP, has its registered office in England, Wales or Scotland, or (ii) if it is a sole trader, has its business address in England, Wales or Scotland, or (iii) if it is an individual, is resident in England, Wales or Scotland;
- the Lessee is classified by the Seller as a Retail Lessee or a Corporate Lessee;
- the Lease Receivable gives rise to monthly Lease Instalments; and
- the Lease Instalments due under the Lease Receivable are payable by way of direct debit.

Characteristics and product mix of the securitised portfolio may slightly differ from the perimeter of the historical performance data shown in this section, notably as a result of the application of the Eligibility Criteria.

For the purpose of the historical performance data shown in this section:

For any given month, a lease receivable is classified as being delinquent if there is at least one instalment due and remaining unpaid at the end of the calendar month where that instalment was falling due.

A lease receivable is classified as defaulted at the end of a given month if, at the end of such month, such lease receivable meets the definition of a Defaulted Lease Receivable.

Any outstanding amount is calculated as the sum of the future lease instalments.

The performance data relates to lease receivables originated since January 2018 only (with the exception of early termination payment rates which relate to all the lease receivables outstanding as at each relevant date).

All figures shown exclude any residual value portion of lease contracts (if any). Recoveries from vehicle sale proceeds are apportioned to the lease receivables portion and the residual value portion of lease

contracts according to their respective share, but with any excess profit allocated to the residual value only.

Cumulative Default Rates

The cumulative default rates data displayed below are in static format and show the cumulative defaulted amounts recorded after the specified number of quarters since origination, for each portfolio of lease receivables originated in a particular vintage quarter, expressed as a percentage of the aggregate initial outstanding lease amount of all lease receivables originated during this particular vintage quarter of origination.

		Cumulated Default Rate by quarter after origination																										
Quarter of Origination	Origination Amount (GBP)	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Q1 - 2018	56,641,014	0.04%	0.43%	0.66%	0.80%	0.91%	1.01%	1.14%	1.25%	1.47%	1.72%	2.30%	2.54%	2.60%	2.63%	2.66%	2.67%	2.67%	2.67%	2.68%	2.69%	2.69%	2.70%	2.70%	2.71%	2.71%	2.72%
Q2 - 2018	85,086,202	0.02%	0.16%	0.55%	0.70%	0.96%	1.09%	1.29%	1.52%	1.83%	2.55%	2.92%	2.99%	3.05%	3.09%	3.11%	3.13%	3.15%	3.16%	3.17%	3.18%	3.18%	3.19%	3.20%	3.20%	3.21%	
Q3 - 2018	84,371,821	0.13%	0.35%	0.63%	0.87%	1.04%	1.27%	1.78%	2.19%	3.18%	3.68%	3.85%	3.90%	3.93%	3.96%	4.00%	4.02%	4.04%	4.05%	4.07%	4.08%	4.09%	4.10%	4.11%	4.11%		
Q4 - 2018	80,222,939	0.02%	0.29%	0.61%	0.80%	0.95%	1.39%	1.80%	3.00%	3.74%	3.92%	4.06%	4.15%	4.19%	4.21%	4.25%	4.26%	4.29%	4.31%	4.34%	4.35%	4.36%	4.36%	4.37%			
Q1 - 2019	68,925,168	0.01%	0.14%	0.29%	0.42%	0.85%	1.31%	2.76%	3.38%	3.57%	3.70%	3.80%	3.86%	3.89%	3.93%	3.94%	3.96%	3.99%	4.02%	4.03%	4.03%	4.04%	4.05%				
Q2 - 2019	65,700,869	0.04%	0.14%	0.41%	0.82%	1.28%	2.36%	3.35%	3.53%	3.63%	3.74%	3.84%	3.89%	3.96%	3.98%	4.03%	4.07%	4.09%	4.10%	4.12%	4.12%	4.13%					
Q3 - 2019	73,346,282	0.00%	0.09%	0.44%	0.97%	2.19%	3.02%	3.16%	3.32%	3.36%	3.42%	3.48%	3.55%	3.62%	3.63%	3.66%	3.68%	3.69%	3.70%	3.72%	3.72%						
Q4 - 2019	88,453,272	0.01%	0.28%	0.79%	1.90%	2.42%	2.58%	2.72%	2.76%	2.82%	2.86%	2.88%	2.92%	2.93%	2.95%	2.96%	2.97%	3.00%	3.02%	3.02%							
Q1 - 2020	89,550,373	0.00%	0.77%	2.68%	3.21%	3.36%	3.50%	3.55%	3.61%	3.64%	3.70%	3.73%	3.78%	3.80%	3.81%	3.82%	3.83%	3.85%	3.85%								
Q2 - 2020	40,672,985	0.00%	0.22%	0.92%	0.96%	1.11%	1.20%	1.27%	1.32%	1.38%	1.44%	1.49%	1.57%	1.59%	1.62%	1.65%	1.70%	1.73%									
Q3 - 2020	100,157,536	0.02%	0.50%	0.83%	0.93%	1.03%	1.17%	1.23%	1.28%	1.33%	1.40%	1.52%	1.54%	1.58%	1.61%	1.64%	1.67%										
Q4 - 2020	68,583,897	0.00%	0.54%	0.74%	0.84%	0.86%	0.98%	1.06%	1.13%	1.21%	1.29%	1.35%	1.38%	1.39%	1.46%	1.49%											
Q1 - 2021	61,255,429	0.00%	0.08%	0.13%	0.28%	0.39%	0.54%	0.77%	0.91%	1.09%	1.16%	1.19%	1.31%	1.36%	1.41%												
Q2 - 2021	85,733,131	0.01%	0.11%	0.20%	0.24%	0.36%	0.41%	0.57%	0.65%	0.70%	0.78%	0.82%	0.85%	0.90%													
Q3 - 2021	79,583,514	0.00%	0.16%	0.21%	0.30%	0.46%	0.57%	0.68%	0.75%	0.85%	0.94%	1.00%	1.05%														
Q4 - 2021	65,684,540	0.00%	0.09%	0.26%	0.33%	0.41%	0.48%	0.51%	0.58%	0.67%	0.76%	0.80%															
Q1 - 2022	63,327,299	0.00%	0.27%	0.48%	0.58%	0.71%	0.80%	0.86%	0.92%	1.02%	1.13%																
Q2 - 2022	74,340,335	0.00%	0.41%	0.73%	0.92%	1.01%	1.13%	1.17%	1.23%	1.29%																	
Q3 - 2022	74,343,838	0.00%	0.27%	0.47%	0.54%	0.69%	0.77%	0.86%	0.96%																		
Q4 - 2022	98,976,346	0.00%	0.37%	0.62%	0.66%	0.72%	0.76%	0.82%																			
Q1 - 2023	106,904,433	0.02%	0.13%	0.29%	0.32%	0.55%	0.64%																				
Q2 - 2023	100,759,728	0.03%	0.10%	0.19%	0.26%	0.41%																					
Q3 - 2023	92,024,266	0.00%	0.19%	0.28%	0.42%																						
Q4 - 2023	88,918,784	0.02%	0.17%	0.29%																							
Q1 - 2024	116,341,041	0.00%	0.17%																								
Q2 - 2024	91,469,465	0.00%																									

Cumulative Recovery Rates

For each portfolio of lease receivables classified as defaulted during a particular vintage, the cumulative recovery rates data displayed below are in static format and represent the cumulative recoveries (including vehicle sales proceeds, insurance payments and recoveries on the lessees) after the specified number of quarters by the Seller under such lease receivables in accordance with its servicing procedures, expressed as a percentage of the aggregate defaulted amount of all lease receivables classified as defaulted during the vintage quarter considered.

		Cumulated Recovery Rate by quarter after default																									
Quarter of Default	Default Amount (GBP)	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Q1 - 2018	21,807	0.0%	8.8%	17.6%	26.5%	35.3%	44.1%	52.9%	61.8%	70.6%	76.5%	76.5%	76.5%	77.3%	84.6%	86.9%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Q2 - 2018	241,169	3.0%	13.3%	26.4%	40.2%	54.6%	62.3%	67.7%	72.7%	77.4%	81.7%	86.3%	91.3%	92.2%	92.8%	93.1%	95.1%	95.4%	95.6%	95.9%	96.0%	96.0%	96.0%	96.0%	96.0%	96.0%	
Q3 - 2018	352,525	3.1%	24.7%	42.3%	64.1%	72.2%	73.6%	77.3%	79.9%	81.6%	82.8%	83.7%	85.2%	86.0%	86.6%	87.1%	87.5%	88.5%	88.7%	88.8%	88.9%	89.4%	89.4%	89.4%	89.4%		
Q4 - 2018	621,490	4.6%	27.0%	42.3%	51.4%	56.0%	60.5%	63.4%	67.2%	72.8%	75.9%	78.8%	80.1%	82.1%	83.8%	85.2%	87.6%	87.8%	88.7%	88.9%	88.9%	88.9%	88.9%	88.9%			
Q1 - 2019	638,934	9.7%	39.4%	55.1%	60.1%	63.6%	67.1%	72.5%	74.8%	78.9%	81.0%	83.3%	85.8%	86.8%	88.2%	88.7%	89.6%	89.7%	89.8%	89.9%	89.9%	89.9%	89.9%				
Q2 - 2019	854,904	9.3%	32.9%	45.9%	53.4%	58.5%	63.2%	67.6%	72.0%	79.0%	82.2%	83.8%	85.7%	86.6%	87.2%	88.1%	88.6%	89.2%	89.5%	89.7%	89.7%	89.7%					
Q3 - 2019	657,352	13.0%	28.0%	39.4%	44.1%	55.1%	58.8%	68.5%	71.8%	76.7%	80.0%	83.2%	84.3%	85.5%	87.5%	89.1%	89.4%	90.5%	90.6%	91.4%	91.4%						
Q4 - 2019	884,870	5.2%	35.7%	42.0%	51.8%	59.1%	64.2%	69.2%	75.2%	78.4%	84.8%	87.5%	90.2%	91.1%	93.0%	93.8%	94.0%	95.0%	95.0%	95.0%							
Q1 - 2020	2,167,672	8.0%	22.4%	38.6%	48.5%	57.1%	63.9%	70.2%	75.8%	80.8%	83.3%	86.3%	88.7%	90.1%	90.7%	92.0%	92.3%	92.6%	92.8%								
Q2 - 2020	3,226,644	2.8%	15.6%	31.1%	42.9%	52.8%	62.5%	69.7%	77.3%	82.1%	87.3%	90.7%	93.0%	94.3%	95.3%	96.1%	96.9%	97.4%									
Q3 - 2020	8,153,100	6.4%	23.5%	38.3%	51.3%	62.1%	70.6%	78.1%	83.7%	88.5%	91.8%	94.8%	96.1%	97.3%	98.0%	98.5%	99.0%										
Q4 - 2020	4,849,305	4.6%	19.8%	36.3%	50.2%	60.7%	69.3%	76.3%	81.8%	86.4%	90.4%	93.4%	95.6%	97.0%	97.8%	98.5%											
Q1 - 2021	1,730,394	5.4%	26.6%	38.7%	47.6%	58.6%	65.5%	71.7%	77.5%	83.2%	87.1%	91.1%	93.5%	94.6%	95.4%												
Q2 - 2021	1,106,743	6.3%	24.8%	38.7%	53.4%	62.6%	71.0%	77.9%	82.7%	86.9%	90.2%	92.6%	94.5%	95.9%													
Q3 - 2021	709,121	6.7%	35.5%	49.0%	55.5%	65.6%	72.4%	76.0%	80.7%	86.1%	89.2%	91.9%	93.3%														
Q4 - 2021	807,511	5.8%	32.9%	43.2%	56.7%	64.8%	72.2%	77.8%	82.1%	85.9%	89.4%	91.2%															
Q1 - 2022	594,814	17.5%	29.9%	44.4%	56.1%	62.4%	70.5%	77.0%	80.1%	83.6%	85.9%																
Q2 - 2022	934,706	7.1%	25.5%	40.9%	50.2%	57.1%	67.6%	73.7%	79.4%	84.0%																	
Q3 - 2022	1,096,679	8.6%	23.6%	36.8%	46.2%	54.5%	61.4%	68.0%	72.9%																		
Q4 - 2022	1,161,635	5.2%	30.6%	42.7%	51.3%	58.3%	66.2%	73.0%																			
Q1 - 2023	1,427,869	6.8%	27.0%	41.6%	49.5%	57.4%	63.2%																				
Q2 - 2023	900,527	6.5%	25.6%	35.7%	47.5%	55.1%																					
Q3 - 2023	868,699	17.6%	37.1%	49.2%	58.1%																						
Q4 - 2023	879,733	6.4%	21.1%	33.9%																							
Q1 - 2024	1,081,108	8.7%	24.8%																								
Q2 - 2024	1,164,006	5.5%																									

Delinquency Rates

For any given month, the delinquency rate for a given delinquency bucket indicates the ratio of (i) the aggregate outstanding lease amount (including arrears) of all delinquent lease receivables in such delinquency bucket (including any defaulted receivables) to (ii) the aggregate outstanding lease amount (including arrears) of all lease receivables (including defaulted receivables) at the start of such month.

Month	1 month in arrears	2 months in arrears	3 months in arrears	> 3 months in arrears
Jan-18	0.5%	0.0%	0.0%	0.0%
Feb-18	1.5%	0.2%	0.0%	0.0%
Mar-18	1.1%	0.2%	0.0%	0.0%
Apr-18	0.6%	0.3%	0.1%	0.0%
May-18	0.8%	0.1%	0.2%	0.0%
Jun-18	0.7%	0.3%	0.0%	0.0%
Jul-18	0.9%	0.2%	0.1%	0.0%
Aug-18	0.8%	0.2%	0.1%	0.0%
Sep-18	0.5%	0.4%	0.1%	0.0%
Oct-18	0.5%	0.2%	0.2%	0.0%
Nov-18	0.5%	0.3%	0.1%	0.0%
Dec-18	0.7%	0.3%	0.1%	0.1%
Jan-19	0.5%	0.3%	0.1%	0.1%
Feb-19	0.5%	0.3%	0.1%	0.0%
Mar-19	0.9%	0.2%	0.1%	0.0%
Apr-19	0.5%	0.3%	0.1%	0.0%
May-19	0.9%	0.2%	0.1%	0.0%
Jun-19	0.6%	0.5%	0.1%	0.0%
Jul-19	0.5%	0.1%	0.3%	0.0%
Aug-19	0.4%	0.1%	0.1%	0.0%
Sep-19	0.1%	0.1%	0.0%	0.0%
Oct-19	1.0%	0.1%	0.1%	0.0%
Nov-19	0.8%	0.6%	0.1%	0.0%
Dec-19	1.2%	0.5%	0.4%	0.0%
Jan-20	1.1%	0.4%	0.3%	0.1%
Feb-20	0.9%	0.7%	0.3%	0.1%
Mar-20	1.3%	0.5%	0.4%	0.1%
Apr-20	4.8%	0.9%	0.5%	0.2%
May-20	4.5%	4.3%	0.8%	0.3%
Jun-20	1.3%	4.4%	3.2%	0.3%
Jul-20	2.0%	0.9%	3.0%	0.9%
Aug-20	2.1%	1.7%	1.2%	1.0%

Sep-20	0.9%	0.8%	1.7%	0.6%
Oct-20	1.0%	0.5%	0.6%	0.4%
Nov-20	0.8%	0.6%	0.6%	0.3%
Dec-20	1.1%	0.3%	0.4%	0.2%
Jan-21	0.5%	0.7%	0.2%	0.3%
Feb-21	0.7%	0.3%	0.4%	0.3%
Mar-21	0.7%	0.3%	0.3%	0.1%
Apr-21	0.9%	0.4%	0.1%	0.1%
May-21	0.5%	0.8%	0.3%	0.1%
Jun-21	0.7%	0.2%	0.6%	0.2%
Jul-21	0.5%	0.3%	0.1%	0.1%
Aug-21	0.7%	0.2%	0.1%	0.1%
Sep-21	0.6%	0.2%	0.1%	0.2%
Oct-21	0.6%	0.2%	0.2%	0.1%
Nov-21	0.6%	0.2%	0.2%	0.1%
Dec-21	0.7%	0.2%	0.1%	0.1%
Jan-22	0.4%	0.1%	0.2%	0.1%
Feb-22	0.3%	0.2%	0.1%	0.1%
Mar-22	0.6%	0.1%	0.1%	0.1%
Apr-22	0.6%	0.2%	0.1%	0.0%
May-22	0.5%	0.3%	0.1%	0.0%
Jun-22	0.6%	0.2%	0.2%	0.1%
Jul-22	0.5%	0.3%	0.1%	0.1%
Aug-22	0.6%	0.3%	0.2%	0.1%
Sep-22	2.2%	0.3%	0.2%	0.1%
Oct-22	0.5%	0.3%	0.2%	0.1%
Nov-22	0.6%	0.2%	0.2%	0.1%
Dec-22	0.7%	0.3%	0.1%	0.2%
Jan-23	0.5%	0.4%	0.2%	0.1%
Feb-23	0.5%	0.2%	0.2%	0.1%
Mar-23	0.5%	0.2%	0.1%	0.2%
Apr-23	0.4%	0.2%	0.1%	0.1%
May-23	0.7%	0.2%	0.1%	0.1%
Jun-23	0.5%	0.2%	0.1%	0.1%
Jul-23	0.3%	0.2%	0.2%	0.1%
Aug-23	0.4%	0.1%	0.1%	0.1%
Sep-23	0.4%	0.2%	0.1%	0.2%
Oct-23	0.4%	0.2%	0.1%	0.1%
Nov-23	0.4%	0.2%	0.1%	0.1%
Dec-23	0.5%	0.2%	0.1%	0.1%
Jan-24	0.4%	0.2%	0.1%	0.1%
Feb-24	0.4%	0.1%	0.1%	0.0%

Mar-24	0.4%	0.1%	0.1%	0.1%
Apr-24	0.3%	0.2%	0.1%	0.0%
May-24	0.5%	0.1%	0.2%	0.0%
Jun-24	0.7%	0.4%	0.1%	0.0%

Dynamic Early Termination Payment Rates

The early termination payment rate for a given month is defined as the annualised ratio of (i) the aggregate outstanding lease amount of lease receivables terminated prior to their maturity date during each such month to (ii) the aggregate outstanding lease amount of all lease receivables at the end of each previous month.

Month	Annualised Early Termination Payment Rate
Feb-18	1.8%
Mar-18	2.5%
Apr-18	1.8%
May-18	2.2%
Jun-18	2.4%
Jul-18	2.7%
Aug-18	2.8%
Sep-18	2.6%
Oct-18	2.4%
Nov-18	3.3%
Dec-18	1.9%
Jan-19	3.2%
Feb-19	2.4%
Mar-19	3.8%
Apr-19	2.9%
May-19	2.9%
Jun-19	2.7%
Jul-19	2.9%
Aug-19	2.9%
Sep-19	2.6%
Oct-19	2.8%
Nov-19	2.5%
Dec-19	2.3%
Jan-20	3.6%
Feb-20	2.9%
Mar-20	3.5%
Apr-20	2.0%
May-20	1.4%
Jun-20	2.1%
Jul-20	3.0%
Aug-20	2.5%
Sep-20	2.4%
Oct-20	2.8%
Nov-20	2.7%
Dec-20	2.0%
Jan-21	2.3%
Feb-21	2.6%
Mar-21	3.0%
Apr-21	2.5%
May-21	1.6%
Jun-21	2.1%
Jul-21	1.9%
Aug-21	1.3%
Sep-21	1.8%
Oct-21	1.7%
Nov-21	1.6%
Dec-21	1.3%

Jan-22	1.5%
Feb-22	1.6%
Mar-22	2.5%
Apr-22	1.4%
May-22	1.7%
Jun-22	1.8%
Jul-22	2.3%
Aug-22	1.2%
Sep-22	1.5%
Oct-22	1.4%
Nov-22	1.5%
Dec-22	1.1%
Jan-23	1.4%
Feb-23	1.6%
Mar-23	1.9%
Apr-23	1.2%
May-23	1.5%
Jun-23	1.3%
Jul-23	2.1%
Aug-23	1.5%
Sep-23	1.8%
Oct-23	1.4%
Nov-23	1.7%
Dec-23	1.2%
Jan-24	1.8%
Feb-24	2.3%
Mar-24	2.0%
Apr-24	2.5%
May-24	2.1%
Jun-24	2.2%

DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS

The following is a description of the principal terms of the Receivables Purchase Agreement, the Receivables Servicing Agreement, the Fallback Sub-Maintenance Coordinator Agreement, the Trust Deed, the Issuer Deed of Charge, the Arval Deed of Charge, the Reserve Loan Agreement, the Cash Management Agreement, the Corporate Services Agreement, the Bank Account Agreement, the Agency Agreement and the Swap Agreement, and is qualified in its entirety by the actual terms of such Transaction Documents. It does not purport to be complete and investors should read the full terms of such Transaction Documents for a better understanding of its contents. Copies of the other Transaction Documents are available at the specified offices of the Paying Agent during normal business hours.

1. RECEIVABLES PURCHASE AGREEMENT

General

Purchase of the Initial Portfolio on the Closing Date

On or prior to the Closing Date, Arval, the Issuer and the Issuer Security Trustee will enter into a receivables purchase agreement (the "Receivables Purchase Agreement") pursuant to which, on the Closing Date and on each Additional Portfolio Purchase Date, the Issuer will purchase Lease Receivables from the Seller.

Purchase of any Additional Portfolio on a Purchase Date

On each Payment Date during the Revolving Period, the Available Distribution Amount may be used by the Issuer to purchase any Additional Portfolio up to the Required Replenishment Amount in accordance with the Revolving Period Priority of Payments. However, following the occurrence of a Revolving Period Termination Event, the Revolving Period will terminate and no Additional Portfolio may be sold by the Seller to the Issuer after the date of the event.

Title in the Leased Vehicles will be retained by the Seller. The Lease Receivables to be purchased by the Issuer will be randomly selected on the relevant Entitlement Date from Lease Receivables held by the Seller on such date which comply with the Eligibility Criteria as of the relevant Cut-Off Date.

If any of the Lease Receivables do not satisfy the Eligibility Criteria as at the relevant Cut-Off Date, or in case of breach of any of the Lease Warranties, on the relevant Purchase Date and/or the Portfolio Criteria during the Revolving Period, the Seller is required to repurchase the affected Lease Receivable(s) against payment of the Repurchase Price (see further "Repurchase" below).

In connection with each sale and transfer, the Seller will provide the Issuer and the Servicer (once appointed, with copy to the Back-Up Servicer) with certain relevant information for the purpose of identifying the Lease Receivables forming part of the Portfolio and (following a Lessee Notification Event) for the purpose of notifying the Lessees of the assignment of the Lease Receivables. The relevant information shall be provided in encrypted form (the "**Data File**"). The Seller will, on the Closing Date, also provide the Data Protection Agent with a Decryption Key which will enable the unlocking of the Data File. Following a Lessee Notification Event, the Data Protection Agent will make the Decryption Key available to the Issuer, the Servicer and the Back-Up Servicer. If the Servicer does not notify the Lessees, then the Issuer or Back-Up Servicer (or a third party acting on its behalf) may decrypt the Data File and notify the Lessees using such decrypted information.

The Seller will additionally be obliged to repurchase the Lease Receivables (including, any Maintenance Lease Services Amounts, any RV Claims and any VAT Receivables, to the extent sold to the Issuer) in the specific circumstances set out in the Receivables Purchase Agreement, as to which see "Repurchase" below.

Purchase of Maintenance Lease Services Amounts, RV Claims and VAT Receivables

Upon the occurrence of a Sale Trigger Event:

- the Seller must sell to the Issuer all of its rights, title, interest and benefit to receive payment of all Maintenance Lease Services Amounts relating to all current and future Lease Receivables comprised in the Portfolio and subject to the relevant Transfer Notice, on the basis that Arval will

assume its obligations as Fallback Sub-Maintenance Coordinator as from such event and the Issuer will assume its obligations as the Fallback Maintenance Coordinator;

- (1) the Seller must sell to the Issuer all of its rights, title, interest and benefit to the RV Claims relating to all current and future Lease Receivables comprised in the Portfolio and subject to the relevant Transfer Notice; and (2) the Issuer agrees to pay to the Seller on each Payment Date, outside the applicable Priority of Payments, as RV Deferred Purchase Price an amount (if any) by which Total Vehicle Sale Proceeds exceed the aggregate Issuer Share Vehicle Sale Proceeds relating to the Lease Receivables (see "Triggers Table"); and

- The Seller must sell to the Issuer all of its rights, title, interest and benefit to the VAT Receivables relating to the Lease Receivables comprised in the Portfolio.

Consideration

The consideration for the sale of the Initial Portfolio will be the Issuer paying to the Seller an amount equal to the Initial Purchase Price on the Closing Date and (subject to the conditions on the payment of Residual Deferred Purchase Price, Junior Deferred Purchase Price, RV Deferred Purchase Price and VAT Deferred Purchase Price) the Deferred Purchase Price.

The consideration for the sale of any Additional Portfolio will be the Issuer paying to the Seller an amount equal to the Additional Portfolio Purchase Price on the relevant Additional Portfolio Purchase Date and (subject to the conditions on the payment of Residual Deferred Purchase Price, Junior Deferred Purchase Price, RV Deferred Purchase Price and VAT Deferred Purchase Price) the Deferred Purchase Price.

During the Revolving Period, the Seller may (but is not obliged to) sell Lease Receivables constituting Additional Portfolios to the Issuer.

The Issuer shall fund the purchase of Additional Portfolios on the relevant Additional Portfolio Purchase Date through (i) Available Distribution Amounts (if the Additional Portfolio Purchase Date is on a Payment Date) or (ii) amounts standing to the credit of the Replenishment Ledger (if the Additional Portfolio Purchase Date is on any Business Day other than a Payment Date), provided that the Additional Portfolio Purchase Price payable in respect of such Additional Portfolios shall not be greater than (a) (if the relevant Additional Portfolio Purchase Date is on any Business Day other than a Payment Date) the amount standing to the credit of the Replenishment Ledger or (b) (if the relevant Additional Portfolio Purchase Date is also on Payment Date) the amount of Available Distribution Amounts available pursuant to the Revolving Period Priority of Payments.

Revised Purchase Date

If, on any Additional Portfolio Purchase Date, the amount standing to the credit of the Replenishment Ledger or, as the case may be, the amount of Available Distribution Amounts available to the Issuer to make such payment pursuant to the Revolving Period Priority of Payments (in both cases as notified to the Seller and Servicer by the Issuer or the Cash Manager on its behalf) is less than the amount required to pay the full Additional Portfolio Purchase Price of such Additional Portfolio, the Issuer will, not later than the Additional Portfolio Purchase Date, advise the Seller that the Issuer intends to accept and purchase only a part of or none of such Additional Portfolio (if purchasing only a part, in an amount equal to the amount standing to the credit of the Replenishment Ledger or, as the case may be, the amount of Available Distribution Amounts available to the Issuer to make such payment pursuant to the Revolving Period Priority of Payments) on the Additional Portfolio Purchase Date.

If the Issuer, or the Servicer on its behalf, advises the Seller, in accordance with the above paragraph, that the Issuer does not intend to purchase the entire proposed Additional Portfolio offered under a Transfer Notice, but confirms that it will purchase from the Seller an Additional Portfolio with a smaller Aggregate Outstanding Lease Principal Balance, the Seller may, on such Purchase Date or, as applicable, on or prior to any Revised Purchase Date deliver a revised Transfer Notice (specifying the Revised Purchase Date (if applicable)) for the purpose of making a new offer to the Issuer.

Where the Seller proposes a Revised Purchase Date for the acquisition of part or all of an Additional Portfolio, the sale of such Additional Portfolio will take place on such Revised Purchase Date and the amounts to be used to purchase such Additional Portfolios on such Revised Purchase Date will be

(if the original Additional Portfolio Purchase Date was a Payment Date) or will remain (if the original Additional Portfolio Purchase Date was any Business Day other than a Payment Date) credited to the Replenishment Ledger until such Revised Purchase Date.

Lease Agreement Variations

In the event that a Variation that is not a Non-Permitted Variation in respect of any Lease Agreement during a Collection Period results in an increase in the Aggregate Outstanding Lease Principal Balance as of the end of the Collection Period, an amount equal to the increase in the Aggregate Outstanding Lease Principal Balance resulting from such Variation during such Collection Period (the "**Aggregate Outstanding Balance Increase Amount**") will be paid by the Purchaser to the Seller by means of Junior Deferred Purchase Price on the following Payment Date according to the applicable Priority of Payments.

In the event that a Variation that is not a Non-Permitted Variation in respect of any Lease Agreement during a Collection Period results in a reduction in the Aggregate Outstanding Lease Principal Balance as of the end of the Collection Period, the Purchaser shall demand from the Seller by way of a rebate of part of the purchase price an amount equal to the reduction of the Aggregate Outstanding Lease Principal Balance resulting from such Variation during such Collection Period (the "**Aggregate Outstanding Balance Reduction Amount**").

Following notice from the Servicer that a reduction in the Aggregate Outstanding Lease Principal Balance has occurred following a Variation that is not a Non-Permitted Variation, the Seller shall on the immediately following Collections Transfer Date (i) pay to the Issuer an amount equal to the Aggregate Outstanding Balance Reduction Amount as a Deemed Collection and (ii) provide the Issuer and the Servicer with a list of recalculation of the relevant Lease Receivables.

Following notice from the Servicer that an increase of the Aggregate Outstanding Lease Principal Balance has occurred following a Variation that is not a Non-Permitted Variation, an amount equal to the Aggregate Outstanding Balance Increase Amount will be paid to the Seller by means of Junior Deferred Purchase Price on the following Payment Date according to the applicable Priority of Payments.

Certain conditions apply in respect of the undertaking and implementation of a Variation (see "Lease Agreement Variations" below).

Conditions to sale

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

(a) the Issuer pays the Initial Purchase Price or the Additional Portfolio Purchase Price, as applicable;

(b) a Transfer Notice attaching the relevant Portfolio Schedule certified by an authorised signatory of the Seller to be true and accurate in all material respects is delivered from the Seller to the Issuer, the Issuer Security Trustee and the Cash Manager; and

(c) no Revolving Period Termination Event has occurred as of the Purchase Date.

Lease Warranties

The Seller will make the following representations and warranties to the Issuer and the Issuer Security Trustee: (i) on the Closing Date, in relation to the Initial Portfolio; (ii) on each relevant Additional Portfolio Purchase Date, in relation to any Additional Portfolio; and (iii) upon the occurrence of a Sale Trigger Event, in relation to the Maintenance Lease Services Amounts, RV Claims and VAT Receivables sold on that date, and in each case with reference to the facts and circumstances then subsisting as at the immediately preceding relevant Cut-Off Date:

(a) the relevant Lease Receivables (including any Ancillary Rights) are assignable, the Seller can dispose of the Lease Receivables free from third party rights and the relevant Lease Agreement does not contain (i) any restriction on assignment (or where there is a restriction, consent to assignment has been obtained) or (ii) any confidentiality provisions that would

prevent the full and valid assignability of such Lease Receivables by the Seller to the Issuer and that would prevent disclosure of information about such Lease Agreement and the relevant Lessee to the Issuer Security Trustee, any Back-Up Servicer or Back-Up Fallback Sub-Maintenance Coordinator or the delivery to these entities of a copy of such Lease Agreement (or where there is a restriction, consent to disclosure has been obtained);

(b) the underlying Lease Agreement (i) has been duly entered into by the Seller and (ii) is legal, valid, binding and enforceable save that a Lease Agreement will only be determined not to be enforceable by reason of a breach of the CCA at such time as a court delivers a judgment with respect to such specific lease;

(c) the underlying Lease Agreement has been entered into in the ordinary course of business of the Seller in accordance with its Origination and Underwriting Procedures and on arms' length commercial terms pursuant to underwriting standards that are no less stringent than those the Seller applied at the time of origination to similar exposures that are not included in the Portfolio;

(d) there is no material breach, default or violation of any obligation under the associated Lease Agreement by the Seller or, to the best of the Seller's knowledge, by the Lessee (other than a payment obligation by such Lessee);

(e) to the best of the Seller's knowledge, the related Lease Agreement is not void or voidable at the instance of the Lessee by reason of fraud, undue influence, duress, misrepresentation or for any other reason;

(f) the Lease Agreement does not need to be filed, recorded or enrolled with any court and no stamp, registration or similar tax is required to be paid;

(g) the Lease Agreement does not prohibit sub-contracting of any of the Maintenance Lease Services rendered by it in connection with the Lease Agreement;

(h) to the best of the knowledge and belief of the Seller, each Lease Agreement has been originated in compliance with all applicable UK consumer protection legislation (including, but not limited to, the CCA) to the extent that failure to comply would have a material adverse effect on the enforceability or collectability of any such Lease Agreement;

(i) the Seller has not been granted a right of enforcement or material damages by a court as a result of a missed payment within three years prior to the date of origination of the Lease Agreement in relation to a relevant Lessee;

(j) the Lessee is not entitled to (and has not exercised) any right of rescission, counterclaim, contest, challenge or other defence (deriving from the Lease Agreement) in respect of such Lease Receivable;

(k) the particulars of the Portfolio which are the subject of the offer are true and accurate as of the Cut-Off Date in all material respects and the identifying numbers stated therein enable each Lease Agreement to be identified in the Records of the Seller;

(l) it is the sole legal and beneficial owner of the Lease Receivables and (following a Sale Trigger Event) the RV Claims to be transferred on that Purchase Date;

(m) each of the Lease Agreements, the Lease Receivables and (following a Sale Trigger Event) the RV Claims meet the Eligibility Criteria set out in Appendix 2 (*Eligibility Criteria*) of the Receivables Purchase Agreement as of the respective Cut-Off Date;

(n) the Portfolio, including the Additional Portfolio (after giving effect to the intended sale and transfer of Lease Receivables on the corresponding Purchase Date), satisfies the Portfolio Criteria during the Revolving Period and set out in Appendix 3 (*Portfolio Criteria*) of the Receivables Purchase Agreement on each Cut-Off Date;

(o) it has originated the Lease Agreements in accordance with its Origination and Underwriting Procedures for such types of receivables and in compliance with the then applicable laws and regulations in all material respects;

(p) prior to entering into each Lease Agreement, the Seller carried out all investigations, searches and other actions, and made such enquiries as to the status and creditworthiness of each Lessee and each guarantor (if any) thereunder as described in its Origination and Underwriting Procedures as amended from time to time;

(q) as from the relevant Cut-Off Date, it has not altered any of the Lease Receivables' and (following a Sale Trigger Event) the RV Claims' legal existence or otherwise waived, altered or modified any provision in relation to any Lease Receivable and (following a Sale Trigger Event) any RV Claim, in particular, it has not extinguished or affected any of the Lease Receivables and (following a Sale Trigger Event) the RV Claims by challenge, termination, set off (other than Permitted Set-off Rights) or any other means, unless in accordance with the provisions of the Receivables Servicing Agreement (including the Servicing Procedures and Variations (but excluding Non-Permitted Variations) where such alteration would not result in a Lease Receivable Material Adverse Effect);

(r) all Lease Receivables and (following a Sale Trigger Event) the RV Claims are separately identifiable on the Seller's systems or (in relation to Ancillary Rights) Records by way of "flagging" or otherwise to unambiguously indicate that each Lease Receivable and (following a Sale Trigger Event) each RV Claim assigned to the Issuer on such Purchase Date has been assigned to the Issuer;

(s) it has maintained and is in possession of all Records in respect of the Portfolio and the corresponding Lease Agreements and such Records are accurate and complete in all material respects and, to the best of its knowledge, information and belief, are sufficient to enable each Lease Agreement to be enforced against the relevant Lessee;

(t) it is the sole legal and beneficial owner of and holds the title of the relevant Leased Vehicle which is hired under a Lease Agreement to a Lessee and any such Leased Vehicle is free of any encumbrances and not subject to any retention of title arrangement or any option to acquire on, over or affecting such Leased Vehicle, other than any Permitted Encumbrance;

(u) the assignment of the Lease Receivables and (following a Sale Trigger Event) the RV Claims pursuant to the Receivables Purchase Agreement will be effective to assign full, unencumbered beneficial title to the Lease Receivables and (following a Sale Trigger Event) the RV Claims to the Issuer and no further act, condition or thing will be required to be done in connection with such assignment in order to enable the Issuer to require payment of the Lease Receivables and (following a Sale Trigger Event) the RV Claims to the Issuer, or to enforce any such right in court, other than the delivery to each relevant obligor of a notification;

(v) it has performed in all material respects all its obligations which have fallen due under or in connection with the Lease Agreements and, so far as it is aware, no Lessee has threatened or commenced any legal action which has not been resolved against it for any failure on the part of it to perform any such obligation;

(w) no Lease Agreement, no Lease Receivables and (following a Sale Trigger Event) no RV Claims contravene in any material respect English law or any rules or regulations applicable to such Lease Agreement, Lease Receivable and (following a Sale Trigger Event) RV Claim;

(x) as of the relevant Entitlement Date, the Lease Agreement has not been terminated, repudiated or rescinded by the Seller or the relevant Lessee;

(y) since entering into the Lease Agreements, it has administered the Lease Agreements in accordance with the Servicing Procedures in all material respects;

(z) no litigation, dispute resolution, arbitration or administrative proceedings or regulatory investigation of, or before, any court, dispute resolution body, arbitral body or regulatory agency which would (if being contested) be reasonably likely to be adversely determined and, if adversely determined, be reasonably likely to have a material adverse effect on its ability to assign the Lease Receivables and (following a Sale Trigger Event) the RV Claims to the Issuer have (to the best of its knowledge and belief) been started or threatened against it;

(aa) the Lease Agreement does not confer on the relevant Lessee an express contractual right of set-off, to the exception of Permitted Set-Off Rights;

(bb) in respect of each Lease Agreement (other than any Regulated Lease Agreement in respect of which the relevant Lessee is an individual who is (i) using the relevant Leased Vehicle for personal use and (ii) acting for purposes outside his own business), the relevant Lessee has entered into such Lease Agreement in the course of a business and for a purpose which is within his trade or profession (if such Lessee is an individual) or in the ordinary course of its business (if such Lessee is a body corporate);

(cc) for the purpose of compliance with the requirements stemming from Article 243 of UK CRR, the Lease Receivable meets the conditions for being assigned under the "standardised approach" (as defined in the UK CRR) with a risk weight less than or equal to:

(i) in the case of Lease Receivables qualifying as "retail exposures" (as defined under Article 123 of UK CRR), seventy-five percent (75%); and

(ii) in the case of Lease Receivables which do not qualify as "retail exposures" (as defined under Article 123 of UK CRR), hundred percent (100%);

(dd) unless they subscribe to Arval Total Care, the Lessee is obliged under the terms of the Lease Agreement to take out comprehensive insurance, which includes third party liability insurance, in respect of the Leased Vehicle;

(ee) has assessed the Lessee' creditworthiness based on sufficient, accurate and up-to-date data, with the necessary information obtained either from consumers and/or from third parties, in a manner compliant with the requirements of SECN 2.2.11R(4); and

(ff) in relation to any Lease Agreement, the relevant Leased Vehicle is in good and substantial repair and condition and complies with the provisions of the Road Traffic Act 1988.

(together the "**Lease Warranties**").

Corporate Warranties

The Seller will make the following representations and warranties to the Issuer and the Issuer Security Trustee: (i) on the Closing Date, in relation to the Initial Portfolio; (ii) on each relevant Additional Portfolio Purchase Date, in relation to any Additional Portfolio; and (iii) upon the occurrence of a Sale Trigger Event, in relation to the Maintenance Lease Services Amounts, RV Claims and VAT Receivables sold on that date, and in each case with reference to the facts and circumstances then subsisting:

(a) it is duly incorporated and validly existing under the law of England and Wales;

(b) it has full power and authority to own its property and assets and conduct its business as currently conducted by it to the extent necessary to permit it to enter into the Transaction Documents and to perform its obligations thereunder, save where a failure to do so would not reasonably be expected to have a Material Adverse Effect;

(c) it has the power, authority and capacity to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery, of the relevant Transaction Documents, as well as the transactions contemplated thereunder;

(d) no Insolvency Event has occurred in respect of it;

(e) it has its centre of main interests, as that term is used in Article 3(1) of the EU Insolvency Regulation and the UK Insolvency Regulation, in England and has no establishment outside England and Wales;

(f) the obligations expressed to be assumed by it in the relevant Transaction Documents are legal, valid, binding and enforceable obligations, subject to any laws from time to time in effect relating to bankruptcy, insolvency, reorganisation or any other laws or procedures affecting generally the enforcement of creditors' rights and by the general principles of equity,

regardless of whether such enforceability is considered in a proceeding in equity or at law, and are enforceable against it in accordance with their respective terms;

(g) it has obtained and maintains in effect all relevant authorisations, approvals, licences and consents required in connection with its business to originate and manage contracts of the type eligible to be sold to the Issuer under the Transaction Documents pursuant to any requirement of law and any regulatory direction applicable to it in the United Kingdom;

(h) the entry into, performance by it of, and the transactions contemplated by the relevant Transaction Documents do not and will not conflict in any material respect with, or result in any breach of any of the terms and provisions of, or constitute (with or without notice or lapse of time) a default under:

(i) any existing law, court order or regulation applicable to it;

(ii) its constitutional documents; or

(iii) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument;

(i) it has entered into the relevant Transaction Documents in good faith for its benefit and on arms' length commercial terms;

(j) the relevant Transaction Documents to which it is a party have been duly executed by it;

(k) it has complied in all material respects with the terms of the Transaction Documents to which it is a party;

(l) it is a company which is resident for tax purposes solely in the United Kingdom and will not be treated as resident outside the United Kingdom for the purposes of any double tax treaty to which the United Kingdom is party;

(m) its most recent audited financial statements delivered in accordance with the Receivables Purchase Agreement: (i) were prepared in accordance with the laws of the UK and the accounting principles applicable in the UK were consistently applied; (ii) disclosed all liabilities (contingent or otherwise) and all its unrealised or anticipated losses required (in each case) to be disclosed in accordance with the accounting principles applicable in the United Kingdom; and (iii) save as disclosed therein, give a true and fair view of its assets and liabilities and results of operation as of the date of which they were drawn up;

(n) for the purposes of satisfying compliance with SECN 2.2.11R(5) and SECN 2.2.22R(1) of the UK STS Rules, it has an expertise of at least five (5) years prior to the Closing Date in originating and servicing exposures of a similar nature as the Lease Receivables; and

(o) since the later of: (i) the Closing Date; and (ii) the date of its most recent audited financial statements, there has been no material adverse change in its financial position or prospects which might reasonably be expected to have a Material Adverse Effect,

(together the "**Corporate Warranties**").

Eligibility Criteria

In order for any Lease Receivable to be assignable to the Issuer, each of the Lease Agreements, Lease Receivables and Lessees shall meet the following pre-determined criteria, as documented in the Receivables Purchase Agreement, as at the relevant Cut-Off Date (the "**Eligibility Criteria**"):

Lease Receivable Eligibility Criteria

(a) The Lease Receivables have been originated by the Seller;

(b) The Lease Receivable is denominated and payable in Sterling;

(c) The Lease Receivable will give rise to at least three (3) scheduled Lease Instalments after the relevant Entitlement Date;

(d) The Lease Receivable has an Initial Adjusted Lease Maturity of not more than 72 months as of the relevant Cut-Off Date;

(e) The Lease Receivable gives rise to monthly Lease Instalments of at least GBP 50;

(f) The Lease Instalments due under the Lease Receivable are payable by way of direct debit;

(g) At least one (1) Lease Instalment under the relevant Lease Agreement has been paid as at the relevant Cut-Off Date;

(h) The Lease Receivable and the related Lease Agreement is not a Defaulted Lease Receivable;

(i) The Lease Receivable is not a defaulted receivable within the meaning of Article 178(1) of UK CRR;

(j) The Lease Receivable is not a Delinquent Lease Receivable;

(k) The Lease Receivable is not subject to any moratorium (including a legal moratorium) or payment holiday as at the relevant Cut-Off Date;

(l) The Lease Receivables are free and clear of any Encumbrances other than any Permitted Encumbrances;

(m) The Lease Receivable is identified and individualised in the Seller's IT system for its full amount;

(n) The Lease Receivables do not include (i) transferable securities, as defined in point (24) of Article 2(1) of Regulation (EU) No 600/2014, as it forms part of UK domestic law by virtue of the EUWA, (ii) any securitisation positions or (iii) any derivatives;

(o) No stamp duty, stamp duty reserve tax, stamp duty land tax, Scottish land and buildings transaction tax, Welsh land transaction tax or other similar transfer tax or duty is payable in connection with the transfer of any Lease Receivable or its related security to the Issuer; and

(p) No withholding taxes are applicable to any payments in respect of the Lease Receivables.

Lease Agreement Eligibility Criteria

(a) The Lease Agreement was entered into between the relevant Lessee and the Seller;

(b) The Lease Agreement is a Long Term Lease Agreement of a Leased Vehicle;

(c) The Lease Agreement is governed by the laws of England and any dispute relating thereto is subject to the jurisdiction of the English courts;

(d) The Lease Agreement has an active status;

(e) The Leased Vehicle being the subject of the corresponding Lease Agreement has a purchase price of at least GBP 5,000 and not exceeding GBP 200,000, which has been paid in full (including any part thereof which represents VAT) by the Seller to the relevant supplier;

(f) The Leased Vehicle being the subject of the corresponding Lease Agreement is existing;

(g) The Leased Vehicle being the subject of the corresponding Lease Agreement is identified as a new vehicle;

(h) The Leased Vehicle being the subject of the corresponding Lease Agreement has a Residual Value of at least GBP 2,000; and

(i) The Lease Origination Date is on or after (i) 1 February 2020 in respect of Regulated Lease Agreements, unless the contract has been re-contracted on or after 1 February 2020, in which case the Lease Origination Date is on or after 1 September 2018 and (ii) 1 September 2018 in respect of Unregulated Lease Agreements; and

(j) The Lease Agreement does not have a payment term of over 30 days.

Lessee Eligibility Criteria

(a) The Lessee does not belong to the same Company Group as the Seller;

(b) The Lessee: (i) is not an employee of any companies within the Arval Company Group; and (ii) to the best knowledge of the Seller, is not an employee of any companies within the same Company Group as the Seller;

(c) The Lessee is a private company, LLP, sole trader or natural person and is not a public sector entity;

(d) The Lessee, is a company incorporated under the laws of England and Wales or Scotland and has full legal capacity, or is a sole trader or natural person;

(e) The Lessee, (i) if it is a private company or an LLP, has its registered office in England, Wales or Scotland, or (ii) if it is a sole trader, has its business address in England, Wales or Scotland or (iii) if it is an individual, is resident in England, Wales or Scotland;

(f) To the best of the Seller's knowledge, on the basis of information obtained (a) from such Lessee at time of origination of the Lease Agreement, (b) in the course of the Seller's servicing of the Lease Receivables or the Seller's risk management procedures, or (c) from a third party, no Lessee is a credit-impaired debtor who:

(i) has been declared insolvent or bankrupt (as applicable) or subject to insolvency or bankruptcy proceedings (as applicable) or had a court grant their creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination or has undergone a debt-restructuring process with regard to their non-performing exposures within three years prior to the relevant Purchase Date, except if:

(A) restructured underlying exposure has not presented new arrears since the date of the restructuring, which took place at least one year prior to the relevant Purchase Date; and

(B) the information provided by Arval (as originator) in accordance with SECN 6.2.1R(1) and 6.2.1R(5) of the FCA Transparency Rules and points (a) and (e)(i) of the first subparagraph of Article 7(1) of the EU Securitisation Regulation explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;

(ii) was, at the time of origination of the relevant Lease Receivable, where applicable, on a public credit registry of persons with adverse credit history or, where there is no such public credit registry, another credit register that is available to the Seller; and/or

(iii) had a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the Seller which are not included in the Portfolio;

(g) The Lessee does not have a credit assessment indicating, based on the Seller's underwriting policy, a significant risk that contractually agreed payments will not be made;

(h) The Seller has full recourse to the Lessee;

(i) The Lessee has an internal score assigned by the Seller of 0;

(j) No deposit has been made by the Lessee to Arval in respect of any Lease Agreement in the Portfolio; and

(k) The Lessee is classified by the Seller as a Retail Lessee or a Corporate Lessee.

Portfolio Criteria

The following Aggregated Portfolio Criteria and Additional Portfolio Criteria (together, the "**Portfolio Criteria**") are calculated throughout the Revolving Period (including on the Closing Date) on each Purchase Date.

Aggregate Portfolio Criteria

The following portfolio criteria (the "**Aggregate Portfolio Criteria**") are calculated by taking into account the Additional Portfolio to be purchased on the relevant Purchase Date (the Initial Portfolio and the Additional Portfolio being together the "**Portfolio**"):

(a) The Aggregate Outstanding Lease Principal Balance of the Lease Receivables held over a single Lessee or Lessees belonging to the same Company Group does not exceed 2.0% of the Aggregate Outstanding Lease Principal Balance of the Portfolio;

(b) The Aggregate Performing Outstanding Lease Principal Balance of the Lease Receivables held over the Lessees belonging to the top 1 to top 10 Company Groups does not exceed 10.0% of the Aggregate Outstanding Lease Principal Balance of the Portfolio;

(c) The Aggregate Performing Outstanding Lease Principal Balance of the Lease Receivables held over each Lessee belonging to the same Company Group, other than any Lessee belonging to the top 10 Company Groups, does not exceed 0.5% of the Aggregate Outstanding Lease Principal Balance of the Portfolio;

(d) The Aggregate Performing Outstanding Lease Principal Balance of the Retail Lease Receivables does not exceed 90% of the Aggregate Outstanding Lease Principal Balance of the Portfolio;

(e) The Aggregate Performing Outstanding Lease Principal Balance of the Lease Receivables related to a given economic activity does not exceed the following percentages of the Aggregate Outstanding Lease Principal Balance of the Portfolio with respect to the Standard Industrial Classification (SIC) at division level ("Industry"):

(i) 17.5% for the largest Industry;

(ii) 12.5% for the second largest Industry; and

(iii) 10.0% for any other Industry,

it being understood that Regulated Individual Lessees are not assigned any Industry; and

(f) The weighted average number of remaining scheduled Lease Instalments due to be paid under the Lease Receivables in the Portfolio does not exceed 42 instalments.

Additional Portfolio Criteria

The following portfolio criteria (the "**Additional Portfolio Criteria**") are calculated by taking into account the Additional Portfolio to be purchased on the relevant Purchase Date only, the aggregate of the Outstanding Lease Principal Balance of the Lease Receivables in the Additional Portfolio to be purchased on the relevant Purchase Date that include an ATC product does not exceed 15.0% of the aggregate of the Outstanding Lease Principal Balance of the Additional Portfolio to be purchased on such Purchase Date.

Repurchase

Pursuant to the terms of the Receivables Purchase Agreement, the Seller will be required to repurchase the Lease Receivables (including, any Maintenance Lease Services Amounts, any RV Claims and any VAT Receivables, to the extent sold to the Issuer) in the circumstances set out below:

Repurchase obligation due to breach of the Lease Warranties

The Seller will be required to repurchase the Lease Receivables sold to the Issuer pursuant to the Receivables Purchase Agreement if any breach of a Lease Warranty on the relevant Purchase Date

made by the Seller in relation to that Lease Receivable, by reference to the facts and circumstances then subsisting at the relevant Cut-Off Date in respect of which such Lease Warranty was given, which has, as determined by the Servicer in accordance with the Receivables Servicing Agreement, a Lease Receivable Material Adverse Effect in relation to the Lease Receivable, and that breach has not been cured in all material respects within twenty (20) Business Days after the date on which the Seller became aware or (if earlier) was notified by the Servicer or the Issuer of the relevant breach of the Lease Warranties. Following expiration of such twenty (20) Business Days the relevant Lease Receivables must be repurchased by the Seller on the next following Payment Date.

If on any Payment Date during the Revolving Period any of the Portfolio Criteria is found to be in breach, the Seller shall only be required to repurchase those Lease Receivables that would ensure the satisfaction of the Portfolio Criteria as at the next following Payment Date taking into account any Lease Receivables to be sold and assigned to the Issuer on such Payment Date.

However, where a breach of the Lease Warranties or any of them (including the Eligibility Criteria) occurs by reason of the Lease Agreement (or part thereof) being determined illegal, invalid, non-binding or unenforceable under the CCA, the Seller will not be obliged to repurchase the relevant Lease Receivables, and may on or before the Payment Date following the expiration of the twenty (20) Business Days period set out above, pay an amount, calculated by the Servicer in accordance with the Receivables Servicing Agreement, required to compensate the Issuer for any loss suffered by the Issuer as a result of such breach.

If a Lease Receivable has never existed, or has ceased to exist, such that it is not outstanding on the date on which it is otherwise due to be repurchased pursuant to the Receivables Purchase Agreement, the Seller shall not be obliged to repurchase the Issuer's rights, title, interest and benefit in, to and under such Lease Receivable but shall instead indemnify the Issuer and the Issuer Security Trustee against any loss and all liabilities suffered by reason of any warranty or representation relating to or otherwise affecting such Lease Receivable being untrue or incorrect by reference to the facts subsisting at the date on which the relevant warranty or representation was given provided that the amount of such indemnity shall not exceed the Aggregate Outstanding Lease Principal Balance of such Lease Receivables (calculated as at the Cut-Off Date immediately prior to the date on which such Lease Receivables had last complied with each of the Lease Warranties applicable to such Lease Receivables as at the relevant date). Payments in respect of such indemnity shall be made by the Seller on the date occurring not later than the next following Payment Date immediately after the Seller has become aware of the relevant breach.

Treatment of Defaulted Lease Receivables

Pursuant to the Receivables Purchase Agreement, in the event that a Lease Receivable purchased by the Issuer has become a Defaulted Lease Receivable:

(a) the Seller may, in its sole discretion, request to repurchase such Defaulted Lease Receivable at the relevant Repurchase Price, which request shall not be refused by the Issuer; and

(b) unless the Seller has repurchased such Defaulted Lease Receivable in accordance with paragraph (a) above, the Servicer shall terminate the relevant Lease Agreement and take all actions to repossess the relevant Leased Vehicle; and, without undue delay upon such repossession, proceed to the sale of the relevant Leased Vehicle in accordance with its internal remarketing policies and, further to such sale, pay the relevant Issuer Share Vehicle Sale Proceeds to the Issuer.

Compensation Payment Obligation

Upon the occurrence of a Lease Agreement Early Termination relating to a Lease Receivable, the Seller has undertaken to indemnify the Issuer for an amount equal to the Compensation Payment Obligation to be credited by the Seller on the General Account of the Issuer on the Collections Transfer Date immediately following such Lease Agreement Early Termination.

Repurchase Price

On repurchase of the Lease Receivables (including, any Maintenance Lease Services Amounts, any RV Claims and any VAT Receivables, to the extent sold to the Issuer), the Seller will pay to the Issuer the Repurchase Price. The "Repurchase Price" will be an amount equal to the Aggregate

Outstanding Lease Principal Balance (calculated, in the case of any Lease Receivables which are to be repurchased due to a breach of Lease Warranties and/or which relate to Defaulted Lease Receivables and/or if a Total Loss occurs in respect of a Leased Vehicle relating to a Lease Receivable in the Portfolio, as if such Lease Receivables are Performing Lease Receivables) of the Lease Receivables to be repurchased by the Seller as of the Cut-Off Date immediately preceding the date of such repurchase, together with any unpaid amount due by the relevant Lessees under the relevant Lease Receivables.

Clean-up Call

The Seller will have the right at its option to exercise a clean-up call (the "**Clean-up Call**") and to offer to repurchase all of the Lease Receivables from the Issuer on any Payment Date (i) when the Aggregate Outstanding Lease Principal Balance as of the immediately preceding Cut-Off Date is less than 10% of the Aggregate Outstanding Lease Principal Balance as of the Initial Entitlement Date provided that the conditions set out in Condition 6.4 (Optional redemption in whole for taxation or other reasons) for redemption of the Notes are fulfilled; or (ii) upon the redemption in full of Class A.

The Repurchase Price payable by the Seller on exercise of the Clean-up Call shall be an amount equal to the higher of:

(a) the Aggregate Outstanding Lease Principal Balance of the Lease Receivables; and

(b) the sum of the Principal Amount Outstanding of the Class A Notes and all accrued interest thereon plus any payments in the applicable Priority of Payments ranking in priority to amounts due under the Class A Notes.

Lessee Notification Event

Upon the occurrence of a Lessee Notification Event, the Issuer (or any agent appointed by it) (i) shall immediately liaise with the Servicer and/or the Substitute Servicer and the Data Protection Agent (or, if applicable, its successor) in order to immediately notify the Lessees of the sale and assignment of the Lease Receivables by the Seller to the Issuer and (ii) may direct (and/or require the Seller to direct) all or any of the Lessees to pay the amounts outstanding in respect of Lease Receivables (which, following the occurrence a Sale Trigger Event, shall include the Maintenance Lease Services Amounts, RV Claims and VAT Receivables) directly to the Issuer, into the General Account or into an account which is specified by the Issuer (or any agent of the Issuer's behalf).

If the Servicer does not comply with its duty to notify the Lessees, the Issuer or Back-Up Servicer (or a third party acting on its behalf) may notify the Lessees. Costs in connection with a notification of the Lessees shall be borne by the Servicer. In order to facilitate such notification and the enforcement of the Issuer's rights in relation to the Lease Receivables on the Closing Date the Seller will deliver the Decryption Key to the Data Protection Agent. Following the occurrence of a Lessee Notification Event, the Issuer Security Trustee will make the Decryption Key available to the Issuer, the Servicer and the Back-Up Servicer. The Servicer (on the Issuer's behalf) and the Back-Up Servicer will be authorised to use the Decryption Key to decrypt the relevant Records and other relevant information and, if the Servicer does not notify the Lessees, then the Issuer or Back-Up Servicer (or a third party acting on its behalf) may, decrypt the Data File and notify the Lessees using such decrypted information. For more information in relation to Lessee Notification Events see further the section of the Triggers Table relating to "Lessee Notification Event" above.

Appointment of Fallback Maintenance Coordinator

Pursuant to the terms of the Receivables Purchase Agreement and in furtherance of the Issuer's interest in the Lease Receivables, Arval will irrevocably appoint the Issuer to select, on and from the occurrence of a Sale Trigger Event, one or more agents to perform the Maintenance Lease Services as applicable to the relevant Leased Vehicles. Further, on the Closing Date Arval will execute a power of attorney in favour of the Issuer and to perform any acts necessary in connection with the Maintenance Lease Services. On the occurrence of a Sale Trigger Event, the Issuer will appoint Arval to provide and coordinate the Maintenance Lease Services on its behalf pursuant to the terms of a fallback sub-maintenance coordinator agreement entered into between, among others, the Issuer, Arval and the Issuer Security Trustee (the "**Fallback Sub-Maintenance Coordinator Agreement**") unless a Fallback Sub-Maintenance Coordinator Termination Event has occurred. See further description in the section entitled "Fallback Sub-Maintenance Coordinator Agreement" below.

From the occurrence of a Sale Trigger Event, in consideration for the services provided by the Issuer as Fallback Maintenance Coordinator, Arval will pay to the Fallback Maintenance Coordinator the Fallback Maintenance Coordinator Fee on each Payment Date.

Pursuant to the Receivables Purchase Agreement, the Fallback Maintenance Coordinator shall, on receipt of any invoice (the "**Corresponding Sub-Maintenance Invoice**") from Arval in respect of any services supplied by Arval to the Fallback Maintenance Coordinator pursuant to the Fallback Sub-Maintenance Coordinator Agreement, issue an invoice (the "**Maintenance Invoice**") to Arval in respect of Maintenance Lease Services on the same date, showing the same amounts as the Corresponding Sub-Maintenance Invoice. Arval agrees to pay the Fallback Maintenance Coordinator Fee set out in the Maintenance Invoice on the Payment Date relating to the Corresponding Sub-Maintenance Invoice.

Applicable law and jurisdiction

The Receivables Purchase Agreement and any non-contractual obligations arising out of or in connection with it will be governed by and construed in accordance with the laws of England and Wales, except that to the extent that the provisions of the Receivables Purchase Agreement relate to Scottish Receivables, such provisions shall be construed in accordance with Scots law and the Scottish Declaration of Trust shall be governed by and construed in accordance with Scots law. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Receivables Purchase Agreement.

2. **RECEIVABLES SERVICING AGREEMENT**

General

On or prior to the Closing Date the Issuer, the Note Trustee, the Issuer Security Trustee, the Reporting Agent and Arval will enter into a servicing agreement (the "**Receivables Servicing Agreement**") pursuant to which Arval will be instructed to act as Servicer and to carry out certain management, collection and recovery activities in relation to the Portfolio transferred to the Issuer pursuant to the Receivables Purchase Agreement in accordance with the Servicing Procedures.

Description of Servicing Functions

The duties of the Servicer will be set out in the Receivables Servicing Agreement and the Servicer will agree, amongst other things, to:

(a) administer the Lease Agreements and in particular collect all Collections;

(b) procure the payment of Collections as described in the section entitled "Collections and distribution" below;

(c) administer early repayments;

(d) (re)calculate the Lease Receivables in accordance with the Servicing Procedures and subject to the terms of the relevant Lease Agreement;

(e) keep and maintain records with respect to each Lease Agreement comprised in the Portfolio for the purposes of identifying amounts paid by each Lessee, any amount due from a Lessee and the balance from time to time outstanding with respect to each such Lease Agreement;

(f) maintain records in respect of amounts recognised as having been lost or irrecoverable in relation to Defaulted Lease Receivables and amounts recovered in relation to Defaulted Lease Receivables which have previously been recognised as having been lost or irrecoverable in accordance with the requirements of the Receivables Servicing Agreement and the Origination and Underwriting Procedures;

(g) keep and maintain the Records on a Lease Receivable by Lease Receivable basis, in whatever medium or media may be expedient showing clearly all transactions and proceedings relating to the Receivables Servicing Agreement and to the relevant Lessees (including their correspondence details), the Lease Receivables and in an adequate form as is necessary to enforce each Lease Receivable;

(h) ensure that the Records in respect of the Lease Receivables and the relevant Lease Agreements are kept in good order, in safe custody in fireproof and flood-proof storage in such manner so that they are identifiable and distinguishable from the records and other documents which relate to other agreements which are held by or on behalf of the Servicer or any other person and so that the relevant Lease Agreements and Records are uniquely, unequivocally and physically identifiable from data contained in the Initial Portfolio Schedule or the relevant Additional Portfolio Schedule;

(i) take all actions on behalf and in the name of Arval to repossess the relevant Leased Vehicles (i) in respect of any Defaulted Lease Receivables (unless repurchased by Arval); (ii) where Arval has failed to repurchase the Lease Receivable in accordance with the Receivables Purchase Agreement; or (iii) where the relevant Lessee is obliged to and has failed to return the relevant Leased Vehicle to Arval in accordance with the terms of the relevant Lease Agreement;

(j) upon the occurrence of an Insolvency Event with respect to Arval, communicate to Arval's Insolvency Official that it is entitled to receive the Maintenance Liquidation Fee, the Servicing Incentive Fee and the Recovery Incentive Fee with a view to maximising the recoveries of Issuer Share Vehicle Sale Proceeds upon the occurrence of a Sale Trigger Event where the Insolvency Official disposes of, arranges for the disposal of or otherwise assists with the disposal of the relevant Leased Vehicles;

(k) give access to its Records to the Issuer or the Issuer Security Trustee (or any agent) upon request, provided that

  (i) consultation shall occur during normal opening hours at the premises of the Servicer, with no disturbance of local business activities, subject to a prior written notice of not less than thirty (30) calendar days sent to the Servicer and not more than once a year; and

  (ii) such consultation shall not give rise to de-archiving or sending of the original copies of the Records, unless such request is made upon the occurrence of a Servicer Termination Event or to permit the Issuer, to proceed to an audit of the Lease Receivables which the parties may agree (scope and related costs to be pre-agreed) with the Servicer to conduct at any time during the life of the Issuer;

(l) determine, as required, any Variations and notify the Issuer, the Seller, the Cash Manager and following an Issuer Event of Default, the Issuer Security Trustee of any Aggregate Outstanding Balance Increase Amount or Aggregate Outstanding Balance Reduction Amount resulting from such recalculation;

(m) deal with any Defaulted Lease Receivables in accordance with the terms of the Receivables Servicing Agreement and the Receivables Purchase Agreement; and

(n) perform other tasks incidental to the above.

In consideration of these duties, the Servicer will receive the Servicer Fee to be paid by the Purchaser according to the applicable Priority of Payments.

Description of Servicing Standard

In accordance with the terms of the Receivables Servicing Agreement, the Servicer shall:

(a) comply with the Servicing Procedures; and

(b) at all times devote or procure that there is devoted to the performance of its obligations, exercise of its discretions and its exercise of the rights of the Issuer and where so permitted the Issuer Security Trustee in respect of the Lease Receivables at least (i) the same amount of time and attention, (ii) the same level of skill, care and diligence in the performance of those obligations and discretions as it would if it were administering receivables which it beneficially owned and, in any event, will devote all due skill, care and diligence to the performance of its obligations and the exercise of its discretions under the Receivables Servicing Agreement and consider the interests of the Issuer and the Issuer Security Trustee (acting on behalf of the Issuer Secured Creditors) at all times whilst carrying out the services

under the Receivables Servicing Agreement but the Servicer shall not be required to do or cause to be done anything which it is prevented from doing by any regulatory direction or any requirement of law (the "**Servicer Standard of Care**").

In addition, the Servicer shall service and administer the assets forming part of the Portfolio in compliance with the Lease Agreements, the Receivables Purchase Agreement and certain general covenants of the Servicer (including covenants as to the compliance with any applicable laws in rendering the services owed by the Servicer).

Collections and distribution

Under the Receivables Servicing Agreement, the Servicer will procure that:

(a) all Collections in respect of the Lease Receivables and (following a Sale Trigger Event) the RV Claims collected at any time during the immediately preceding Collection Period are paid into the General Account on each Collections Transfer Date; and

(b)

(i) on each Collections Transfer Date all Deemed Collections in respect of the preceding Collection Period are paid to the Issuer, and any failure to make such payment must be remedied within five (5) Business Days (or thirty (30) calendar days if the breach is due to force majeure or technical reasons) of such Collections Transfer Date; and

(ii) any failure to make such payment or remedy in accordance with Sub-clause (i) above is notified to the Issuer and the Cash Manager.

Servicing Reports

Pursuant to the Receivables Servicing Agreement, the Servicer has undertaken to provide the Issuer with a Servicing Report on each Information Date.

The Servicing Report shall be in the form as set out in the Receivables Servicing Agreement, shall serve as the basis of the Monthly Management Report to be prepared by the Cash Manager and the Investor Report to be prepared by the Reporting Agent, and shall contain at least information relating to:

(a) the amount of the Collections received during the preceding Collection Period;

(b) the amount of Deemed Collections to be paid by the Servicer in respect of the preceding Collection Period;

(c) the Outstanding Lease Principal Balance of each Lease Receivable;

(d) as the case may be, any Aggregate Outstanding Balance Increase Amount and/or any Aggregate Outstanding Balance Reduction Amount to be paid in respect of a Variation during the preceding Collection Period;

(e) any amount in arrears under any relevant Lease Receivable;

(f) whether any Lease Receivable has become a Defaulted Lease Receivable during the preceding Collection Period;

(g) any Recoveries, as well as any Total Vehicle Sale Proceeds or Issuer Share Vehicle Sale Proceeds received during the preceding Collection Period in relation to any Defaulted Lease Receivable;

(h) upon the earlier of (i) the occurrence of a Maintenance Reserve Trigger Event and as long as it is continuing and (ii) the occurrence of a Sale Trigger Event, the Maintenance Settlement Ledger, the Maintenance Costs and, if any, the Maintenance Lease Services Collections relating to the preceding Collection Period; and

(i) the occurrence of any Lease Agreement Early Termination during the preceding Collection Period.

Variation of Performing Lease Receivables

Under the Receivables Purchase Agreement, a Lease Agreement relating to a Performing Lease Receivable may be subject to (i) adjustments notably in relation to mileage or duration and/or (ii) commercial renegotiation, resulting in a Variation of the relevant Lease Agreement, provided that such Variation would not result in a Non-Permitted Variation.

In case a Variation in relation to any Performing Lease Receivable would result in a Non-Permitted Variation, the Seller shall pay to the Issuer the corresponding Repurchase Price and, upon and subject to receipt of the relevant Repurchase Price on the relevant Payment Date, the purchase of the affected Lease Receivable shall be repurchased by the Seller from the Issuer.

Following the occurrence of a Variation in relation to any Performing Lease Receivable, the Servicer will determine its updated characteristics, including (but not limited to) the updated amounts the Lease Instalment, Lease Instalment Interest Component, Lease Instalment Principal Component, and Outstanding Lease Principal Balance, for all the Lease Instalment Due Dates following such Variation.

Any increase of the Outstanding Lease Principal Balance of any Performing Lease Receivable subject to a Variation which is not a Non-Permitted Variation will be allocated to the Aggregate Outstanding Balance Increase Amount and be paid by the Issuer to the Seller as Junior Deferred Purchase Price on the following Payment Date according to the applicable Priority of Payments.

Any decrease in the Outstanding Lease Principal Balance of any Performing Lease Receivable subject to a Variation which is not a Non-Permitted Variation will be allocated to the Aggregate Outstanding Balance Reduction Amount that will be paid by the Servicer to the Issuer as a Deemed Collection on the immediately following Collections Transfer Date.

On each Information Date, the Servicer shall notify the Issuer of any Aggregate Outstanding Balance Increase Amount and/or any Aggregate Outstanding Balance Reduction Amount during the preceding Collection Period as part of information contained in the Servicing Report.

Performance by Third Parties

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

Allocation of Collections

Subject, where applicable, to the provisions of and the operation of the CCA which require a contrary treatment as to apportionment to be applied, the Servicer will, if a person owing a payment obligation in respect of a Lease Agreement makes a general payment to the Servicer on account both of a Lease Receivable and of any other monies due for any reason whatsoever to Arval (including in relation to a Lease Agreement not included in the Portfolio) and makes no apportionment between them, treat such payment in the following manner:

(a) firstly, to the applicable invoice relating to such payment;

(b) secondly, where payments are not identified as relating to a specific invoice, and after notification to the Lessee, to the relevant invoice at the direction of the Lessee;

(c) thirdly, where no such allocation is provided by the relevant Lessee within ten (10) Business Days, to the oldest invoice then outstanding until the outstanding balance of such invoice has been reduced to zero and thereafter to the next oldest invoices in order until the outstanding balance of such invoices has been reduced to zero; and

(d) fourthly, in all other cases *pari passu* and *pro rata* between all outstanding invoices of the Lessee relating to Lease Receivables.

Additionally, upon the occurrence of a Sale Trigger Event, the *pro rata* share of the collections received and allocated to the Lease Agreements included in the Portfolio should first be applied and allocated (i) *pro rata* and *pari passu* between VAT Collections and Non VAT Collections and (ii)

thereafter, Non VAT Collections, will be allocated to Lease Interest Collections, then to Lease Principal Collections and (for the avoidance of doubt, only following a Sale Trigger Event) thereafter to Maintenance Lease Services Collections.

Arval shall be entitled to retain or be paid to it as Deferred Purchase Price all VAT Collections in relation to the Lease Agreements in the Portfolio.

Investor Reports and information

For further details about Investor Reports and information, please refer to the section entitled "Regulatory Requirements".

Servicer Fee

In consideration of its duties pursuant to the Receivables Servicing Agreement, the Servicer will receive the Servicer Fee to be paid by the Purchaser subject to and in accordance with the applicable Priority of Payments.

Appointment of Back-Up Servicer

If the Servicer has not procured for the appointment of a Back-Up Servicer pursuant to the terms of a back-up servicing agreement (the "**Back-Up Receivables Servicing Agreement**") within ninety (90) calendar days following the occurrence of a Downgrade Event and provided that no Servicer Termination Event has occurred, the Back-Up Servicer Facilitator shall identify and approach any potential Suitable Entity to act as Back-Up Servicer and, following such process, the Issuer shall appoint a Suitable Entity to act as Back-Up Servicer until the occurrence of a Servicer Termination Event. The Back-Up Servicer will have to satisfy and meet the requirements and standards as set out in the Receivables Servicing Agreement.

The Servicer must notify the parties to the Receivables Servicing Agreement in writing immediately on the occurrence of an Insolvency Event in relation to the Servicer or upon having the knowledge of the occurrence of a Commingling Reserve Trigger Event, a Maintenance Reserve Trigger Event, a Set-Off Reserve Trigger Event, a Sale Trigger Event or a Non-Insolvency Servicer Termination Event.

On entry into the Back-Up Receivables Servicing Agreement, whilst acting as Back-Up Servicer, the Back-Up Servicer will agree that it will promptly notify the Servicer if it requires any further assistance or information reasonably required by it in order to enable them to perform their roles or duties pursuant to the Back-Up Receivables Servicing Agreement, such that in each case it is in a position that it is able, on its assumption of the Servicer role, to immediately perform services contained in the Back-Up Receivables Servicing Agreement (together, the "**Back-Up Servicer Role**").

Upon the occurrence of a Servicer Termination Event, the Issuer shall:

(a) forthwith activate the Back-Up Servicer if such Back-Up Servicer has already been appointed following the occurrence of a Downgrade Event; or

(b) if the Servicer has not procured for the appointment of a Back-Up Servicer, (i) within thirty (30) calendar days following the occurrence of the Servicer Termination Event (other than an Insolvency Event of the Servicer) or (ii) upon the occurrence of an Insolvency Event of the Servicer, appoint another Suitable Entity,

to act as Substitute Servicer to take over the tasks of the Servicer under the Receivables Servicing Agreement.

Neither the Arval Security Trustee, the Issuer Security Trustee or the Note Trustee shall be obliged to monitor the performance of the Servicer or the Back-Up Servicer nor shall any of them be required to take action to identify any replacement Servicer or Back-Up Servicer or for carrying on any role of the Servicer or Back-Up Servicer following the termination of the Servicer's or Back-Up Servicer's appointment and each of the Arval Security Trustee, the Issuer Security Trustee and the Note Trustee shall be entitled to assume that each of the Servicer and the Back-Up Servicer is performing its obligations under the Receivables Servicing Agreement and/or Back-Up Receivables Servicing Agreement.

Realisation Procedure Rules

Where the Seller has not exercised its sole discretion to repurchase any Defaulted Lease Receivable, the Servicer (and any Substitute Servicer) has undertaken to comply with certain criteria, including the following, when realising the Leased Vehicles (the "**Realisation Procedure Rules**"):

(a) conduct its realisation activities in accordance with a standard of care such that the Servicer shall devote or procure that there is devoted to the performance of its obligations, exercise of its discretions and its exercise of the rights of the Issuer and where so permitted the Issuer Security Trustee in respect of the Realisation Services, having at least (i) the same amount of time and attention, (ii) the same level of skill, care and diligence in the performance of those obligations and discretions and the exercise of those rights as it would exercise if it were providing the Realisation Services in respect of Vehicles which it beneficially owned and, in any event, will devote all due skill, care and diligence to the performance of its obligations and the exercise of its discretions hereunder and consider the interests of the Issuer and, following the occurrence of an Issuer Event of Default, the Issuer Security Trustee (acting on behalf of the Issuer Secured Creditors) at all times whilst carrying out the services thereunder but the Servicer shall not be required to do or cause to be done anything which it is prevented from doing by any regulatory direction or any requirement of law;

(b) consider the interests of the Issuer and, following the occurrence of an Issuer Event of Default, the Issuer Security Trustee (acting on behalf of the Issuer Secured Creditors) at all times whilst carrying out the Realisation Services;

(c) comply with the Servicer's customary realisation procedures;

(d) maintain its books and records relating to the Leased Vehicles in accordance with applicable accounting standards in all material respects and to adequately store and preserve the records that are in its possession;

(e) maintain records in relation to the Leased Vehicles and keep them in such a manner that they are readable by a computer, can be easily distinguished from other similar records, and can be accessed by the Issuer at all reasonable times;

(f) use commercially reasonable efforts to arrange for the sale of the Leased Vehicles to a third party purchaser in a manner which maximises the sale price thereof (having regard to the then current market value of such Leased Vehicle taking into account the relevant method of sale); and

(g) not arrange for the sale of a Leased Vehicle to a third party purchaser on credit terms.

Following a Servicer Termination Event, Arval will procure that a Suitable Entity will take over the tasks of the Servicer in relation to the Realisation Procedure Rules under the Receivables Servicing Agreement as back-up realisation agent (the "**Back-Up Realisation Agent**") and as Trustee Agent within ninety (90) calendar days of the occurrence thereof. The Back-Up Realisation Agent shall realise the relevant Leased Vehicles via a sale in the open market in accordance with the Receivables Servicing Agreement. Since the Back-Up Realisation Agent will be appointed upon the occurrence of a Servicer Termination Event, the risk of interruptions in respect of the performance under the Receivables Servicing Agreement is mitigated to a certain extent.

Whilst acting as Back-Up Realisation Agent, the Back-Up Realisation Agent will covenant with the Issuer that it will promptly notify the Servicer if it requires any further assistance or information reasonably required by it in order to enable it to perform its roles or duties pursuant to the Receivables Servicing Agreement, such that in each case it is in a position that it is able, on its assumption of the tasks of the Servicer in relation to the Realisation Procedure Rules under the Receivables Servicing Agreement, to immediately perform services contained in the Receivables Servicing Agreement (the "**Back-Up Realisation Agent Role**").

Termination and Replacement of the Servicer

After the occurrence of a Servicer Termination Event, the Issuer (or the Issuer Security Trustee) is entitled to dismiss the Servicer in writing. Such dismissal and the appointment of a new Servicer shall only become effective after the new Servicer has been appointed on terms substantially similar to the existing Receivables Servicing Agreement.

The Servicer may assign all of its rights under the Receivables Servicing Agreement to another member of the Arval Company Group (who shall assume all of the obligations of the Servicer under the Receivables Servicing Agreement) without the prior consent of the Issuer and the Issuer Security Trustee provided that certain conditions are satisfied.

Applicable law and jurisdiction

The Receivables Servicing Agreement, and any non-contractual obligations arising out of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Receivables Servicing Agreement.

3. **FALLBACK SUB-MAINTENANCE COORDINATOR AGREEMENT AND MAINTENANCE RESERVE GUARANTEE**

General

On the Closing Date the Issuer (in its capacity as Fallback Maintenance Coordinator) will appoint Arval to provide and coordinate the Maintenance Lease Services on its behalf pursuant to the terms of a fallback sub-maintenance coordinator agreement entered into between, among others, the Issuer, Arval (in its capacity as Fallback Sub-Maintenance Coordinator) and the Issuer Security Trustee (the "**Fallback Sub-Maintenance Coordinator Agreement**").

The Fallback Sub-Maintenance Coordinator shall, at all times during the term of the Fallback Sub-Maintenance Coordinator Agreement, devote or procure that there is devoted to the performance of its obligations, exercise of its discretions and its exercise of the rights of the Issuer and following the occurrence of an Issuer Event of Default, the Issuer Security Trustee in respect of the Maintenance Lease Services at least (i) the same amount of time and attention, (ii) the same level of skill, care and diligence in the performance of those obligations and discretions and the exercise of those rights as it would if it were coordinating the Maintenance Lease Services in respect of motor vehicle lease agreements and/or maintenance and service obligations which it beneficially owned and, in any event, will devote all due skill, care and diligence to the performance of its obligations and the exercise of its discretions under the Fallback Sub-Maintenance Coordinator Agreement and consider the interest of the Issuer and, following the occurrence of an Issuer Event of Default, the Issuer Security Trustee (acting on behalf of the Issuer Secured Creditors) at all times whilst coordinating the Maintenance Lease Services under the Fallback Sub-Maintenance Coordinator Agreement but the Fallback Sub-Maintenance Coordinator shall not be required to do or cause to be done anything which it is prevented from doing by any regulatory direction or any requirement of law.

Records

Pursuant to the Fallback Sub-Maintenance Coordinator Agreement, the Fallback Sub-Maintenance Coordinator shall make the same covenants in terms of Records custody as those set out in the Receivables Servicing Agreement.

Performance by Third Parties

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

Audit rights

The Fallback Sub-Maintenance Coordinator will grant to the Issuer similar audit rights as those granted by the Servicer to the Issuer under the Receivables Servicing Agreement.

Undertakings of the Fallback Sub-Maintenance Coordinator

Under the Fallback Sub-Maintenance Coordinator Agreement, the Fallback Sub-Maintenance Coordinator shall covenant with and undertake to the Issuer that, among other matters:

(a) it will, in relation to the Maintenance Lease Services, act in all material respects in accordance with the applicable Lease Agreement;

(b) it will credit the Maintenance Reserve Advance in accordance with the provisions of the Reserve Loan Agreement;

(c) it will:

(i) upon the occurrence of a Sale Trigger Event, pay all amounts payable to the relevant services providers (including any VAT thereon and all fees, costs and expenses relating thereto) for the provision of the Maintenance Lease Services; and

(ii) comply with all material provisions, covenants and other obligations relating to the Maintenance Lease Services except where failure to do so would not reasonably be expected to have a material adverse effect on the performance of such Maintenance Lease Services by the services providers;

(d) it will not, in the carrying out of its duties, do anything to impair the rights of the Issuer in and to the Portfolio or to cause the Issuer to breach any applicable law or regulation;

(e) following the termination of its appointment as Fallback Sub-Maintenance Coordinator and the appointment by the Issuer of a Substitute Fallback Sub-Maintenance Coordinator, it shall:

(i) inform all relevant services providers of the appointment of such Substitute Fallback Sub-Maintenance Coordinator by the Issuer;

(ii) cooperate with the Issuer and the Substitute Fallback Sub-Maintenance Coordinator to ensure that the communication of the Records and the coordination of the Maintenance Lease Services by the Substitute Fallback Sub-Maintenance Coordinator are as smooth and trouble free as practicable and, subject to agreement between the relevant Transaction Parties, continue to provide any necessary coordination services until completion of the transfer;

(iii) ensure that the Substitute Fallback Sub-Maintenance Coordinator is granted all licences and/or sub-licences necessary to enable it to operate the relevant IT systems of the Fallback Sub-Maintenance Coordinator as from the activation of such Substitute Fallback Sub-Maintenance Coordinator;

(iv) not make any material modification to its IT systems or operational procedures without the consent of the Substitute Fallback Sub-Maintenance Coordinator and, if necessary, shall arrange training for the relevant personnel of the Substitute Fallback Sub-Maintenance Coordinator in relation to any changes which are agreed to be effected;

(f) promptly and in any event within ten (10) Business Days of a written request from the Issuer and/or the Issuer Security Trustee, provided that there are legitimate, serious and reasonable grounds for suspecting that a Fallback Sub-Maintenance Coordinator Termination Event has occurred, it shall certify by two directors in writing that no Fallback Sub-Maintenance Coordinator Termination Event has occurred; and

(g) upon written request from the Issuer, it shall give any information that the Issuer may reasonably consider necessary to investigate the occurrence of a Revolving Period Termination Event or an Accelerated Amortisation Event.

Appointment of a Back-Up Fallback Sub-Maintenance Coordinator

Under the Fallback Sub-Maintenance Coordinator Agreement, if the Fallback Sub-Maintenance Coordinator has not procured for the appointment of a Back-Up Fallback Sub-Maintenance Coordinator within ninety (90) calendar days of the occurrence of a Downgrade Event (provided that no Fallback Sub-Maintenance Coordinator Termination Event has occurred), the Back-Up Fallback Sub-Maintenance Facilitator has undertaken to use all reasonable endeavours to identify and approach any potential Suitable Entity to act as Back-Up Fallback Sub-Maintenance Coordinator to carry out the duties of the Fallback Sub-Maintenance Coordinator on substantially the same terms as those in the Fallback Sub-Maintenance Coordinator Agreement with respect to the Maintenance Lease Services.

Following the selection by the Back-Up Fallback Sub-Maintenance Facilitator of a Suitable Entity to act as Back-Up Fallback Sub-Maintenance Coordinator, the Issuer will appoint such entity as Back-Up Fallback Sub-Maintenance Coordinator, provided that such person shall stand by until it is notified by the Issuer of the occurrence of a Fallback Sub-Maintenance Coordinator Termination Event and of its activation.

The Back-Up Fallback Sub-Maintenance Coordinator will agree that it will receive and store information in respect of the Portfolio including any investor report or loan level data that is published in relation to the Notes, so that it is able, on the occurrence of a Fallback Sub-Maintenance Coordinator Termination Event and thirty (30) calendar days written notice from the Issuer or the Issuer Security Trustee to the Back-Up Fallback Sub-Maintenance Coordinator that it should commence performance of the Maintenance Lease Services, to perform the Maintenance Lease Services described in the Fallback Sub-Maintenance Coordinator Agreement (together, the "Back-Up Fallback Sub-Maintenance Coordinator Role").

Appointment of a Substitute Fallback Sub-Maintenance Coordinator

Upon the occurrence of a Fallback Sub-Maintenance Coordinator Termination Event:

(a) if a Back-Up Fallback Sub-Maintenance Coordinator has been appointed following the occurrence of a Downgrade Event, the Issuer or the Issuer Security Trustee shall forthwith activate such Back-Up Fallback Sub-Maintenance Coordinator to act as Substitute Fallback Sub-Maintenance Coordinator to carry out the duties of the Fallback Sub-Maintenance Coordinator with respect to the Maintenance Lease Services; or

(b) if no Back-Up Fallback Sub-Maintenance Coordinator has been appointed following the occurrence of a Downgrade Event, and if the Fallback Sub-Maintenance Coordinator has not procured for the appointment of a Back-Up Fallback Sub-Maintenance Coordinator (i) within thirty (30) calendar days following the occurrence of such Fallback Sub-Maintenance Coordinator Termination Event (other than an Insolvency Event of the Fallback Sub-Maintenance Coordinator) or (ii) upon the occurrence of an Insolvency Event of the Fallback Sub-Maintenance Coordinator, the Back-Up Fallback Sub-Maintenance Facilitator shall use all reasonable endeavours to identify and approach any potential Suitable Entity to act as Substitute Fallback Sub-Maintenance Coordinator; and following the selection by the Back-Up Fallback Sub-Maintenance Facilitator of a Suitable Entity to act as Substitute Fallback Sub-Maintenance Coordinator, the Issuer shall, with the prior consent of the Issuer Security Trustee, appoint such entity as Substitute Fallback Sub-Maintenance Coordinator in accordance with, and subject to, the provisions of the Fallback Sub-Maintenance Coordinator Agreement.

Upon the appointment of the Substitute Fallback Sub-Maintenance Coordinator, the Fallback Sub-Maintenance Coordinator will provide the Substitute Fallback Sub-Maintenance Coordinator with certain relevant information (in an encrypted form Data File) for the purpose of identifying the Lease Receivables forming part of the Portfolio. The Fallback Sub-Maintenance Coordinator will, upon such appointment of the Substitute Fallback Sub-Maintenance Coordinator, also provide the Substitute Fallback Sub-Maintenance Coordinator with a Decryption Key which will enable the unlocking of the Data File.

Termination of appointment of the Fallback Sub-Maintenance Coordinator

Upon the occurrence of a Fallback Sub-Maintenance Coordinator Termination Event, the Issuer may at once or at any time subsequently by notice in writing to the Fallback Sub-Maintenance Coordinator terminate the appointment of the Fallback Sub-Maintenance Coordinator under the Fallback Sub-Maintenance Coordinator Agreement with effect from a date (not earlier than the date of the notice) specified in the notice, provided, however, that the Fallback Sub-Maintenance Coordinator shall not be released from its obligations under the Fallback Sub-Maintenance Coordinator Agreement until the activation of the Substitute Fallback Sub-Maintenance Coordinator.

If not otherwise terminated in accordance with the other provisions of the Fallback Sub-Maintenance Coordinator Agreement, the Fallback Sub-Maintenance Coordinator Agreement shall terminate upon the expiry of not less than thirty (30) days after notice of termination is given by or on behalf of the Issuer to the extent that the Issuer has ceased to have any further interest in the Lease Receivables or (if later) following the Final Maturity Date.

Fallback Sub-Maintenance Coordinator Fee

In consideration of these duties and following a Sale Trigger Event, Arval as Fallback Sub-Maintenance Coordinator will receive the Fallback Sub-Maintenance Coordinator Fee as set out in the VAT invoices issued by the Fallback Sub-Maintenance Coordinator from time to time in accordance with the Fallback Sub-Maintenance Coordinator Agreement. The amount to be paid by the Issuer in relation to such Fallback Sub-Maintenance Coordinator Fee will form part of the Senior Expenses, which (without double-counting) shall form part of the Available Distribution Amount which will be applied by the Issuer on each Payment Date. The payment of the Fallback Sub-Maintenance Coordinator Fee will be subject to, and to the extent of, the payment by Arval to the Issuer as Fallback Maintenance Coordinator of the Fallback Maintenance Coordinator Fee.

Maintenance Reserve Advance

Pursuant to the Reserve Loan Agreement, the Fallback Sub- Maintenance Coordinator has agreed, as a guarantee for the performance of its obligations under the Maintenance Coordination Agreement (including, without limitation, its obligation to pay any Maintenance Costs to third party service providers), to grant the Maintenance Reserve Advance to the Issuer, up to the Maintenance Reserve Required Amount. Such Maintenance Reserve Advance shall be credited to the Maintenance Reserve Account in conditions set forth in the Reserve Loan Agreement.

On the Closing Date and for so long as no Fallback Sub-Maintenance Reserve Trigger Event with respect to the Fallback Sub-Maintenance Coordinator has occurred, the Maintenance Reserve Required Amount is equal to zero.

Maintenance Reserve Guarantee

General

The Maintenance Reserve Guarantor will on the Closing Date, issue a first-demand autonomous guarantee (*garantie autonome à première demande*) governed by article 2321 of the French Civil Code pursuant to which the Maintenance Reserve Guarantor will unconditionally and irrevocably undertake to pay to the Issuer, at the Issuer's first request all sums due by the Fallback Sub-Maintenance Coordinator to the Issuer and remaining unpaid with respect to the funding of the Maintenance Reserve Advance up to the Maintenance Reserve Guarantee Maximum Amount (the "**Maintenance Reserve Guarantee**").

Subject to the below, the Maintenance Reserve Guarantee is a continuing guarantee and extends to the ultimate balance of sums requested by the Issuer, up to the Maintenance Reserve Guarantee Maximum Amount, regardless of any intermediate payment of Maintenance Reserve Advances by the Fallback Sub-Maintenance Coordinator on and from the date of the Maintenance Reserve Guarantee.

Maintenance Reserve Guarantee request for payment

In accordance with the Fallback Sub-Maintenance Coordinator Agreement, the Issuer will be entitled to request the payment by the Maintenance Reserve Guarantor under the Maintenance Reserve Guarantee of any amount due by the Fallback Sub-Maintenance Coordinator to the Issuer and remaining unpaid with respect to the funding of the Maintenance Reserve Advance, up to the Maintenance Reserve Guarantee Maximum Amount, so that the credit balance of the Maintenance Reserve Account is equal to the Maintenance Reserve Required Amount, in the following circumstances:

(a) within three (3) Business Days of an Insolvency Event having occurred in relation to the Fallback Sub-Maintenance Coordinator;

(b) within thirty (30) calendar days of the occurrence of any other Fallback Sub-Maintenance Coordinator Termination Event which is continuing; or

(c) within fourteen (14) calendar days of the Maintenance Reserve Guarantor ceasing to have the Maintenance Reserve Guarantor Required Ratings,

and, in each case, following receipt of a notice from the Issuer of the occurrence of such event.

Following the occurrence of any of the above events, the Issuer will be entitled to call on the Maintenance Reserve Guarantee in one or several times, as and when it deems fit, up to the Maintenance Reserve Guarantee Maximum Amount, so that the credit balance of the Maintenance Reserve Account will at all times be equal to the Maintenance Reserve Required Amount.

Occurrence of a Fallback Sub-Maintenance Coordinator Change of Control

Following a Fallback Sub-Maintenance Coordinator Change of Control, the Maintenance Reserve Guarantor may procure to find a Replacement Maintenance Reserve Guarantor and the obligations of the Maintenance Reserve Guarantor under the Maintenance Reserve Guarantee will continue until the later of (a) thirty (30) days following a Fallback Sub-Maintenance Coordinator Change of Control; or (b) a Replacement Maintenance Reserve Guarantor having issued a Replacement Maintenance Reserve Guarantee (such date being the Maintenance Reserve Guarantee Cut-Off Date). The Maintenance Reserve Guarantor will be released from any liability (including any present or future and whether actual or contingent liability) under the Maintenance Reserve Guarantee arising after the Maintenance Reserve Guarantee Cut-Off Date.

Termination - Appointment of a Replacement Maintenance Reserve Guarantor

The Maintenance Reserve Guarantor may terminate the Maintenance Reserve Guarantee by written notice to the Issuer, effective ten (10) Business Days following receipt of such written notice by the Issuer or at such later date as may be specified in such written notice. Notwithstanding the foregoing, a termination by the Maintenance Reserve Guarantor will not be effective until a Replacement Maintenance Reserve Guarantor is found by the Maintenance Reserve Guarantor and a Replacement Maintenance Reserve Guarantor has entered into a Replacement Maintenance Reserve Guarantee.

In the event that the Maintenance Reserve Guarantor ceases to have the Maintenance Reserve Guarantor Required Ratings, then (i) the Fallback Sub-Maintenance Coordinator shall credit the Maintenance Reserve Advance to the Maintenance Reserve Account up to the Maintenance Reserve Required Amount within fourteen (14) days from the loss of the Maintenance Reserve Guarantor Required Ratings and (ii) the Maintenance Reserve Guarantor shall use its best efforts to procure, within thirty (30) days from the loss of the Maintenance Reserve Guarantor Required Ratings, for the appointment of another person having at least the Maintenance Reserve Guarantor Required Ratings as Replacement Maintenance Reserve Guarantor under a Replacement Maintenance Reserve Guarantee.

Immediately following (i) the funding by the Maintenance Reserve Guarantor of the Maintenance Reserve Advance up to the Maintenance Reserve Required Amount and (ii) a Replacement Maintenance Reserve Guarantor having entered into a Replacement Maintenance Reserve Guarantee, the Maintenance Reserve Guarantor will be released from any liability (including any present or future and whether actual or contingent liability) under the Maintenance Reserve Guarantee.

The Maintenance Reserve Guarantee shall continue in full force and effect with respect to any request of payment received by the Maintenance Reserve Guarantor prior to the effective termination of the Maintenance Reserve Guarantee pursuant to the aforesaid written notice of termination.

Upon substitution of the Maintenance Reserve Guarantor with a Replacement Maintenance Reserve Guarantor, any sums paid by the Maintenance Reserve Guarantor will be returned to it outside the Priority of Payments and an equivalent amount shall be paid to the Issuer by the Replacement Maintenance Reserve Guarantor.

Applicable law and jurisdiction

The Fallback Sub-Maintenance Coordinator Agreement , and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Fallback Sub-Maintenance Coordinator Agreement.

The Maintenance Reserve Guarantee will be governed by, and shall be construed in accordance with, French law. Any dispute as to the existence, validity, interpretation, performance or termination of the Maintenance Reserve Guarantee, or any other matter arising out of or in connection with the

Maintenance Reserve Guarantee or instrument delivered pursuant hereto shall be subject to the exclusive jurisdiction of the commercial court of Paris (*Tribunal de commerce de Paris*).

4. SELLER COLLECTION ACCOUNT DECLARATION OF TRUST

The Seller has, pursuant to the terms of a Seller Collection Account declaration of trust (the "**Seller Collection Account Declaration of Trust**"), agreed to hold all amounts standing to the credit of the Seller (Non-Customer) Collection Account (the "**Seller Collection Account Trust Property**") on trust for, among others, the Issuer and itself absolutely.

(a) The interest of the Issuer in the Seller Collection Account Trust Property shall at any time be such proportion of the amount standing to the credit of the Seller (Non-Customer) Collection Account which is equal to the amounts derived from Lease Receivables (and, following a Sale Trigger Event, Maintenance Lease Services Amounts, RV Claims and VAT Receivables) comprised in the Portfolio beneficially owned by the Issuer together with their Ancillary Rights (the "**Issuer's Proportion**").

(b) Arval's interest in the Seller Collection Account Trust Property shall be such proportion of the amount standing to the credit of the Seller (Non-Customer) Collection Account which is not allocated hereby to any other party ("**Arval's Proportion**").

(c) In relation to each future beneficiary who may accede to the terms of the Seller Collection Account Declaration of Trust (a "**New Beneficiary**"), the trust share of each New Beneficiary in respect of the Seller Collection Account Trust Property will be, at any time, equal to the proportion of the Seller Collection Account Trust Property which is as specified in the relevant Accession Deed (the "**New Beneficiary's Proportion**").

Applicable law and jurisdiction

The Seller Collection Account Declaration of Trust, and any non-contractual obligations arising out of or in connection with such declaration of trusts, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Seller Collection Account Declaration of Trust.

5. TRUST DEED

On the Closing Date, the Issuer, the Class B Noteholder and the Note Trustee will enter into a trust deed (the "**Trust Deed**") pursuant to which the Issuer and the Note Trustee will agree that the Notes are subject to the provisions in the Trust Deed. The Conditions and the forms of the Notes are set out in the Trust Deed.

The Note Trustee will hold the benefit of the rights, powers and covenants in its favour contained in the Transaction Documents upon trust for itself and the Noteholders, according to its and their respective interests, upon and subject to the terms and conditions of the Trust Deed.

Subject to the provisions of the Trust Deed, the Note Trustee may at its discretion give any directions to (i) the Issuer Security Trustee under or in connection with any Transaction Document (including, but not limited to, the giving of a direction to the Issuer Security Trustee to enforce the Issuer Security after the Issuer Security has become enforceable) and (ii) the Arval Security Trustee under or in connection with the Arval Deed of Charge.

In accordance with the terms of the Trust Deed, the Issuer will pay a fee to the Note Trustee for its services under the Trust Deed at the rate and times agreed between the Issuer and the Note Trustee together with payment of any liabilities incurred by the Note Trustee in relation to the Note Trustee's performance of its powers, rights and obligations under the Trust Deed and the other Transaction Documents.

The Trust Deed contains provisions requiring the Note Trustee to have regard to the interests of the Class A Noteholders and the Class B Noteholder equally as regards all rights, powers, trusts, authorities, duties and discretions of the Note Trustee but requiring (except where expressly provided otherwise), the Note Trustee to have regard only to the Class A Noteholders if, in the Note Trustee's opinion, there is a conflict between the interests of such Class and the Class B Noteholder.

In addition, the Note Trustee shall then only be bound to take any action at the direction of the Noteholders or any Class of them if it shall be indemnified and/or secured to its satisfaction against all liabilities to which it may render itself liable or which it may incur by so doing and, for this purpose, the Note Trustee may demand, prior to taking any such action, that there be paid to it in advance such sums as it considers (without prejudice to any further demand) shall be sufficient so to indemnify it.

The Trust Deed contains provisions limiting the powers of the Noteholders of subordinated Classes to request or direct the Note Trustee to take any action or to pass an effective Extraordinary Resolution that may affect the interests of the Noteholders of more senior Classes. Except in certain circumstances the Trust Deed contains no such limitation on the powers of the Noteholders of the Most Senior Class Outstanding to bind Noteholders of subordinated Classes.

The Trust Deed also contains provisions pursuant to which the Note Trustee shall not be bound to give notice to any person of the execution of any documents comprised or referred to in the Trust Deed or any other Transaction Document or to take any steps to ascertain whether any Issuer Event of Default, Issuer Potential Event of Default, Commingling Reserve Trigger Event, Maintenance Reserve Trigger Event, Set-Off Reserve Trigger Event, Automatic Crystallisation Event, Sale Trigger Event, Non-Insolvency Fallback Sub-Maintenance Coordinator Termination Event, Non-Insolvency Servicer Termination Event, Insolvency Event in respect of the Issuer, Seller Event of Default or any event which causes or may cause a right on the part of the Note Trustee, the Issuer Security Trustee or the Arval Security Trustee under or in relation to any Transaction Document to become exercisable has happened and, until it shall have actual knowledge or express notice pursuant to the Trust Deed to the contrary, the Note Trustee shall be entitled to assume that no Issuer Event of Default, Issuer Potential Event of Default, Commingling Reserve Trigger Event, Maintenance Reserve Trigger Event, Set-Off Reserve Trigger Event, Sale Trigger Event, Automatic Crystallisation Event, Non-Insolvency Fallback Sub-Maintenance Coordinator Termination Event, Non-Insolvency Servicer Termination Event, Insolvency Event in respect of the Issuer, or any Seller Event of Default or other such event has happened and that the Issuer and each of the other parties are observing and performing all their respective obligations under the Trust Deed and the other Transaction Documents and, if it does have actual knowledge or express notice as aforesaid, the Note Trustee shall not be bound to give notice thereof to the Noteholders or any other party.

Issuer covenants

Pursuant to the terms of the Trust Deed, so long as any of the Notes remains outstanding the Issuer has made certain covenants in favour of the Note Trustee including that it shall notify the Servicer, Note Trustee, the Issuer Security Trustee and the Cash Manager in writing, immediately upon becoming aware thereof of (i) any misrepresentations or breach of the warranties or undertakings given by it under the Transaction Documents, (ii) the occurrence of any Seller Event of Default, ((iii) the occurrence of an Automatic Crystallisation Event, (iv) the occurrence of a Non-Insolvency Fallback Sub-Maintenance Coordinator Termination Event, and/or Non-Insolvency Servicer Termination Event (v) the occurrence of an Insolvency Event in relation to it, (vi) the occurrence of any Commingling Reserve Trigger Event, Maintenance Reserve Trigger Event, Set-Off Reserve Trigger Event, or Sale Trigger Event and (vii) the occurrence of a Revolving Period Termination Event.

Retirement of Note Trustee

The Note Trustee may retire at any time upon giving not less than 60 days' notice in writing to the Issuer without assigning any reason therefor and without being responsible for any Liabilities occasioned by such retirement. The retirement of the Note Trustee shall not become effective unless there remains a trustee (being a trust corporation) in office after such retirement. The Issuer will agree in the Trust Deed that, in the event of the sole trustee or the only trustee under the Trust Deed giving notice of its retirement, it shall use its best endeavours to procure a new trustee to be appointed.

Applicable law and jurisdiction

The Trust Deed, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Trust Deed.

6. ISSUER DEED OF CHARGE

On the Closing Date, the Issuer and the Issuer Security Trustee (among others) will enter into a security deed (the "**Issuer Deed of Charge**"). As continuing security for the payment or discharge of the Issuer Secured Liabilities, the Issuer will create in favour of the Issuer Security Trustee, for itself and on trust for the other Issuer Secured Creditors, in accordance with the terms of the Issuer Deed of Charge:

(a) a charge by way of fixed first charge of all of its rights in respect of the Lease Receivables and Ancillary Rights comprised in the Portfolio and the Additional Portfolio (together with any related RV Claims, Maintenance Lease Services Amounts and VAT Receivables to the extent transferred to the Issuer);

(b) an assignment subject to a proviso for re-assignment on redemption, of all of its rights in respect of the Issuer Charged Documents which, in the case of the Swap Agreement, is subject to the netting and set-off provisions contained therein;

(c) a charge by way of fixed first charge of all of its rights in respect of (i) any amount standing from time to time to the credit of the Bank Accounts, (ii) all interest paid or payable in relation to those amounts and (iii) all debts represented by those amounts;

(d) a first fixed charge over all of its rights in respect of (i) the Authorised Investments made or purchased from time to time by or on behalf of the Issuer and (ii) all interest, moneys and proceeds paid or payable in relation to those Authorised Investments; and

(e) a first floating charge over all of its assets, property and rights whatsoever and wheresoever present and future.

The Issuer will also, execute and deliver to the Issuer Security Trustee, and procure the execution and delivery to the Issuer Security Trustee by the Seller of, a Scottish Supplemental Charge containing an assignation in security of the Issuer's interest in each Scottish Trust.

Under the Issuer Deed of Charge, the Issuer Secured Creditors acknowledge that (i) any Swap Collateral credited by the Swap Counterparty to any Swap Collateral Account, any interest paid or payable in relation to such Swap Collateral and any debts represented thereby are held solely to collateralise the obligations of the Swap Counterparty under the Swap Agreement and amounts standing to the credit thereto shall be applied in accordance with the terms of the Issuer Deed of Charge, the Cash Management Agreement and the Swap Agreement; (ii) any Replacement Swap Premium received by the Issuer shall be paid in accordance with the Swap Collateral Account Priority of Payments; (iii) any Swap Termination Payment received by the Issuer from the outgoing Swap Counterparty shall be applied in accordance with the Swap Collateral Account Priority of Payments; and (iv) any Tax Credits shall be applied directly to the Swap Counterparty in accordance with the Issuer Deed of Charge and the Swap Agreement.

Each of the Issuer Secured Creditors will be bound by the provisions of the Issuer Deed of Charge and, in particular, will agree to be bound by the limited recourse and non-petition provisions set out in the Issuer Deed of Charge. The Issuer Security will become immediately enforceable upon the service by the Note Trustee of a Note Acceleration Notice or, if there are no Notes outstanding, upon failure by the Issuer to pay any other Issuer Secured Liability on its due date (subject to any applicable grace period).

Only the Issuer Security shall be available to satisfy the Issuer's obligations under the Notes. Accordingly, recourse against the Issuer in respect of such obligations shall be limited to the Issuer Security and the claims of the Issuer Secured Creditors against the Issuer under the Transaction Documents may only be satisfied to the extent of the Issuer Security. Once the Issuer Security has been realised:

(a) neither the Issuer Security Trustee nor any of the Issuer Secured Creditors shall be entitled to take any further steps or other action against the Issuer to recover any sums due but unpaid;

(b) all claims in respect of any sums due but unpaid shall be extinguished; and

(c) neither the Issuer Security Trustee nor any of the Issuer Secured Creditors shall be entitled to petition or take any other step for the winding up of the Issuer.

The Issuer Deed of Charge contains provisions permitting the Issuer (subject as specifically provided otherwise in the Issuer Deed of Charge and the Transaction Documents) to exercise its rights, powers and discretions and perform its obligations in relation to the Issuer Charged Assets and under the Transaction Documents prior to the delivery of a Note Acceleration Notice notwithstanding the creation of the Issuer Security. Upon delivery by the Note Trustee of a Note Acceleration Notice to the Issuer, the Issuer shall no longer be entitled to exercise such rights, powers and discretions and the Issuer Security Trustee shall thereafter be entitled to exercise the Issuer's rights, powers and discretions and perform its obligations in relation to the Issuer Charged Assets and under the Transaction Documents in accordance with the provisions of the Issuer Deed of Charge and the other Transaction Documents.

Applicable law and jurisdiction

The Issuer Deed of Charge, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales, provided that any terms of the Issuer Deed of Charge which are particular to the laws of Scotland will be construed in accordance with the laws of Scotland). The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Issuer Deed of Charge. The Scottish Supplemental Charge shall be governed by and construed in accordance with Scots law.

7. ARVAL DEED OF CHARGE

On the Closing Date, the Issuer, Arval and the Arval Security Trustee will enter into a security deed (the "**Arval Deed of Charge**"). As security for its obligations under the Arval Deed of Charge (the Arval Secured Liabilities), Arval will grant a floating charge to the Arval Security Trustee (to be held on trust for the Arval Secured Creditors) over title to each Leased Vehicle, in each case where such Leased Vehicle relates to a Lease Agreement from which a Lease Receivable comprised in a Portfolio is derived (each, a "**Charged Vehicle**") and their related Title Documents pursuant to the terms of the Arval Deed of Charge.

The floating charge granted by Arval will automatically crystallise if any person levies or attempts to levy distress, execution or other process against any of the Charged Vehicles which (when combined with any other levy, distress, execution or other process against any of the Charged Vehicles) is in an amount above an aggregate amount equal at any point in time to £15,000,000 (the "**Crystallisation Threshold**").

The floating charge granted by Arval will also automatically crystallise if the following events occur:

(a) Arval ceases to carry on all or a substantial part of its business or ceases to be a going concern;

(b) Arval stops making payments to its creditors or gives notice to its creditors that it intends to stop payment;

(c) the presentation of a petition for the compulsory winding-up of Arval is made;

(d) the convening of a meeting for the passing of a resolution for the voluntary winding-up of Arval occurs;

(e) the presentation of a petition or application for the making of an administration order in relation to Arval occurs;

(f) any person who is entitled to do so giving written notice of its intention to appoint an administrator of Arval or filing such a notice with the court;

(g) any floating charge granted by Arval to any other person (whether permitted by the Transaction Documents or not) crystallises for any reason whatsoever; and

(h) the Crystallisation Threshold is reached.

each an "**Automatic Crystallisation Event**".

In respect of assets situated in Scotland it should be noted, however, that the charge will only automatically crystallise upon the occurrence of certain insolvency events in respect of the chargor.

Prior to the occurrence of an Automatic Crystallisation Event, Arval will be under an obligation to inform the Issuer, the Arval Security Trustee, (where appointed) the Trustee Agent and the Servicer of each Charged Vehicle and the current outstanding level of claims (including the amount of such claims) in which any person has levied or attempted to levy distress, execution or other process against any of the Charged Vehicles, where the amount in respect of any such claims exceeds, in aggregate, £50,000 in any calendar month. Pursuant to the Arval Deed of Charge, Arval is also under an obligation to, immediately upon the occurrence of any Automatic Crystallisation Event, notify the Issuer, the Arval Security Trustee, the Trustee Agent (where appointed) and the Servicer of the occurrence of such an event.

Furthermore, following the occurrence of an Automatic Crystallisation Event, Arval shall (i) give to the Arval Security Trustee and the Trustee Agent, on request such information as the Arval Security Trustee or the Trustee Agent, as applicable, may require regarding the Charged Vehicles, including whether they are currently subject of a Lease Agreement and in any event shall provide such information on each day falling three (3) Business Days prior to each Payment Date; (ii) give to the Arval Security Trustee and the Trustee Agent such information as it may require regarding certain realisation considerations set out in the Arval Deed of Charge; (iii) not enter into any leasing, sub-leasing or similar arrangement; and (iv) not dispose of or deal with any Charged Vehicle without the prior consent of the Trustee Agent acting on behalf of the Arval Security Trustee.

Trustee Agent Role and Arval Security Trustee

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

Pursuant to the terms of the Arval Deed of Charge or any other Transaction Document, where the Arval Security Trustee is entitled to exercise any right, power or discretion or is obligated to take any action in respect of the Charged Vehicles it shall be entitled to and shall (subject as further described in the Arval Deed of Charge) appoint a Trustee Agent to exercise such right, power or discretion or to perform such obligation. Arval or, as the case may be, the Issuer is responsible for procuring a Suitable Entity pursuant to the Receivables Servicing Agreement to act as Trustee Agent of the Arval Security Trustee on terms satisfactory to the Arval Security Trustee (including the provision of an indemnity satisfactory to it). Until such time as Arval or, as the case may be, the Issuer has procured the appointment of a Trustee Agent the Arval Security Trustee will not perform the Trustee Agent Role and the Arval Security Trustee will have no liability to any Arval Secured Creditor or any other person resulting from any failure or delay on the part of Arval or, as the case may be, the Issuer in procuring a Trustee Agent or as a result of there being no Trustee Agent to perform the Trustee Agent Role.

Further, the Arval Security Trustee is entitled to assume, until it receives actual written notice thereof from the Issuer or Arval (in any of its capacities under the Transaction Documents) that Arval has not taken or threatened to take any action that would be prejudicial to the Arval Security, or would be inconsistent with the Arval Security created under the Arval Deed of Charge and that no Seller Event of Default, Commingling Reserve Trigger Event, Maintenance Reserve Trigger Event, Set-Off Reserve Trigger Event, Sale Trigger Event, Automatic Crystallisation Event, Non-Insolvency Fallback Sub-Maintenance Coordinator Termination Event, or Non-Insolvency Servicer Termination Event and no Insolvency Event in relation to Arval or the Issuer or any has occurred.

Pursuant to the Arval Deed of Charge, Arval and the Issuer each covenants that if it becomes aware of a Seller Event of Default, Commingling Reserve Trigger Event, Maintenance Reserve Trigger Event, Set-Off Reserve Trigger Event, Sale Trigger Event, Automatic Crystallisation Event, Non-Insolvency Servicer Termination Event, Non-Insolvency Fallback Sub-Maintenance Coordinator Termination Event or any Insolvency Event in relation to Arval or the Issuer having occurred or that Arval has taken or threatened to take any action that would be prejudicial to the Arval Security, or would be inconsistent with the Arval Security created under the Arval Deed of Charge, it shall immediately give written notice thereof to the Issuer Security Trustee, the Note Trustee and the Arval Security Trustee.

Applicable law and jurisdiction

The Arval Deed of Charge, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Arval Deed of Charge.

8. RESERVE LOAN AGREEMENT

General

On the Closing Date, the Issuer, the Issuer Security Trustee, the Cash Manager and the Reserve Loan Provider will enter into a reserve loan agreement (the "**Reserve Loan Agreement** ") pursuant to which the Reserve Loan Provider will provide a Reserve Loan to the Issuer.

The Advances

On the Closing Date, the Reserve Loan Provider will make available to the Issuer an advance (each of the below an "**Advance**") equal to the:

(a) Liquidity Reserve Required Amount (the "**Liquidity Reserve Required Amount**"), which will be deposited by the Reserve Loan Provider in the Liquidity Reserve Account (the "**Liquidity Reserve Advance**"); and

(b) Start-up Reserve Advance, which will be deposited by the Reserve Loan Provider in the General Account (the "**Start-up Reserve Advance**").

Upon the occurrence of:

(a) a Maintenance Reserve Trigger Event and for as long as a Maintenance Reserve Trigger Event is continuing, the Reserve Loan Provider (in its capacity as Fallback Sub-Maintenance Coordinator) will make available to the Issuer an advance (the "**Maintenance Reserve Advance**") equal to the Maintenance Reserve Required Amount (the "**Maintenance Reserve Required Amount**") deposited by the Reserve Loan Provider in the Maintenance Reserve Account;

(b) a Set-Off Reserve Trigger Event and for as long as a Set-Off Reserve Trigger Event is continuing, the Reserve Loan Provider will make available to the Issuer an advance (the "**Set-Off Reserve Advance**") equal to the Set-Off Reserve Required Amount (the "**Set-Off Reserve Required Amount**") deposited by the Reserve Loan Provider in the Set-Off Reserve Account; and

(c) a Commingling Reserve Trigger Event and for as long as a Commingling Reserve Trigger Event is continuing, the Reserve Loan Provider will make available to the Issuer an advance (the "**Commingling Reserve Advance**", together with the Liquidity Reserve Advance, the Start-up Reserve Advance, the Maintenance Reserve Advance, and the Set-Off Reserve Advance, the "**Advances**" and each, an "**Advance**") equal to the Commingling Reserve Required Amount (the "**Commingling Reserve Required Amount**") deposited by the Reserve Loan Provider in the Commingling Reserve Account.

The Issuer will use the proceeds of the Reserve Loan to credit an amount equal to such Advances in the Liquidity Reserve Account, the Commingling Reserve Account, the Set-Off Reserve Account or the Maintenance Reserve Account or to make certain payments on the Closing Date.

Repayment of Advances

Prior to the service of a Note Acceleration Notice, the Issuer shall repay of all or any part of Advances (including any interest capitalised and any accrued unpaid interest thereon) as follows:

(a) in the case of each Advance, on each Payment Date by applying the Available Distribution Amounts subject to and in accordance with the relevant Priority of Payments;

(b) in the case of any Commingling Reserve Advance,

(i) on each Payment Date prior to the repayment in full of the Commingling Reserve Advances, up to an amount by which the amounts recorded to the credit of the Commingling Reserve Account exceed the Commingling Reserve Required Amount by debiting the Commingling Reserve Account on such Payment Date and transferring such excess amounts to the Reserve Loan Provider, outside the applicable Priority of Payments; or

(ii) following the termination of the appointment of the Servicer in accordance with the terms of the Receivables Servicing Agreement, or on the date on which the Notes have been repaid in full, and subject to the satisfaction of all outstanding Servicer's obligations under the Receivables Servicing Agreement prior to termination (including, but not limited to, with respect to the collection and administration of the Lease Receivables), prior to the repayment in full of all Commingling Reserve Advances under the Reserve Loan, the full amount standing to the credit of the Commingling Reserve Account by transfer to the Reserve Loan Provider on the next following Payment Date outside the applicable Priority of Payments;

(c) in the case of any Set-Off Reserve Advance,

(i) on each Payment Date prior to the repayment in full of the Set-Off Reserve Advances, up to an amount by which the amounts recorded to the credit of the Set-Off Reserve Account exceed the Set-Off Reserve Required Amount by debiting the Set-Off Reserve Account on such Payment Date and transferring such excess amounts to the Reserve Loan Provider, outside the applicable Priority of Payments; or

(ii) (a) on the Payment Date immediately following the full repayment by the Issuer of all principal and interest under the Notes, or (b) on the Payment Date following service of a notice from the Servicer to the Issuer, the Cash Manager, and the Issuer Security Trustee that no Set-Off Reserve Trigger Event is continuing, prior to the repayment in full of all Set-Off Reserve Advances under the Reserve Loan, the full amount standing to the credit of the Set-Off Reserve Account by transfer to the Reserve Loan Provider outside the applicable Priority of Payments; and

(d) in the case of any Maintenance Reserve Advance,

(i) on each Payment Date and, as from the occurrence of a Sale Trigger Event, provided that the Fallback Sub-Maintenance Coordinator is not in breach of its undertaking to credit on each Collections Transfer Date the General Account with the Maintenance Lease Services Collections, prior to the repayment in full of the Maintenance Reserve Advances, up to an amount by which the amounts recorded to the credit of the Maintenance Reserve Account exceed the Maintenance Reserve Required Amount by debiting the Maintenance Reserve Account on such Payment Date and transferring such excess amounts to the Reserve Loan Provider, outside the applicable Priority of Payments; and

(ii) (a) on the Payment Date immediately following the full repayment by the Issuer of all principal and interest under the Notes, or (b) on the Payment Date following service of a notice from the Fallback Sub-Maintenance Coordinator to the Issuer, the Cash Manager and the Issuer Security Trustee that no Maintenance Reserve Trigger Event is continuing, prior to the repayment in full of all Maintenance Reserve Advances under the Reserve Loan, the full amount standing to the credit of the Maintenance Reserve Account by transfer to the Reserve Loan Provider, outside of the applicable Priority of Payments.

The Reserve Loan Provider will agree and acknowledge that if, on or following the occurrence of a Servicer Termination Event, the Servicer or Back-Up Servicer has not calculated the amounts required to be repaid to the Reserve Loan Provider (representing the amounts held in excess of the relevant Maintenance Reserve Required Amounts), no repayments shall be made to the Reserve Loan Provider until such amounts have been confirmed.

Interest on the Reserve Loan

Subject to the applicable Priority of Payment, the rate of interest payable in respect of each Advance for each Loan Interest Period in respect of that Advance shall be calculated with reference to SONIA. The Loan Interest Period will, in the case of the first Loan Interest Period, correspond to the period commencing on and including the Closing Date and ending on but excluding the first Payment Date and thereafter correspond to the period commencing on and including a Payment Date or the date on which an Advance is made (as applicable) and ending on but excluding the immediately following Payment Date.

Applicable law and jurisdiction

The Reserve Loan Agreement and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Reserve Loan Agreement.

9. CASH MANAGEMENT AGREEMENT

General

On or prior to the Closing Date, France Titrisation as the cash manager (the "**Cash Manager**"), the Issuer, Arval, and the Issuer Security Trustee will enter into a cash management agreement (the "**Cash Management Agreement**") pursuant to which the Cash Manager will provide certain cash management and bank account operation services to the Issuer in respect of the Portfolio.

Cash Management Services

The Cash Management Services in respect of the transaction include but are not limited to:

(a) maintaining the General Account, the Liquidity Reserve Account, the Commingling Reserve Account, the Set-Off Reserve Account and the Maintenance Reserve Account;

(b) administering the Priority of Payments including the determination, of amounts payable by the Issuer thereunder;

(c) preparing on each Calculation Date and making available on its website the Monthly Management Report; and

(d) on behalf of the Issuer calculate and determine amounts required to be drawn or repaid by the Issuer in respect of Advances under the Reserve Loan Agreement and drawing and arranging for repayment of all Advances in accordance with the terms of the Reserve Loan Agreement.

In addition to the General Account, the Commingling Reserve Account, the Liquidity Reserve Account, the Maintenance Reserve Account, the Set-Off Reserve Account and the Swap Collateral Accounts, the Issuer will, as applicable, establish such additional accounts as may be required in accordance with the terms of the Transaction Documents.

The credit balance of all Bank Accounts may be invested into Authorised Investments.

General Account Ledgers

The Cash Manager (on behalf of the Issuer) shall maintain the following ledgers on the General Account (the "**General Account Ledgers**"):

Collection Ledger

Collections, Deemed Collections, Issuer Share Vehicle Sale Proceeds, Total Vehicle Sale Proceeds (only upon the occurrence of a Sale Trigger Event and without double counting of Recoveries) and Repurchase Prices will be credited to the Collection Ledger. The Cash Manager (on behalf of the Issuer) will transfer the amounts standing to the credit of the Collection Ledger which represent Available Distribution Amounts to the Operating Ledger, together with the other Available Distribution Amounts and apply those amounts in accordance with the relevant Priority of Payments.

Replenishment Ledger

The Replenishment Ledger will be maintained by the Cash Manager on the General Account and shall be used to (i) credit any amounts not paid to the Seller in relation to the acquisition of Additional Portfolios up to an amount equal to the Required Replenishment Amount and (ii) debit any amount used to pay any Purchase Price in accordance with item h of the Revolving Period Priority of Payment.

Operating Ledger

All Available Distribution Amounts (including all amounts standing to the credit of the Collection Ledger which represent Available Distribution Amounts) will be credited into the Operating Ledger on each Payment Date (taking into account the transfer in full of the amounts standing to the credit of the Liquidity Reserve Account to the Operating Ledger on the Collections Transfer Date immediately preceding such Payment Date), such Available Distribution Amount to be applied in accordance with the relevant Priority of Payments.

Retained Profit Ledger

On the Closing Date, the Cash Manager will establish the Retained Profit Ledger. On each Payment Date, the Issuer's retained profit will be deposited in the Retained Profit Ledger in accordance with the Priority of Payments.

The Cash Manager shall ensure that:

(a) on each Payment Date, the relevant amount of retained profit will be credited into the Retained Profit Ledger;

(b) any payment or provision made under the relevant Priority of Payments in respect of the Retained Profit Ledger, shall be debited to the Retained Profit Ledger; and

(c) following the date on which the Notes have been repaid in full, all amounts standing to the credit of the Retained Profit Ledger form part of Available Distribution Amounts.

Liquidity Reserve Account

Pursuant to the Reserve Loan Agreement, the Seller has agreed to make Advances to the Issuer up to the Liquidity Reserve Required Amount. Such Advances shall be credited to the Liquidity Reserve Account in conditions set out below.

The Liquidity Reserve Advance constitutes the initial balance standing to the credit of the Liquidity Reserve Account. After the Closing Date, the Seller shall be under no obligation to make any additional deposit.

The amount standing to the credit of the Liquidity Reserve Account aims to provide liquidity and a protection to the Issuer in case of weak performance of the Lease Receivables, as the case may be, and shall be applied by the Issuer as described below.

On each Collections Transfer Date, the Liquidity Reserve Account shall be debited in full by the transfer of all monies standing to its credit to the General Account and the corresponding monies will then be applied to the payment of any and all sums owed by the Issuer, in accordance with and subject to the applicable Priority of Payments.

On each Payment Date, the Liquidity Reserve Account will be, as applicable, replenished so that the amount standing to the credit of the Liquidity Reserve Account is equal to the Liquidity Reserve

Required Amount applicable on that Payment Date, by the transfer of monies from the General Account to the Liquidity Reserve Account, in accordance with and subject to the applicable Priority of Payments.

The Liquidity Reserve Advance will be released to the Seller in repayment of the Advance, to the extent of available funds and in accordance with and subject to the relevant Priority of Payments. In particular, but without limitations, no repayments will be made under the Reserve Loan Agreement until all other amounts owed by the Issuer and ranking higher in the relevant Priority of Payments have been paid.

Commingling Reserve Account

General

Upon the occurrence of a Commingling Reserve Trigger Event, the Servicer has agreed, as a guarantee for the performance of its obligations under the Receivables Servicing Agreement in relation to the Collections (including, for the avoidance of doubt, a breach by the Servicer of its monetary obligations to transfer to the Issuer all Collections in respect of the Lease Receivables), to provide cash collateral for the benefit of the Issuer, up to the Commingling Reserve Required Amount (the "Commingling Reserve Advance"). Such Commingling Reserve Advance shall be credited to the Commingling Reserve Account in the conditions set out below.

Credit of the Commingling Reserve Advance

If a Commingling Reserve Trigger Event has occurred the Servicer shall make the Commingling Reserve Advance by way of a full transfer of cash collateral and shall credit the Commingling Reserve Account within:

(a) thirty (30) calendar days after the downgrade (in case of a downgrade by DBRS or Moody's) of the ratings of the both Arval Company Group and the Majority Shareholder below the Commingling Reserve Required Ratings up to the applicable Commingling Reserve Required Amount on the Commingling Reserve Account; or

(b) thirty (30) calendar days from the date on which the Seller is subject to any Insolvency Event;

up to the applicable Commingling Reserve Required Amount.

Allocation and Use of the Commingling Reserve Advance

The Commingling Reserve Advance will be used and applied by the Issuer to satisfy the obligations of the Issuer as set out in the Transaction Documents.

If any part of the Collections due by the Servicer to the Issuer has not been credited to the General Account in accordance with the Receivables Servicing Agreement, and such breach was not remedied by the Servicer (a) within five (5) Business Days after the earlier of the date on which it is aware of such breach and/or receipt of notification in writing to the Servicer by the Issuer to remedy such breach or (b) thirty (30) calendar days after the earlier of the date on which it is aware of such breach and/or receipt of notification in writing to the Servicer by the Issuer to remedy such breach if the breach is due to force majeure or technical reasons:

(a) this breach shall constitute a Servicer Termination Event;

(b) the Cash Manager shall immediately instruct the Account Bank to debit the Commingling Reserve Account and to credit the General Account up to the amount of such unpaid part of the Collections and the Commingling Reserve Advance will be applied as and form part of the Available Distribution Amount; and

(c) the Issuer will be entitled to (A) set-off the claim of the Servicer for repayment under the Commingling Reserve Advance against the amount of its breached financial obligations, up to the lowest of (i) the unpaid amount under the Receivables Servicing Agreement and (ii) the amount then standing to the credit of the Commingling Reserve Account and (B) apply the corresponding funds as part of the Collections in accordance with the applicable Priority of Payments on the immediately following Payment Date, without the need to give prior notice of intention to enforce the Commingling Reserve Advance.

Adjustment of the Commingling Reserve Advance

The Commingling Reserve Advance shall be adjusted if necessary on each Payment Date during the Normal Amortisation Period and the Accelerated Amortisation Period and shall always be equal to the applicable Commingling Reserve Required Amount.

On each Calculation Date, the Cash Manager will determine the difference, if any, between the Commingling Reserve Required Amount and the current balance of the Commingling Reserve Account. The Commingling Reserve Required Amount shall be calculated on each Calculation Date by the Cash Manger on the basis of the information provided to it by the Servicer in the Servicing Report.

Increase of the Commingling Reserve Advance

If, on any Calculation Date, the current balance of the Commingling Reserve Account is lower than the applicable Commingling Reserve Required Amount, the Servicer shall, following receipt of a written request from the Issuer on such Calculation Date, credit an amount equal to such difference on the Commingling Reserve Account on the following Payment Date.

Upon the occurrence of Commingling Reserve Trigger Event, any failure by the Servicer to credit the Commingling Reserve Account with such amount indicated by the Issuer in writing, which is not remedied by the Servicer within five (5) Business Days if such breach is due to force majeure or technical reasons) shall constitute a Servicer Termination Event.

Decrease and Partial Release of the Commingling Reserve Advance

If, on any Calculation Date, the current balance of the Commingling Reserve Account exceeds the applicable Commingling Reserve Required Amount, an amount equal to such difference shall be released by the Cash Manager by debiting the Commingling Reserve Account on the next following Payment Date and :

(a) prior to the repayment in full of all Commingling Reserve Advances under the Reserve Loan, shall be transferred directly back to the Servicer outside of the applicable Priority of Payments, in order to be applied towards the repayment of any Commingling Reserve Advance under the Reserve Loan in accordance with the terms of the Reserve Loan Agreement; and

(b) upon repayment in full of all Commingling Reserve Advances under the Reserve Loan, shall be credited to the General Account, which monies shall form part of the Available Distribution Amount on such Payment Date.

Final Release and Repayment of the Commingling Reserve Advance

If the appointment of the Servicer has been terminated by the Issuer in accordance with the terms of the Receivables Servicing Agreement, or on the date on which the Notes have been repaid in full, the Issuer shall release all monies standing to the Commingling Reserve Account subject to the satisfaction of all outstanding Servicer's obligations under the Receivables Servicing Agreement prior to termination (including, but not limited to, with respect to the collection and administration of the Lease Receivables) and:

(a) prior to the repayment in full of all Commingling Reserve Advances under the Reserve Loan, directly transfer back to the Servicer such monies outside the applicable Priority of Payments, in order to be applied towards the repayment of any Commingling Reserve Advance under the Reserve Loan in accordance with the terms of the Reserve Loan Agreement; and

(b) upon repayment in full of all Commingling Reserve Advances under the Reserve Loan, credit such monies to the General Account, which monies shall form part of the Available Distribution Amount on such Payment Date.

Set-Off Reserve Account

General

Pursuant to the Receivables Purchase Agreement, in respect of any Lease Receivable which has been extinguished in whole or in part by way of set-off, in particular as a result of the use of Permitted Set-Off Rights, the Servicer has undertaken to pay to the Issuer any such offset amount as a Deemed Collection on the Collections Transfer Date following the end of the preceding Collection Period by credit of the General Account.

As a cash collateral for the benefit of the Issuer for the performance of such obligation and pursuant to the terms of the Receivables Servicing Agreement, the Servicer has agreed to pay to the Issuer the Set-Off Reserve Required Amount upon the occurrence of a Set-Off Reserve Trigger Event (the "Set-Off Reserve Advance"). Such Set-Off Reserve Advance shall be credited to the Set-Off Reserve Account in the conditions set out below.

Credit of the Set-Off Reserve Advance

If a Set-Off Reserve Trigger Event has occurred the Servicer shall make the Set-Off Reserve Advance by way of a full transfer of cash collateral and shall credit the Set-Off Reserve Account within sixty (60) calendar days after the occurrence of such Set-Off Reserve Trigger Event.

Allocation and Use of the Set-Off Reserve Advance

If on any Collections Transfer Date following the occurrence of a Set-Off Reserve Trigger Event, the Servicer fails to pay the Issuer, as a Deemed Collection, all or part of the aggregate amount which the Lessees have set off against, deducted from or withheld on, amounts due under the Lease Receivables in accordance with the Receivables Servicing Agreement, and such breach was not remedied by the Servicer within five (5) Business Days (or thirty (30) calendar days if the breach is due to force majeure or technical reasons) from such breach, the Cash Manager shall immediately instruct the Account Bank to debit the Set-Off Reserve Account and to credit the General Account up to the amount of such unpaid part of the Deemed Collections and the Set-Off Reserve Advance will be immediately used and applied as and will form part of the Available Distribution Amount.

Final Release and Repayment of the Set-Off Reserve Advance

On the Payment Date following service of a notice from the Servicer to the Issuer, the Cash Manager, and the Issuer Security Trustee that no Set-Off Reserve Trigger Event is continuing, the Cash Manager shall debit the Set-Off Reserve Account in full:

(a) prior to the repayment in full of all Set-Off Reserve Advances under the Reserve Loan, to repay the Servicer outside any Priority of Payments in order to be applied towards the repayment of any Set-Off Reserve Advance under the Reserve Loan in accordance with the terms of the Reserve Loan Agreement; and

(b) upon repayment in full of all Set-Off Reserve Advances under the Reserve Loan, to credit the General Account, which monies shall form part of the Available Distribution Amount on such Payment Date.

On the Payment Date immediately following the full repayment by the Issuer of all principal and interest under the Notes, the Cash Manager shall debit the Set-Off Reserve Account in full:

(a) prior to the repayment in full of all Set-Off Reserve Advances under the Reserve Loan, to repay the Servicer outside any Priority of Payments in order to be applied towards the repayment of any Set-Off Reserve Advance under the Reserve Loan in accordance with the terms of the Reserve Loan Agreement; and

(b) upon repayment in full of all Set-Off Reserve Advances under the Reserve Loan, to credit the General Account, which monies shall form part of the Available Distribution Amount on such Payment Date.

Maintenance Reserve Account

Pursuant to the Reserve Loan Agreement, the Fallback Sub-Maintenance Coordinator (as the Reserve Loan Provider) has agreed to make Advances in respect of the Maintenance Reserve Required Amount (the "**Maintenance Reserve Advance**"). Such Maintenance Reserve Advance shall be credited to the Maintenance Reserve Account in conditions set out below.

On the Closing Date and for so long as no Maintenance Reserve Trigger Event has occurred, the Maintenance Reserve Required Amount is equal to zero.

The Maintenance Reserve Account shall be credited by the Fallback Sub-Maintenance Coordinator within:

(a) three (3) Business Days of the occurrence of a Maintenance Reserve Trigger Event which is an Insolvency Event with respect to the Fallback Sub-Maintenance Coordinator;

(b) fourteen (14) calendar days of the occurrence of a Maintenance Reserve Trigger Event which is continuing because both (i) the Fallback Sub-Maintenance Coordinator ceases to have the Fallback Sub-Maintenance Coordinator Required Ratings and (ii) the Maintenance Reserve Guarantor (or Replacement Maintenance Reserve Guarantor as the case may be) ceases to have the Maintenance Reserve Guarantor Required Ratings;

(c) thirty (30) calendar days of the occurrence of any other Maintenance Reserve Trigger Event which is continuing.

Pursuant to the Maintenance Reserve Guarantee, the Maintenance Reserve Guarantor has unconditionally and irrevocably undertaken to pay to the Issuer, at the Issuer's first demand all sums due by the Fallback Sub-Maintenance Coordinator to the Issuer and remaining unpaid with respect to the funding of the Maintenance Reserve Advance, up to the Maintenance Reserve Guarantee Maximum Amount. Pursuant to the Fallback Sub-Maintenance Coordinator Agreement and the Maintenance Reserve Guarantee, the Issuer will be entitled to enforce the Maintenance Reserve Guarantee upon the occurrence of any of the events referred to in Section "Description of Certain Transaction Documents – The Fallback Sub-Maintenance Coordinator Agreement and the Maintenance Reserve Guarantee".

For as long as a Maintenance Reserve Trigger Event has occurred and is continuing, the Servicer shall ensure that the credit balance of the Maintenance Reserve Account shall always be equal on each Payment Date to the Maintenance Reserve Required Amount. If, on any Calculation Date on which a Maintenance Reserve Trigger Event has occurred and is continuing, the current balance of the Maintenance Reserve Account is lower than the applicable Maintenance Reserve Required Amount, the Issuer shall request the Fallback Sub-Maintenance Coordinator to credit an amount equal to such shortfall on the Maintenance Reserve Account no later than on the immediately following Payment Date.

If, on any Calculation Date, the current balance of the Maintenance Reserve Account exceeds the applicable Maintenance Reserve Required Amount, an amount equal to such excess shall be released by the Issuer and directly transferred back to the Fallback Sub-Maintenance Coordinator or the Maintenance Reserve Guarantor, to the extent any sums have been paid by the Maintenance Reserve Guarantor, by debiting the Maintenance Reserve Account on the immediately following Payment Date, outside any Priority of Payments.

On each Calculation Date, for so long as a Maintenance Reserve Trigger Event has occurred and is continuing, the Fallback Sub-Maintenance Coordinator shall provide the Issuer and the Cash Manager with all relevant information in connection with the calculation of the Maintenance Reserve Required Amount.

Once the Issuer has paid in full all principal and Interest Amounts under the Notes, the Maintenance Reserve Advance shall be released by the Issuer and used to repay to the Reserve Loan Provider the Advances made in respect of the Maintenance Reserve Required Amount or the Maintenance Reserve Guarantor, to the extent any sums have been paid by the Maintenance Reserve Guarantor, on the following Payment Date, outside any Priority of Payments, and will not be available for any use by the Issuer.

Any and all costs incurred in connection with the establishment of the Maintenance Reserve Advance will be borne entirely by the Fallback Sub-Maintenance Coordinator.

Authorised Investments

The Cash Manager may invest moneys standing from time to time to the credit of the Bank Accounts in Authorised Investments as determined by Arval and directed to the Cash Manager by Arval, subject to, among other things, the following provisions:

(a) such Authorised Investment shall be made in the name of the Issuer;

(b) any costs properly and reasonably incurred in making and changing Authorised Investments will be reimbursed to the Cash Manager by the Issuer;

(c) all income and other distributions arising on, or proceeds following the disposal or maturity of, Authorised Investments shall be credited to the General Account; and

(d) subject to the terms and provisions of the Cash Management Agreement, as long as such investment is available and complies with the definition of Authorised Investments, any such investment shall be made in Sterling time deposit issued by BNP Paribas.

Monthly information

On the basis of the information provided to it by the Servicer, the Cash Manager shall prepare on each Calculation Date a monthly management report (the "Monthly Management Report"), which shall contain, inter alia:

(a) a summary of the Securitisation Transaction including the then current and updated information with respect to the Notes, the credit enhancement with the subordination of the Class B Notes, the liquidity support, aggregated information on the Lease Receivables;

(b) updated information in relation to the Notes, such as the then current ratings in respect of the Class A Notes, the Final Maturity Date, the Relevant Margin on the Class A Notes and interest amounts for each Class of Notes, the Aggregate Outstanding Principal Amount and the Amortisation Amount for each Class of Notes;

(c) updated information in relation to, inter alia, the Collections, the Deemed Collections, the Available Distribution Amount, on a Payment Date and other amounts which are required to be calculated in accordance with the Transaction Documents;

(d) updated information in relation to the opening balances of each Bank Accounts;

(e) information on any payments made by the Issuer in accordance with the Cash Management Agreement (including without limitation the applicable Priority of Payments);

(f) information in relation to the Lease Receivables and updated stratification tables of the Lease Receivables;

(g) as from the occurrence of a Sale Trigger Event, information in relation to the Maintenance Lease Services Collections, in reference to the Collection Period immediately following such Calculation Date;

(h) information in relation to the occurrence of any of the rating triggers and other triggers including the occurrence of the following breach or events:

  (i) any breach of the Account Bank Minimum Required Ratings or the Swap Counterparty Rating Triggers;

  (ii) any breach of the Commingling Reserve Required Ratings or Set-Off Reserve Required Ratings;

  (iii) a Downgrade Event;

(iv) a Maintenance Reserve Trigger Event;

(v) a Commingling Reserve Trigger Event;

(vi) a Set-Off Reserve Trigger Event;

(vii) a Sale Trigger Event;

(viii) an Automatic Crystallisation Event;

(ix) a Revolving Period Termination Event;

(x) an Accelerated Amortisation Event.

Electronic versions of the Monthly Management Reports shall be made available on the website of the Cash Manager (www.france-titrisation.fr)

Cash management fee

The Issuer shall pay in accordance with the relevant Priority of Payments to the Cash Manager for the Cash Management Services the agreed cash management fee.

Performance by Third Parties

The Cash Manager may at any time:

(a) without the prior consent of the Issuer, the Issuer Security Trustee or any other party to the Transaction Documents, sub-delegate all or any part of its duties under the Cash Management Agreement to a delegate which is an affiliate of the Cash Manager; or

(b) with the prior written consent of the Issuer and the Issuer Security Trustee, sub-contract or delegate the performance of all or any of its powers and obligations under the Cash Management Agreement to a delegate-cash manager (other than an affiliate of the Cash Manager) and terminate the appointment of any then current delegate-cash manager, in each case on such terms as it thinks fit,

provided that in the case of both paragraphs (a) and (b) above, the Cash Manager remains responsible for the functions so delegated.

Termination

In certain circumstances the Issuer and the Issuer Security Trustee will have the right to terminate the appointment of the Cash Manager and to appoint a substitute cash manager (the identity of which will be subject to the Issuer Security Trustee's written approval). Any substitute cash manager will have substantially the same rights and obligations as the Cash Manager.

Applicable law and jurisdiction

The Cash Management Agreement, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Cash Management Agreement.

10. CORPORATE SERVICES AGREEMENT

On or prior to the Closing Date, among others, the Issuer, the Corporate Services Provider and the Issuer Security Trustee will enter into a corporate services agreement (the "**Corporate Services Agreement**") pursuant to which the Corporate Services Provider will provide the Issuer with certain corporate and administrative functions against the payment of a fee. Such services include, among other things, the performance of all general book-keeping (including the preparation of annual financial statements), corporate secretarial, registrar and company administration services for the Issuer (including the provision of three directors at least one of which must be a natural person), the providing of the directors with information in connection with the Issuer and the arrangement for the convening of shareholders' and directors' meetings.

Applicable law and jurisdiction

The Corporate Services Agreement, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Corporate Services Agreement.

11. BANK ACCOUNT AGREEMENT

General

On or prior to the Closing Date, the Issuer and the Account Bank, among others, will enter into a bank account agreement (the "**Bank Account Agreement**") pursuant to which the Account Bank will provide the Issuer with certain banking functions including the establishment and operation of the Bank Accounts.

The Account Bank is required to have at least the Account Bank Minimum Required Ratings. If the Account Bank ceases to have the Account Bank Minimum Required Ratings, the Cash Manager and the Issuer shall within thirty (30) calendar days of the downgrade of the Account Bank below the Account Bank Minimum Required Ratings use commercially reasonable efforts to agree such terms with a replacement financial institution or institutions which is an Eligible Bank.

The Issuer may (with the prior written approval of the Issuer Security Trustee) revoke its appointment of the Account Bank by not less than thirty (30) calendar days' notice to the Account Bank (with a copy, to the Issuer Security Trustee). Such revocation shall not take effect until a replacement financial institution or institutions (in each case, which is an Eligible Bank) chosen by the Issuer (with the prior written consent of the Issuer Security Trustee) shall have entered into an agreement on substantially the same terms and form as the Bank Account Agreement.

In the event of such replacement the Account Bank shall assist the other parties thereto to effect an orderly transition of the banking arrangements documented under the Bank Account Agreement and shall transfer all amounts standing to the credit of the Bank Accounts to the accounts with the replacement financial institution notified to it by the Issuer or, as the case may be, the Issuer Security Trustee and the Issuer shall reimburse the Account Bank for its properly incurred costs and any amounts in respect of irrecoverable VAT thereon (including properly incurred costs and expenses) incurred during the period of, and until completion of, such transfer, unless such replacement is due to the resignation of the Account Bank from its role.

Applicable law and jurisdiction

The Bank Account Agreement, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Bank Account Agreement.

12. AGENCY AGREEMENT

General

On or prior to the Closing Date, the Issuer, the Note Trustee, the Paying Agent, the Registrar and the Agent Bank will enter into an agency agreement (the "**Agency Agreement**") pursuant to which provision will be made for, among other things, payment of principal and interest in respect of the Notes.

Applicable law and jurisdiction

The Agency Agreement, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Agency Agreement.

13. SWAP AGREEMENT

Swap Agreement

On or about the Closing Date, the Issuer will enter into the Swap Agreement with the Swap Counterparty. The Swap Agreement will hedge floating interest rate risk on the Class A Notes against income to be received by the Issuer in respect of the Lease Receivables.

Under the Swap Agreement the Issuer will pay to the Swap Counterparty on each Payment Date an amount determined by reference to a fixed rate of interest and the notional amount under the Swap Agreement. The Swap Counterparty will pay to the Issuer on each Payment Date an amount determined by reference to a floating rate of interest and such notional amount under the Swap Agreement.

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

Payments under the Swap Agreement will be made on a net basis on each Payment Date so that a net amount will be due from the Issuer or the Swap Counterparty (as the case may be) on each Payment Date. Payments made by the Issuer under the Swap Agreement (other than the Swap Subordinated Termination Amounts) rank higher in priority than all payments on the Notes. Payments by the Swap Counterparty to the Issuer under the Swap Agreement will be made into the Operating Ledger and will, to the extent necessary, be increased to ensure that such payments are not reduced if a withholding or deduction for, or on account of, taxes is imposed on payments made by it under the Swap Agreement (other than in respect of any FATCA withholdings).

The notional amount under the Swap Agreement will be:

(a) on the Closing Date and on the first Payment Date, an amount equal to GBP 350,000,000; and

(b) in respect of each subsequent Fixed Rate Payer Payment Date and each Floating Rate Payer Payment Date (each as defined in the Swap Agreement), an amount equal to:

  (i) when the immediately preceding Payment Date falls during the Revolving Period, the Aggregate Outstanding Principal Amount of the Class A Notes, as of such immediately preceding Payment Date calculated by the Agent Bank on the applicable Calculation Date; and

  (ii) when the immediately preceding Payment Date falls during the Normal Amortisation Period or the Accelerated Amortisation Period, the lesser of:

    (A) the Aggregate Outstanding Principal Amount of the Class A Notes as of such immediately preceding Payment Date calculated by the Agent Bank on the applicable Calculation Date; and

    (B) the Aggregate Performing Outstanding Lease Principal Balance as of such immediately preceding Payment Date calculated by the Agent Bank on the applicable Calculation Date.

General

A transaction under the Swap Agreement may be early terminated by either party in case of occurrence of the following events in relation to the other party:

(a) an event of default under Section 5(a)(i) (*Failure to Pay or Deliver*) (as amended in the schedule to the Swap Agreement); or

(b) a termination event under Section 5(b)(i) (*Illegality*), Section 5(b)(ii) (*Force Majeure*) and Section 5(b)(iii) (*Tax Event*) (in the limited circumstances set out in the schedule to the Swap Agreement).

A transaction under the Swap Agreement may also be terminated in certain circumstances, including but not limited to the following, each as more specifically described in the Swap Agreement:

(a) if certain insolvency events occur with respect to a party;

(b) in certain circumstances, if a deduction or withholding for or on account of taxes is imposed on payments made by the Swap Counterparty under the Swap Agreement;

(c) pursuant to early redemption in full of the Class A Notes (or other early termination events that would trigger an Additional Termination Event (as defined in the Swap Agreement);

(d) if the Swap Counterparty is downgraded and fails to comply with the requirements of the rating downgrade provisions contained in the Swap Agreement;

(e) an amendment, modification or supplement is made to (or any waiver is given in respect of) any of the Transaction Documents, without the prior written consent of the Swap Counterparty, (i) which, in the reasonable opinion of the Swap Counterparty, has or could have a material adverse effect on the Swap Counterparty, (ii) which amends any Priority of Payments, (iii) in respect of Class A Notes, amends the interest rate, the Payment Dates, the maturity date, the terms of repayment, the currency or the redemption rights or (iv) which has the effect of amending Clause 21.5 (*Modification*) of the Trust Deed;

(f) the occurrence of an event of default under Section 5(a)(ii) (Breach of Agreement; Repudiation of Agreement) of the Swap Agreement with respect to the Swap Counterparty;

(g) the occurrence of an event of default under Section 5(a)(iii) (Credit Support Default) of the Swap Agreement with respect to the Swap Counterparty;

(h) the occurrence of an event of default set out under Section 5(a)(iv) (Misrepresentation) of the Swap Agreement with respect to the Swap Counterparty;

(i) the occurrence of an event of default under Section 5(a)(vi) (Cross-Default) of the Swap Agreement with respect to the Swap Counterparty;

(j) if the Note Trustee serves a Note Acceleration Notice on the Issuer pursuant to the Conditions of the Notes;

(k) if either (i) the undertaking in clause 4.2(h) of the Subscription Agreement given by the Seller, as the risk retention holder for the purposes of the EU Securitisation Regulation, is breached in any material respect or (ii) the representation provided by the Issuer in Part 5(y) of the schedule forming part of the Swap Agreement proves to have been incorrect or misleading in any material respect;

(l) if at any time after the end of the Revolving Period, one or more Lease Receivables forming part of the Notional Lease Receivables Portfolio in respect of a Transaction (each as defined in the Swap Agreement) are sold or assigned by the Issuer; or

(m) if at any time, the Interest Rate in respect of the Class A Notes is changed to an Alternative Base Rate and such Alternative Base Rate is different from the Floating Rate (as defined in the Swap Agreement) for one or more transactions under the Swap Agreement.

Upon an early termination of a transaction under the Swap Agreement, the Issuer or the Swap Counterparty may be liable to make a termination payment to the other. This termination payment will be calculated and made in Sterling. The amount of any termination payment will be based on the market value of the terminated transaction and may be determined on the basis of quotations sought from leading dealers as to the costs of entering into a transaction with the same terms and conditions that would have the effect of preserving the economic equivalent of the respective full payment obligations of the parties (or based upon a good faith determination of total losses and costs (or gains) if an insufficient number of quotations can be obtained or if basing the valuation on quotations would not produce a commercially reasonable result) and will include any unpaid amounts that became due and payable prior to the date of termination.

The Swap Counterparty may, subject to certain conditions specified in the Swap Agreement, including (without limitation) the satisfaction of certain requirements of the Rating Agencies and prior relevant written consent of the Issuer, transfer its obligations under the Swap Agreement to another entity with the Minimum Required Rating.

The Issuer is not obliged under the Swap Agreement to gross up payments made by it if a withholding or deduction for or on account of tax is imposed on payments made under the Swap Agreement.

The Swap Counterparty will generally be obliged to gross up payments made by it to the Issuer if a withholding or deduction for or on account of tax is imposed on payments made by it under the Swap Agreement.

The Swap Agreement, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England. The courts of England have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Swap Agreement.

In accordance with the terms of the Transaction Documents the Issuer shall not enter into any derivatives contracts other than the Swap Agreement and any transactions thereunder.

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions of the Notes in the form (subject to amendment) in which they will be set out in the Trust Deed. While the Notes are represented by Global Notes, they will be governed by the same terms and conditions except to the extent that such terms and conditions are appropriate only to securities in definitive form or are expressly varied by the terms of such Global Notes.

The £350,000,000 class A floating rate notes due May 2036 (the "**Class A Notes**") and the £52,300,000 class B fixed rate note due May 2036 (the "**Class B Note**" and together with the Class A Notes, the "**Notes**") in each case of Pulse UK 2024 plc (the "**Issuer**") are constituted by a trust deed (the "**Trust Deed**") dated on or about 26 November 2024 (the "**Closing Date**") and made between the Issuer and BNP Paribas Trust Corporation UK Limited (in such capacity, the "**Note Trustee**") as trustee for the Noteholders (as defined below). Any reference in these terms and conditions ("**Conditions**") to a Class of Notes or of Noteholders shall be a reference to the Class A Notes or the Class B Note, as the case may be, or to the respective holders thereof.

The security for the Notes is constituted by a deed of charge and assignment (the "**Issuer Deed of Charge**") dated the Closing Date and made between, among others, the Issuer and BNP Paribas Trust Corporation UK Limited (in such capacity, the "**Issuer Security Trustee**").

Pursuant to an agency agreement (the "**Agency Agreement**") dated the Closing Date and made between the Issuer, BNP Paribas, Luxembourg Branch as paying agent (the "**Paying Agent**" which expression includes its successors and, together with such additional or other paying agents, if any, appointed from time to time pursuant to the Agency Agreement, the "**Paying Agents**"), as registrar (in such capacity the "**Registrar**"), the agent bank (in such capacity the "**Agent Bank**"), the issuer security trustee (in such capacity the "**Issuer Security Trustee**") and the Note Trustee, provision is made for among other things, the payment of principal and interest in respect of the Notes of each class.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, the Agency Agreement, the Issuer Deed of Charge and the master definitions schedule (the "**Master Definitions Schedule**") dated on or about the Closing Date and made between, among others, the Issuer, the Paying Agents and the Note Trustee.

Copies of the Trust Deed, the Issuer Deed of Charge, the Arval Deed of Charge and the Master Definitions Schedule are available for inspection during normal business hours at the specified office for the time being of the Paying Agent. The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Transaction Documents applicable to them.

Capitalised terms not otherwise defined in these Conditions shall bear the meanings given to them in the Master Definitions Schedule available as described above. These Conditions shall be construed in accordance with the principles of construction set out in the Master Definitions Schedule.

1. FORM, DENOMINATION AND TITLE

1.1 Form and Denomination

The Class A Notes are initially represented by a global note certificate in registered form (a "**Global Note**"). For so long as the Class A Notes are represented by a Global Note, transfers and exchanges of beneficial interests in such Global Note and entitlement to payments thereunder will be effected subject to and in accordance with the rules and procedures from time to time of Euroclear Bank SA/NV ("**Euroclear**") or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**"), as appropriate. The Class A Notes will be deposited with and registered in the name of a nominee of a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

The Class B Note will be in dematerialised registered form and will not be cleared.

For so long as the Class A Notes are represented by a Global Note and Euroclear and/or Clearstream, Luxembourg so permit, the Notes shall be tradable only in minimum nominal amounts of £100,000 and integral multiples of £1,000 thereafter.

If, while the Class A Notes are represented by a Global Note:

(a) both Euroclear and/or Clearstream, Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announce an intention permanently to cease business or do so cease to do business and no alternative clearing system satisfactory to the Note Trustee is available; or

(b) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom (or of any political subdivision thereof) or of any authority therein or thereof having power to tax, or in the interpretation or administration by a revenue authority or a court or in the application of such laws or regulations, which becomes effective on or after the Closing Date, the Issuer or any Paying Agent is or will be required to make any deduction or withholding for or on account of tax from any payment in respect of the Notes which would not be required were the relevant Notes in definitive registered form,

the Issuer will issue notes in definitive registered form ("**Registered Definitive Notes**") to Noteholders whose accounts with the relevant clearing systems are credited with interests in that Global Note in exchange for those interests within 30 days of the relevant event. The Global Notes will not be exchangeable for Registered Definitive Notes in any other circumstances.

If Registered Definitive Notes are issued in respect of Notes originally represented by a Global Note, the beneficial interests represented by such Global Note shall be exchanged by the Issuer for the relevant Notes in registered definitive form. The aggregate principal amount of the Registered Definitive Notes shall be equal to the Principal Amount Outstanding at the date on which notice of exchange is given of the Global Note, subject to and in accordance with the detailed provisions of these Conditions, the Agency Agreement, the Trust Deed and the relevant Global Note.

Registered Definitive Notes (which, if issued, will be in the denomination set out below) will be serially numbered and will be issued in registered form only.

The minimum denomination of the Notes in global and (if issued and printed) definitive form will be £100,000.

So long as any of the Notes are represented by a Global Note, "**Noteholders**" means each person (other than the Clearing Systems themselves) who is for the time being shown in the records of the Clearing Systems as the holder of a particular Principal Amount Outstanding (as defined in Condition 6.6 (Principal Amount Outstanding)) of the Notes of any class (in which regard any certificate or other document issued by Clearstream, Luxembourg or Euroclear as to the Principal Amount Outstanding of the Notes standing to the account of any person shall be conclusive and binding for all purposes) and such person shall be treated by the Issuer, the Note Trustee, the Issuer Security Trustee and all other persons as the holder of such Principal Amount Outstanding of such Notes for all purposes, other than for the purpose of payments in respect thereof, the right to which shall be vested, as against the Issuer, the Note Trustee, the Issuer Security Trustee and all other persons, solely in the person in whose name the relevant Global Note is registered in accordance with and subject to the terms of the Global Note and the Trust Deed and for which purpose "**Noteholder**" and "**Noteholders**" and related expressions shall (where appropriate) be construed accordingly.

1.2 **Title**

Title to the Global Note shall pass by and upon registration in the register (the "**Register**") which the Issuer shall procure to be kept by the Registrar. The registered holder of a Global Note may (to the fullest extent permitted by applicable laws) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Global Note regardless of any notice of ownership, theft or loss or any trust or other interest therein or of any writing thereon (other than the endorsed form of transfer).

Title to the Class B Note and a Registered Definitive Note shall only pass by and upon registration of the transfer in the Register. Registered Definitive Notes may be transferred upon the surrender of the relevant Registered Definitive Note, with the form of transfer endorsed on it duly completed and executed, at the specified office of the Registrar. Such transfers shall be subject to the minimum denominations specified in Condition 1.1 (Form and Denomination). All transfers of Registered Definitive Notes are subject to any restrictions on transfer set forth on the Registered Definitive Notes and the detailed regulations concerning transfers in the Agency Agreement.

Each new Registered Definitive Note to be issued upon transfer of such Registered Definitive Note will, within five (5) Business Days of receipt and surrender of such Registered Definitive Note (duly completed and executed) for transfer, be available for delivery at the specified office of the Registrar or be mailed at the risk of the transferee entitled to such Registered Definitive Note to such address as may be specified in the relevant form of transfer.

Registration of the Class B Note or a Registered Definitive Note on transfer will be effected without charge by the Registrar, but subject to payment of (or the giving of such indemnity as the Registrar may require for) any tax, stamp duty or other government charges which may be imposed in relation to it.

No Noteholder may require the transfer of such Note to be registered during the period of 15 days ending on the due date for any payment of principal or interest on such Note.

The Notes are not issuable in bearer form.

2. STATUS AND RELATIONSHIP BETWEEN THE NOTES AND SECURITY

2.1 Status and relationship between the Notes

(a) During the Revolving Period and during the Normal Amortisation Period, on each Payment Date, payments of interest on the Class A Notes will be made in priority to payments of interest on the Class B Notes.

(b) During the Normal Amortisation Period only, on each Payment Date, payments of principal in respect of the Notes will be made in sequential order at all times and therefore the Class B Notes will not be redeemed for so long as the Class A Notes have not been redeemed in full.

(c) During the Accelerated Amortisation Period, payments of interest and principal on the Class A Notes will be made in priority to payments of interest and principal on the Class B Notes and no payment on the Class B Notes, whether in interest or principal, shall be made for so long as the Class A Notes have not been fully redeemed.

2.2 Security

(a) The security constituted by the Issuer Deed of Charge is granted to the Issuer Security Trustee, on trust for the Noteholders and certain other creditors of the Issuer, upon and subject to the terms and conditions of the Issuer Deed of Charge.

(b) The Noteholders will share in the benefit of the security constituted by the Issuer Deed of Charge, upon and subject to the terms and conditions of the Issuer Deed of Charge.

3. COVENANTS

3.1 The Issuer shall not, save with the prior written consent of the Issuer Security Trustee and the Note Trustee so long as any Note remains outstanding:

(a) **Negative pledge**: unless granted under any of the Transaction Documents, create or permit to subsist any encumbrance (unless arising by operation of law) or other Security Interest, over any of its assets or undertaking;

(b) **Restrictions on activities**: (i) engage in any activity whatsoever which is not incidental to or necessary in connection with any of the activities in which the Transaction Documents provide or envisage that the Issuer will engage; or (ii) have any subsidiaries (as defined in the Companies Act 1985), any subsidiary undertakings (as defined in the Companies Act 2006) or any employees or premises;

(c) **Disposal of assets**: transfer, sell, lend, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire any of its assets or undertakings or any interest estate, right title or benefit therein;

(d) **Dividends or distributions**: pay any dividend (other than from amounts standing to the credit of its Retained Profit Ledger) make any other distribution to its shareholders or issue any further shares;

(e) **Indebtedness**: incur any financial indebtedness other than permitted under the Transaction Documents or give any guarantee in respect of any financial indebtedness or of any other obligation of any person;

(f) **Merger**: consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any other person;

(g) **No modification or waiver**: permit any of the Transaction Documents to which it is a party to become invalid or ineffective or permit the priority of the security interests created or evidenced thereby or pursuant thereto to be varied or agree to any modification of, or grant any consent, approval, authorisation or waiver pursuant to, or in connection with, any of the Transaction Documents to which it is a party or permit any party to any of the Transaction Documents to which it is a party to be released from its obligations or exercise any right to terminate any of the Transaction Documents to which it is a party;

(h) **Bank accounts**: have an interest in any bank account other than the Bank Accounts, unless such account or interest therein is charged to the Issuer Security Trustee on terms acceptable to it;

(i) **Corporation tax**: prejudice its eligibility for its corporation tax liability to be calculated in accordance with regulation 14 of the Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296);

(j) **VAT**: apply to become part of any group for the purposes of section 43 of the Value Added Tax Act 1994 with any other company or group of companies, or such act, regulation, order, statutory instrument or directive which may from time to time re-enact, replace, amend, vary, codify, consolidate or repeal the Value Added Tax Act 1994; or

(k) **Residence**: become resident for tax purposes outside the United Kingdom or have any branch, agency or permanent establishment for tax purposes in any jurisdiction outside the United Kingdom.

3.2 **Registration of Issuer Security**

The Issuer covenants to the Issuer Security Trustee that it will make a filing with the Registrar of Companies of a duly completed Form MR01 in respect of itself together with an executed original of the Issuer Deed of Charge within the applicable time limit.

3.3 **Centre of main interests and establishment**

The Issuer covenants to the Issuer Security Trustee and the Note Trustee that it will conduct its business and affairs such that, at all relevant times, its "centre of main interests" for the purposes of the EU Insolvency Regulation, the UK Insolvency Regulation and the UNCITRAL Implementing Regulations will be and remain in England and Wales and that it will not have any "establishment" (as defined in the EU Insolvency Regulation, the UK Insolvency Regulation and the UNCITRAL Implementing Regulations) other than in England and Wales

3.4 The Issuer will provide the Paying Agents with copies of the following documents, which will be available for inspection by Noteholders during normal business hours at the specified office for the time being of the Paying Agent:

(a) the Master Definitions Schedule;

(b) the Issuer Deed of Charge;

(c) the Arval Deed of Charge; and

(d) the Trust Deed.

4. INTEREST

4.1 Interest Accrual

Each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest from and including the due date for redemption unless, upon due presentation in accordance with Condition 5 (Payments), payment of the principal in respect of the Note is improperly withheld or refused or default is otherwise made in respect of the payment in which event interest shall continue to accrue as provided in the Trust Deed.

4.2 Payment Dates

The Notes bear interest on their respective Principal Amounts Outstanding from and including the Closing Date payable monthly in arrear on the 25th day of each calendar month (each a "**Payment Date**") in respect of the Interest Period (as defined below) ended immediately prior thereto. If any Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day which is a Business Day unless it would then fall into the next calendar month, in which event the Payment Date shall be brought forward to the immediately preceding Business Day. The first Payment Date shall be 30 December 2024. The period from and including the Closing Date to but excluding the first Payment Date and each successive period from and including a Payment Date to but excluding the next succeeding Payment Date is called an "**Interest Period**".

4.3 Rate of Interest

The interest rate applicable to the Class A Notes shall be Compounded Daily SONIA plus 0.66% per annum (the "**Class A Notes Interest Rate**") for each Interest Period.

The Agent Bank will, on each Interest Determination Date, determine:

(a) the Note Rate for each class for the related Interest Period; and

(b) the Payment Date next following the related Interest Period.

Notwithstanding the provisions of these Conditions, in the event the Bank of England publishes guidance as to (i) how the SONIA Reference Rate is to be determined or (ii) any rate that is to replace the SONIA Reference Rate, the Agent Bank shall, to the extent that it is reasonably practicable, follow such guidance in order to determine SONIA for the purpose of the Notes for so long as the SONIA Reference Rate is not available or has not been published by the authorised distributors.

In the event that the Note Rate cannot be determined in accordance with the foregoing provisions by the Agent Bank, the Note Rate shall be (i) that determined as at the last preceding Interest Determination Date or (ii) if there is no such preceding Interest Determination Date, the initial Note Rate which would have been applicable to the relevant Class of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Closing Date.

The interest rate applicable to Class B Note shall be 3.80% per annum (the "**Class B Note Interest Rate**", and together with the Class A Notes Interest Rate, the "**Interest Rate**").

There will be no maximum Interest Rate. In the event that the Interest Rate for any Interest Period is determined in accordance with the provisions this Condition 4.3 to be less than zero, the Interest Rate for such Interest Period shall be zero.

4.4 Determination of Rate of Interest and Interest Amounts

The Agent Bank will, as soon as practicable on the Interest Determination Date in relation to each Interest Period but in no event later than the first Business Day thereafter, calculate the amount of interest (the "**Interest Amount**") payable in respect of each Class A Note for such Interest Period. The Interest Amount in respect of the Class A Notes (the "**Class A Notes Interest Amount**") will be calculated by applying the Class A Notes Interest Rate for such Interest Period to the Principal Amount Outstanding of such Class A Notes during such Interest Period, multiplying the product by the actual number of days in such Interest Period divided by 365 and rounding the resulting figure to the nearest £0.01 (half of £0.01 being rounded upwards) (the "**Sterling Day Count Fraction**").

The amount of interest payable in respect of each Class B Note (the "**Class B Notes Interest Amount**") on each Payment Date shall be calculated not later than on the first day of the Interest Period by (i) in the case of Interest Periods after the first Payment Date, applying the Class B Note Interest Rate for such period to the Principal Amount Outstanding of such Class B Note during such Interest Period, multiplying the product by the Sterling Day Count Fraction.

4.5 **Publication of Rate of Interest and Interest Amounts**

The Agent Bank shall cause each of the Class A Notes Interest Rate, the Class B Note Interest Rate the Class A Notes Interest Amount and Class B Notes Interest Amount applicable for the relevant Interest Period and the immediately succeeding Payment Date to be notified to the Issuer, the Note Trustee, the Registrar and the Paying Agents and each of the Clearing Systems and to be published in accordance with Condition 14 (Notices) as soon as possible after their determination and in no event later than the second Business Day thereafter. The Issuer shall procure that the Listing Agent causes such notification to be made to any stock exchange or other relevant authority on which the Notes (other than the Class B Note) are at the relevant time admitted to trading and/or listed. The Class A Notes Interest Amount and Class B Notes Interest Amount and the Payment Date may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

4.6 **Notifications, etc. to be Final**

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4, the Agent Bank will (in the absence of manifest error) be binding on the Issuer, the Note Trustee, the Agent Bank, the Registrar, the Paying Agents and all Noteholders and (in the absence of negligence, wilful default or fraud) no liability to the Issuer or the Noteholders shall attach to the Agent Bank in connection with the exercise or non-exercise by any of them of their powers, duties and discretions under this Condition 4.

4.7 **Agent Bank**

The Issuer shall procure that, so long as any of the Notes remains outstanding, there is at all times an Agent Bank for the purposes of the Notes and the Issuer may, subject to the prior written approval of the Note Trustee, terminate the appointment of the Agent Bank. In the event of the appointed office of any bank being unable or unwilling to continue to act as the Agent Bank or failing duly to determine the Interest Rate and the Interest Amounts for any Interest Period, the Issuer shall, subject to the prior written approval of the Note Trustee, appoint, the London office of another major bank engaged in the London interbank market to act in its place. The Agent Bank may not resign its duties or be removed without a successor having been appointed.

5. **PAYMENTS**

5.1 **Payment of Interest and Principal**

The Issuer shall procure that payments of principal and interest in respect of the Notes shall be made not later than the due date for any such payment, by transfer (i) (in respect of the Class A) to, or to the order of, Euroclear or Clearstream, Luxembourg, for credit to the relevant participants in Euroclear or Clearstream, Luxembourg for subsequent transfer to the holders of beneficial interests in the relevant Global Note and (in the case of final redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Global Note or Registered Definitive Notes (as the case may be) at the specified office of any Paying Agent and (ii) (in respect of the Class B Note) to, or to the order of, the Class B Noteholder.

5.2 **Laws and Regulations**

Payments of principal and interest in respect of the Notes are subject, in all cases, to (i) any fiscal or other laws and regulations applicable thereto in the place of payment and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto ("**FATCA**"). Noteholders will not be charged commissions or expenses on payments.

5.3 **Payment of Interest following a Failure to pay Principal**

If payment of principal is improperly withheld or refused on or in respect of any Note or part thereof, the interest which continues to accrue in respect of such Note in accordance with Condition 4.1 (Interest Accrual) and Condition 4.3 (Rate of Interest) will be paid, in respect of a Global Note, as described in Condition 5.1 (Payment of Interest and Principal) above and, in respect of any Registered Definitive Note, in accordance with this Condition 5.

5.4 **Change of Paying Agents or Registrar**

The Issuer reserves the right, subject to the prior written approval of the Note Trustee, at any time to vary or terminate the appointment of the Paying Agent or the Registrar and to appoint additional or other agents provided that there will at all times be a person appointed to perform the obligations of (i) the Paying Agent with a specified office in such place as may be required by the rules and regulations of relevant stock exchange and competent authority; and (ii) the Registrar with a specified office in Luxembourg or in London.

Except where otherwise provided in the Trust Deed or the Agency Agreement, the Issuer will cause notice of no more than 30 days and no less than 15 days of any change in or addition to the Paying Agents or the Registrar or their specified offices to be given to the Noteholders in accordance with Condition 14 (Notices) and will notify the Rating Agencies of such change or addition.

5.5 **No Payment on non-Business Day**

If the date for payment of any amount in respect of a Note is not a Business Day, Noteholders shall not be entitled to payment until the next following Business Day in the relevant place (a "**Presentation Date**") and shall not be entitled to further interest or other payment in respect of such delay.

5.6 **Partial Payment**

If a Paying Agent makes a partial payment in respect of any Note, the Registrar will, in respect of the relevant Note, annotate the Register indicating the amount and date of such payment.

5.7 **Payment of Interest**

If interest is not paid in respect of a Note of any Class on the date when due and payable (other than because the due date is not a Presentation Date (as defined in Condition 5.5 (No Payment on non-Business Day)) or by reason of non-compliance by the Noteholder with Condition 5.1 (Payment of Interest and Principal), then such unpaid interest shall itself bear interest at the Interest Rate applicable from time to time to such Note until such interest and interest thereon are available for payment and notice thereof has been duly given in accordance with Condition 14 (Notices).

6. **REDEMPTION**

6.1 **During the Revolving Period**

(a) During the Revolving Period, the Class A Notes will not be amortised and the Class A Noteholders will only receive payments of interest on each Payment Date in accordance with the applicable Priority of Payments.

(b) During the Revolving Period, the Class B Notes will not be amortised and the Class B Noteholders will only receive payments of interest on each Payment Date in accordance with the applicable Priority of Payments.

6.2 **Amortisation Period**

(a) During the Normal Amortisation Period

(i) During the Normal Amortisation Period, on each Payment Date, all Class A Notes shall be subject to mandatory partial redemption in an aggregate amount equal to the Class A Notes Amortisation Amount, allocated on a *pro rata* and *pari passu* basis amongst the Class A Noteholders and in accordance with and subject to the Normal Amortisation Period Priority of Payments, until the earlier of (i) the date on which the

Principal Amount Outstanding of each Class A Note is reduced to zero, and (ii) the Final Maturity Date.

(ii) During the Normal Amortisation Period, on each Payment Date, all Class B Notes shall be subject to mandatory partial redemption in an aggregate amount equal to the Class B Notes Amortisation Amount, allocated on a *pro rata* and *pari passu* basis amongst the Class B Noteholders and in accordance with and subject to the Normal Amortisation Period Priority of Payments, until the earlier of (i) the date on which the Principal Amount Outstanding of each Class B Note is reduced to zero, and (ii) the Final Maturity Date.

(b) During the Accelerated Amortisation Period

(i) During the Accelerated Amortisation Period, on each Payment Date, all Class A Notes shall be subject to mandatory redemption in an aggregate amount equal to the Class A Notes Amortisation Amount, allocated on a *pro rata* and *pari passu* basis amongst the Class A Noteholders and in accordance with and subject to the Accelerated Amortisation Period Priority of Payments, until the earlier of (i) the date on which the Principal Amount Outstanding of each Class A Note is reduced to zero, and (ii) the Final Maturity Date.

(ii) During the Accelerated Amortisation Period, on each Payment Date, all Class B Notes shall be subject to mandatory redemption in an aggregate amount equal to the Class B Notes Amortisation Amount, allocated on a *pro rata* and *pari passu* basis amongst the Class B Noteholders and in accordance with and subject to the Accelerated Amortisation Period Priority of Payments, until the earlier of (i) the date on which the Principal Amount Outstanding of each Class B Note is reduced to zero, and (ii) the Final Maturity Date.

6.3 **Redemption at maturity**

Unless previously redeemed in full, the Issuer will redeem the Notes at their respective Principal Amounts Outstanding on the Payment Date falling in May 2036 (the "**Final Maturity Date**"), subject to the applicable Priority of Payments.

6.4 **Optional redemption in whole for taxation or other reasons**

The Issuer may redeem all (but not some only) of the Notes of each class at their Principal Amount Outstanding together with any accrued but unpaid interest up to but excluding the date of redemption on any Payment Date:

(a) after the date on which by reason of a change in tax law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, on the next Payment Date, the Issuer or the Paying Agents would be required to deduct or withhold from any payment of principal or interest on any class of the Notes any amount for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by United Kingdom or any political sub-division thereof or any authority thereof or therein having power to tax the Issuer;

(b) after the Cut-Off Date on which the Aggregate Outstanding Lease Principal Balance of the Portfolio is less than 10% of the Aggregate Outstanding Lease Principal Balance as of the Initial Entitlement Date; or

(c) following the redemption in full of the Class A Notes,

subject to the following:

(i) the Issuer has given (i) in the case of an event described in paragraph (a) above, not more than 60 nor less than 30 days' notice (or such shorter period expiring on or before the latest date permitted by relevant law) or (ii) in the case of paragraphs (b) and (c) above, not more than 30 nor less than 5 days' notice to the Noteholders in accordance with Condition 14 (Notices) and to the Note Trustee; and

(ii) prior to the publication of any notice of redemption pursuant to this Condition 6.4, the Issuer shall deliver to the Note Trustee a certificate signed by two directors of the Issuer stating that (A) one or more of the events described in paragraphs (a), (b) or (c) above is continuing and in the case of the relevant event described in paragraph (a) above, the relevant event described above is continuing and that the appointment of a Paying Agent in another jurisdiction or a substitution of a company incorporated and/or tax resident in another jurisdiction would not avoid the effect of the relevant event or that, having used its reasonable endeavours, the Issuer is unable to arrange such a substitution; and (B) the Issuer will have the necessary funds to pay all principal and interest due in respect of the Notes on the relevant Payment Date and any amounts required under the relevant Priority of Payments to be paid in priority or *pari passu* with the Notes outstanding in accordance with the terms and conditions thereof and the Note Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above and, if it does so, it shall be conclusive and binding on the Noteholders.

6.5 **Mandatory redemption in part**

On each Payment Date following the termination of the Revolving Period and prior to the occurrence of an Accelerated Amortisation Event, the Issuer shall apply Available Distribution Amounts up to an aggregate amount of the Class A Notes Amortisation Amount in redemption of the Class A Notes and the Class B Notes Amortisation Amount in redemption of the Class B Notes, in each case in accordance with the relevant Priority of Payments.

On and after the occurrence of an Accelerated Amortisation Event, the Issuer shall redeem the Notes in accordance with the Accelerated Amortisation Period Priority of Payments.

For the avoidance of doubt the Notes will be redeemed, subject to and in accordance with the relevant Priority of Payments on each Payment Date, provided that no amount shall be applied to redeem the Notes during the Revolving Period.

6.6 **Principal Amount Outstanding**

The "**Principal Amount Outstanding**" of a Note on any date shall be its original principal amount less the aggregate amount of all principal payments in respect of such Note which have become due and payable and received by the relevant Noteholder since the Closing Date except if and to the extent that any such payment has been improperly withheld or refused.

6.7 **Notice of redemption**

Any such notice as is referred to in Condition 6.4 (Optional redemption in whole for taxation or other reasons) shall be irrevocable and, upon the expiry of such notice, the Issuer shall be bound to redeem the Notes at the applicable amounts specified above.

6.8 **No purchase by the Issuer**

The Issuer will not be permitted to purchase any of the Notes.

6.9 **Cancellation**

All Notes redeemed in full will be cancelled upon redemption and may not be resold or re-issued.

7. **TAXATION**

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

8. PRESCRIPTION

Claims in respect of principal and interest on the Notes will be prescribed after 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date in respect of the relevant payment.

In this Condition 8, the "**Relevant Date**", in respect of a payment, is the date on which such payment first becomes due or (if the full amount of the moneys payable on that date has not been duly received by the Paying Agent or the Note Trustee on or prior to such date) the date on which, the full amount of such moneys having been received, notice to that effect is duly given to the relevant Noteholders in accordance with Condition 14 (Notices).

9. ISSUER EVENTS OF DEFAULT

9.1 The Note Trustee in its absolute discretion may, and if so directed in writing by the holders of not less than 25% of the Principal Amount Outstanding of the Class A Notes while they remain outstanding and thereafter the Class B Note while it remains outstanding (the "**Most Senior Class Outstanding**") or if so directed by an Extraordinary Resolution of the Most Senior Class Outstanding (subject, in each case, to being indemnified and/or secured and/or pre-funded to its satisfaction against all liabilities to which it may become liable or which it may incur by so doing), shall give notice (a "**Note Acceleration Notice**") to the Issuer that all classes of the Notes are immediately due and repayable at their respective Principal Amounts Outstanding, together with accrued interest as provided in the Trust Deed, in any of the following events (each, an "**Issuer Event of Default**"):

(a) an Insolvency Event occurs with respect to the Issuer;

(b) the Issuer defaults in the payment of any interest on the Most Senior Class Outstanding when the same becomes due and payable, and such default continues for a period of five (5) Business Days; or

(c) the Issuer defaults in the payment of principal on any Class A Note or (subject to the Class A Notes being redeemed in full) any Class B Note when the same becomes due and payable, and such default continues for a period of five (5) Business Days; or

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

(e) if any representation or warranty made by the Issuer under any Transaction Document is incorrect when made which in the opinion of the Note Trustee, to be certified in writing, is materially prejudicial to the interests of the Noteholders of the Most Senior Class Outstanding and the matters giving rise to such misrepresentation are not remedied within a period of thirty (30) calendar days (except that in any case where the Note Trustee considers the matters giving rise to such misrepresentation to be incapable of remedy, then no continuation or notice as is hereinafter mentioned will be required) following the service by the Note Trustee on the Issuer of notice requiring the same to be remedied.

9.2 **General**

Upon the service of a Note Acceleration Notice by the Note Trustee in accordance with Condition 9.1, all classes of the Notes then outstanding shall thereby immediately become due and repayable at their respective Principal Amounts Outstanding, together with accrued interest as provided in the Trust Deed, and the security constituted by the Issuer Deed of Charge will become immediately enforceable.

10. ENFORCEMENT

The Note Trustee may, at any time, at its discretion and without notice, or, if so directed in writing by the holders of at least 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class Outstanding or if so directed by an Extraordinary Resolution of the Most Senior Class Outstanding shall, take such action under or in connection with any of the Transaction Documents in such a manner as it may think fit (including, without limitation, directing the Issuer Security Trustee to take any action under or in connection with any of the Transaction Documents or, after the service of a Note Acceleration Notice, to take steps to enforce the security constituted by the Issuer Deed of Charge), provided that:

(a) (except where expressly provided otherwise) the Issuer Security Trustee shall not, and shall not be bound to, take any action under the Issuer Deed of Charge unless it shall have been so directed in writing by (i) the Note Trustee or (ii) if there are no Notes outstanding, the Issuer Secured Creditor who ranks most senior in the Accelerated Amortisation Period Priority of Payments (other than the Note Trustee, Issuer Security Trustee or Arval Security Trustee);

(b) neither the Note Trustee nor the Issuer Security Trustee shall be bound to take any such action unless it shall have been indemnified and/or secured and/or pre-funded to its satisfaction; and

(c) neither the Note Trustee nor the Issuer Security Trustee shall be entitled to take any steps or proceedings (including any action in relation to an arrangement or compromise (judicial or otherwise) or lodging an appeal in any proceedings) to procure the winding-up, administration or liquidation of the Issuer.

Notwithstanding the foregoing, the Issuer Deed of Charge will provide that, upon application being made to a court of competent jurisdiction for an administration order or the service of a notice of intention to appoint an administrator or the filing of documents with the court for the appointment of an administrator in relation to the Issuer or other order having substantially the same effect to be made on application by a creditor or creditors of the Issuer, the Issuer Security Trustee shall, subject to having actual written notice of the relevant event and to it being indemnified and/or secured and/or prefunded to its satisfaction, as soon as practicable use all reasonable endeavours to appoint one of Deloitte, Ernst & Young, KPMG or PricewaterhouseCoopers (which shall, to the extent permitted by law, be an "administrative receiver" under Section 29(2) of the Insolvency Act) (a "**Receiver**") of the whole of the security for as long as an administrator has not been appointed and, in the case of any application to the court or petition, the Issuer Security Trustee shall instruct the administrative receiver to attend at the hearing of the application or petition with a view to the Receiver taking such steps as are necessary to act for the interests of the Issuer Secured Creditors and to prevent the appointment of an administrator, who would act in the interests of all of the creditors of the Issuer, whether secured or not. The Issuer Secured Creditors shall thereafter co-operate and do all acts and enter into such further documents, deeds or agreements as the Issuer Security Trustee may deem necessary or desirable for a Receiver to be appointed and carry out its office.

The Issuer Deed of Charge will further provide that (i) the Issuer Security Trustee will not be liable for any failure to appoint a Receiver in respect of the Issuer, save in the case of its own gross negligence, wilful default or fraud, (ii) in the event that the Issuer Security Trustee appoints a Receiver in respect of the Issuer under the Issuer Deed of Charge in the circumstances set out in the paragraph above, then the Issuer shall waive any claims against the Issuer Security Trustee in respect of the appointment of the Receiver and (iii) the Issuer Security Trustee shall have no obligation to indemnify any Receiver appointed by it except to the extent of (and from) the cash and assets comprising the Issuer Security held by the Issuer Security Trustee at such time and available for such purpose.

11. MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER

11.1 The Trust Deed contains provisions for convening meetings of the Noteholders of each class (and for this purpose, the Class A Notes shall be considered a single Class) and, in certain cases, more than one class to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a Basic Terms Modification (defined below), to remove the Note Trustee and/or the Issuer Security Trustee and/or the Arval Security Trustee and to appoint a new Note Trustee and/or Issuer Security Trustee and/or the Arval Security Trustee, to discharge or exonerate the Note Trustee and/or Issuer Security Trustee and/or the Arval Security Trustee from any liability

in respect of any act or omission for which it may have become or may become responsible under the Trust Deed or the Notes or any other Transaction Document and to waive any breach or authorise any proposed breach by the Issuer or, if relevant, any other Transaction Party of any obligation under or in respect of the Transaction Documents or any act or omission which may otherwise constitute an Issuer Event of Default or Issuer Potential Event of Default under the Notes. A meeting of Noteholders (or any class thereof) may be convened by the Note Trustee or the Issuer at any time and must be convened by the Note Trustee (subject to its being indemnified and/or secured and/or prefunded to its satisfaction) upon the request in writing of Noteholders of a particular class holding not less than 10% of the Aggregate Outstanding Principal Amount of the outstanding Notes of that class. At least 21 Clear Days' notice and no more than 42 Clear Days' notice specifying the place (which shall be in London), day and hour of meeting shall be given to the Noteholders prior to any meeting.

11.2 Subject as provided in Condition 11.5, an Extraordinary Resolution passed at any meeting of Class A Noteholders or by a Written Resolution or Electronic Resolution will be binding on all Class A Noteholders, whether or not they were present at such meeting or signed such Written Resolution or voted on such Electronic Resolution.

11.3 Subject as provided in Condition 11.5 an Extraordinary Resolution passed at any meeting of the Class A Noteholders or by a Written Resolution or Electronic Resolution shall be binding on the Class B Noteholder irrespective of the effect upon them.

11.4 An Extraordinary Resolution (other than an Extraordinary Resolution referred to in Condition 11.5) passed at any meeting of the Class B Noteholder or by a Written Resolution or Electronic Resolution shall not be effective for any purpose unless either the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of the Class A Noteholders or it is sanctioned by an Extraordinary Resolution of the Class A Noteholders.

11.5 An Extraordinary Resolution involving a Basic Terms Modification that is passed by the holders of one Class of Notes shall not be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other Classes of Notes then outstanding.

11.6 Subject as provided below, the quorum at any meeting of Noteholders of any class or classes for passing an Extraordinary Resolution will be one or more persons holding or representing a majority of the Aggregate Outstanding Principal Amount of such Class or Classes of Notes then outstanding, or, at any adjourned meeting, one or more persons being or representing a Noteholder of the relevant class or classes, whatever the Aggregate Outstanding Principal Amount of the Notes of such class or classes held or represented by it or them, provided that in the event that a Noteholders' meeting is convened by the Issuer or upon requisition by Class A Noteholders holding not less than ten (10) per cent. of the Aggregate Outstanding Principal Amount of the Class A Notes then outstanding) in respect of any Conflicted Matter, a Conflicted Noteholder shall not be entitled to participate to such General Meeting. It is understood that the Class A Notes held by such Conflicted Noteholder with respect to any Conflicted Matter shall be treated as if they were not outstanding.

11.7 The quorum at any meeting of Noteholders of any class or classes for passing an Extraordinary Resolution to sanction a proposal to:

(a) change any date fixed for payment of principal or interest in respect of the Notes of any class, to change the Final Maturity Date of the Notes of any class, to change the amount of principal or interest due on any date in respect of the Notes of any class or alter the method of calculating the amount of any payment in respect of the Notes of any class (other than a Base Rate Modification);

(b) (except in accordance with Clause 25 (*Substitution*) of the Trust Deed) to effect the exchange, conversion or substitution of the Notes of any class for, or the conversion of such Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;

(c) change the currency in which amounts due in respect of the Notes are payable;

(d) any amendment to any Priority of Payments;

(e) permitting the issuance by the Issuer of any note, unit or other instruments other than in accordance with the express provisions of the Notes already considered;

(f) change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or

(g) amend the definition of Basic Terms Modification,

(each, a "**Basic Terms Modification**") shall be one or more persons holding or representing not less than three-quarters or, at any adjourned meeting, not less than one-quarter of the Aggregate Outstanding Principal Amount of the Notes then outstanding of such class or classes.

The Trust Deed provides that, except in the case of an Extraordinary Resolution directing the Note Trustee to give a Note Acceleration Notice, as to which the provisions of Condition 9 (Issuer Events of Default) shall apply and subject as provided in Conditions 11.2 to 11.5 (inclusive):

(i) an Extraordinary Resolution which, in the opinion of the Note Trustee, affects the interests of the holders of only one Class of Notes shall be deemed to have been duly passed if passed at a separate meeting of the holders of the Notes of that Class;

(ii) a resolution which, in the opinion of the Note Trustee, affects the interests of the holders of more than one Class but does not give rise to a conflict of interest between the holders of one Class of Notes and the holders of another Class of Notes shall be deemed to have been duly passed if passed at a single meeting of the holders of all the classes so affected as the Note Trustee shall determine; and

(iii) a resolution which, in the opinion of the Note Trustee, affects the interests of more than one Class of Notes and gives or may give rise to a conflict of interest between the holders of one Class of Notes and the holders of another Class of Notes shall be deemed to have been duly passed only if passed at separate meetings of the holders of each class so affected.

11.8 The Note Trustee may agree and/or may direct the Issuer Security Trustee and/or the Arval Security Trustee to agree, without the consent of the Noteholders or any other Issuer Secured Creditors:

(a) any modification (except in respect of any Basic Terms Modification), or any waiver or authorisation of any breach or proposed breach, of these Conditions or any of the Transaction Documents, or any determination that an Issuer Event of Default or Issuer Potential Event of Default shall not or shall not subject to specified conditions, be treated as such which, in the opinion of the Note Trustee, is not materially prejudicial to the interests of the Most Senior Class Outstanding; or

(b) any modification which, in the opinion of the Note Trustee, is to correct a manifest error or is of a formal, minor or technical nature,

provided that the Note Trustee shall not exercise any powers conferred on it in respect of any waivers or authorisations under Clause 20.1 (*Waiver, Authorisation and Determination*) of the Trust Deed in contravention of any express direction given by Extraordinary Resolution or by a direction under Condition 9 (Issuer Events of Default) (provided further that no such direction shall (a) affect any waiver, authorisation or determination previously made under Clause 20.1 (*Waiver, Authorisation and Determination*) of the Trust Deed or (b) authorise or waive any breach or proposed breach relating to a Basic Terms Modification, unless sanctioned by each Class of Notes by Extraordinary Resolution).

11.9 Without limitation to Condition 11.10, the Note Trustee shall be obliged to concur with the Issuer (without the consent of the Noteholders or any other Issuer Secured Creditors, other than those Issuer Secured Creditors who are party to the relevant Transaction Document) and/or to direct the Issuer Security Trustee and/or the Arval Security Trustee to concur with the Issuer, in relation to any amendment to a Transaction Document which the Issuer has certified in writing to the Note Trustee (upon which certification the Note Trustee shall rely without further enquiry) is necessary to:

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

(b) enable the Issuer to comply with any obligations which apply to it under Regulation (EU) 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012 (including, without limitation, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators (the "**EU EMIR**")) and/or Regulation (EU) 648/2012 as it forms part of domestic law by virtue of the EUWA (the "**UK EMIR**"));

(c) comply with any changes in the requirements of (i) FCA Risk Retention Rules, Article 6 of the EU Securitisation Regulation or Section 15G of the Securities Exchange Act of 1934, as added by section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, after the Closing Date, including as a result of any statements of policy, waivers or guidance published or provided, (ii) Regulation (EU) 2017/2401(which amends Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms) and/or the UK CRR or (iii) any other risk retention legislation or regulations or official guidance in relation to securitisation transactions, provided further that the Issuer (or the Servicer on its behalf) certifies to the Note Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect (on which certification the Note Trustee shall rely without further enquiry);

(d) for the purpose of enabling the Notes to comply with the requirements of the UK Securitisation Framework and the EU Securitisation Regulation, including relating to the treatment of the Notes as a simple, transparent and standardised securitisation under the UK Securitisation Framework, and any related regulatory statements of policy, waivers or guidance published or provided in relation to the UK Securitisation Framework and regulatory technical standards authorised under the EU Securitisation Regulation provided that the Issuer (or the Servicer on its behalf) certifies to the Note Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect (on which certification the Note Trustee shall rely without further enquiry);

(e) enable the Class A Notes to be (or to remain) listed on Euronext Dublin or a replacement recognised stock exchange;

(f) enable the Issuer or any of the other transaction parties to comply with FATCA;

(g) enable the appointment of any additional or replacement account bank and/or the opening of any additional or replacement account in the name of the Issuer in accordance with the Transaction Documents; or

(h) enable the appointment of any custodian and/or the opening of any custody account in accordance with the Transaction Documents,

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

(i) adversely impact on the Issuer's ability to make payments when due in respect of the Notes; or

(ii) affect the legality, validity and enforceability of any of the Transaction Documents and any Issuer Security created therein; and

(i) change the base rate in respect of the Notes from SONIA to an alternative base rate (including where such base rate may remain linked to SONIA but may be calculated in a different manner) (any such base rate, an "**Alternative Base Rate**") and make such other amendments to any of the Transaction Documents as are necessary or advisable in the reasonable judgement of the Issuer to facilitate such change or which are required as a

consequence of adopting an Alternative Base Rate (a "**Base Rate Modification**"), provided that:

(i) the Servicer, on behalf of the Issuer, certifies to the Note Trustee in writing (such certificate, a "**Base Rate Modification Certificate**") that:

(A) such Base Rate Modification is being undertaken due to:

(I) a material disruption to SONIA, a material change in the methodology of calculating SONIA or SONIA ceasing to exist or be published;

(II) the insolvency or cessation of business of the SONIA administrator (in circumstances where no successor SONIA administrator has been appointed);

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

(IV) a public statement by the supervisor of the SONIA administrator that SONIA has been or will be permanently or indefinitely discontinued;

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

(VI) the reasonable expectation of the Servicer that any of the events specified in paragraphs (II) to (V) will occur or exist within six months of the proposed effective date of such Base Rate Modification;

(B) such Alternative Base Rate is:

(I) a base rate published, endorsed, approved or recognised by the Bank of England, any regulator in the United Kingdom or the European Union or any stock exchange on which the Notes are listed (or any relevant committee or other body established, sponsored or approved by any of the foregoing);

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

(III) such other base rate as the Servicer reasonably determines, provided that this paragraph (III) may only be used if the Servicer, on behalf of the Issuer, certifies to the Note Trustee that, in the reasonable opinion of the Servicer, none of paragraphs (I) and (II) above are applicable and/or practicable in the context of the transaction described in the Transaction Documents, and sets out the rationale in the Base Rate Modification Certificate for choosing the proposed Alternative Base Rate; and

(C) the modifications proposed are required solely for the purpose of applying the Alternative Base Rate and making consequential modifications to any Transaction Document which are, as reasonably determined by the Issuer or the Servicer on behalf of the Issuer, necessary or advisable, and the modifications have been drafted solely to such effect;

(ii) the consent of each Issuer Secured Creditor party to the Transaction Documents being amended has been obtained (evidence of which shall be provided by the Issuer to the Note Trustee with the Base Rate Modification Certificate) and no other consents are required to be obtained in relation to the Base Rate Modification;

(iii) the Seller has agreed to pay, or to put the Issuer in funds to pay, all fees, costs and expenses (including legal fees and any initial or ongoing costs associated with the Base Rate Modification) incurred by the Issuer and the Note Trustee or any other Transaction Party in connection with the Base Rate Modification; and

(iv) at least thirty (30) calendar days' prior written notice of any such proposed modification has been given to the Note Trustee and the Swap Counterparty,

in the case of any modification pursuant to this Condition 11.9:

(i) (in respect of Conditions 11.9(a) and 11.9(i)) the Issuer certifies in writing to the Note Trustee that:

(A) the Issuer has provided at least thirty (30) calendar days' notice to the Noteholders of each Class of the proposed modification in accordance with Condition 14 (Notices) and by publication on Bloomberg on the "Company News" screen relating to the Notes; and

(B) Noteholders representing at least 10% of the Aggregate Outstanding Principal Amount of the Most Senior Class Outstanding have not contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such notification period notifying the Issuer that such Noteholders do not consent to the modification (the "**Veto Right**").

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

Objections made in writing other than through the applicable clearing system must be accompanied by evidence to the Issuer's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes; and

(ii) the Note Trustee (or where applicable, the Issuer Security Trustee or the Arval Security Trustee) shall not be obliged to agree to any modification which, in the sole opinion of the Note Trustee (or, where applicable, the Issuer Security Trustee or the Arval Security Trustee), would have the effect of (i) exposing the Note Trustee, the Issuer Security Trustee and/or the Arval Security Trustee, as applicable, to any additional Liability or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the rights or protections, of the Note Trustee, the Issuer Security Trustee or the Arval Security Trustee, as applicable in respect of the Notes, the Transaction Documents and/or the Conditions; and

(iii) the Note Trustee shall not consider the interests of the Noteholders, any other Issuer Secured Creditor or any other person and shall act and rely solely and without further investigation, on any certificate (including any Base Rate Modification Certificate) or any other evidence provided to it by the Issuer or the Servicer on behalf of the Issuer and shall not be liable to the Noteholders, any other Issuer Secured Creditor or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person.

11.10 The Note Trustee shall be obliged to concur with the Issuer and/or to direct the Issuer Security Trustee and/or the Arval Security Trustee to concur with the Issuer (without the consent of the Noteholders or any other Issuer Secured Creditors, other than the Swap Counterparty) in relation to any amendment to the Swap Agreement in respect of which the Servicer has certified in writing to the Note Trustee (upon which certification the Note Trustee shall rely without further enquiry) that such amendment is consistent with the next published criteria for derivative counterparty and supporting party risk that will be published by DBRS and/or, as the case may be, Moody's, following

the Closing Date (the "**Counterparty Criteria**"), provided that the Note Trustee (or where applicable the Issuer Security Trustee or the Arval Security Trustee) shall not be obliged to agree to any amendment which, in the sole opinion of the Note Trustee (or, where applicable, the Issuer Security Trustee or the Arval Security Trustee), would have the effect of (i) exposing the Note Trustee, the Issuer Security Trustee and/or the Arval Security Trustee, as applicable, to any additional Liability or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the rights or protections, of the Note Trustee, the Issuer Security Trustee or the Arval Security Trustee, as applicable in respect of the Notes, the Transaction Documents and/or the Conditions, and **further provided that**:

(a) the Note Trustee has received written confirmation from Arval and the Swap Counterparty in respect of the Swap Agreement that it has consented to such amendment;

(b) subject to Condition 17 (Non-Responsive Rating Agency), a Ratings Confirmation has been provided by DBRS and Moody's in respect of such amendment; and

(c) the Issuer certifies in writing to the Note Trustee that:

(i) the Issuer has provided at least thirty (30) calendar days' notice to the Noteholders of each Class of the proposed modification in accordance with Condition 14 (Notices) and by publication on Bloomberg on the "Company News" screen relating to the Notes; and

(ii) Noteholders representing at least 10% of the Aggregate Outstanding Principal Amount of the Most Senior Class Outstanding have not contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such notification period notifying the Issuer that such Noteholders do not consent to the modification.

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

Objections made in writing other than through the applicable clearing system must be accompanied by evidence to the Issuer's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes.

11.11 Without prejudice to Condition 11.9(i), the Issuer shall not agree to any amendment to, modification of, or supplement to any of the Transaction Documents (or any waiver in relation thereof), insofar as such amendment, modification or supplement: (a) in the reasonable opinion of the Swap Counterparty, has or could have a material adverse effect on the interests of the Swap Counterparty, (b) amends any Priority of Payments, (c) in respect of the Class A Notes, amends the interest rate, the Payment Dates, the maturity date, the terms of repayment, the currency or the redemption rights, or (d) which has the effect of amending Clause 21.5 (*Modification*) of the Trust Deed, in each case without the prior written consent of the Swap Counterparty.

11.12 Any such modification, waiver, authorisation or determination shall be binding on the Noteholders and, unless the Note Trustee agrees otherwise, any such modification shall be notified by the Issuer to the Noteholders and the Swap Counterparty as soon as practicable thereafter in accordance with Condition 14 (Notices).

11.13 In connection with any such substitution of principal debtor referred to in Condition 6.4 (Optional redemption in whole for taxation or other reasons), the Note Trustee may also agree, without the consent of the Noteholders or any other Issuer Secured Creditors, to a change of the laws governing the Notes, these Conditions and/or any of the Transaction Documents, **provided that** such change would not in the opinion of the Note Trustee, be materially prejudicial to the interests of the Most Senior Class Outstanding.

11.14 The Note Trustee shall be entitled to take into account, for the purpose of exercising or performing any right, power, trust, authority, duty or discretion under or in relation to the Trust Deed or any other

Transaction Document (including, without limitation, any consent, approval, modification, waiver, authorisation or determination referred to in this Condition 11.14), among other things, to the extent that it considers, in its sole and absolute discretion, it is necessary and/or appropriate and/or relevant subject to the provisions of Condition 17 (Non-Responsive Rating Agency), any Ratings Confirmation (and in the case of a Ratings Confirmation provided by any Ratings Agency, whether or not such confirmation is addressed to, or provides that it may be relied upon by, the Note Trustee and irrespective of the method by which such confirmation is conveyed).

11.15 Where, in connection with the exercise or performance by it of any right, power, trust, authority, duty or discretion under or in relation to these Conditions or any of the Transaction Documents (including, without limitation, in relation to any modification, waiver, authorisation, determination or substitution as referred to above), the Note Trustee is required to have regard to the interests of the Noteholders of any class, it shall have regard to the general interests of the Noteholders of such class as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise or performance for individual Noteholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Note Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim from the Issuer, the Note Trustee or the Issuer Security Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders.

11.16 Neither the Note Trustee nor the Issuer Security Trustee shall be required to have regard to the interests of any other Issuer Secured Creditors so long as any Note is outstanding other than, in the case of the Issuer Security Trustee, to ensure application of any proceeds of enforcement in accordance with the relevant Priority of Payments.

11.17 For the purposes of this this Condition 11:

(a) "**Conflicted Matter**" means any of the following matters:

(i) the disapplication of the Veto Right of Class A Noteholders in relation to a proposed Base Rate Modification (as defined in Condition 11.9);

(ii) the termination of Arval's role (i) as Servicer following the occurrence of a Servicer Termination Event or (ii) as Fallback Sub-Maintenance Coordinator following the occurrence of a Fallback Sub-Maintenance Coordinator Termination Event;

(iii) the occurrence of an Accelerated Amortisation Event; and

(iv) the enforcement of any of the Issuer's claims against Arval as Seller and/or Servicer for breach of any of its obligations under the Transaction Documents.

(b) "**Conflicted Noteholder**" means with respect to the Class A Notes, Arval or any of its affiliates (other than any asset management entity belonging to the BNP Paribas group) when acting in a principal capacity, unless it is (or more than one of them together in aggregate are) the holder of 100 per cent. of the Class A Notes.

12. INDEMNIFICATION AND EXONERATION OF THE NOTE TRUSTEE AND THE ISSUER SECURITY TRUSTEE

The Trust Deed and the Issuer Deed of Charge contain provisions governing the responsibility (and relief from responsibility) of the Note Trustee and the Issuer Security Trustee respectively and providing for their indemnification in certain circumstances, including provisions relieving the Note Trustee from taking action at the direction of Noteholders and the Issuer Security Trustee from taking action at the direction of the Note Trustee (acting on instruction of the Noteholders) in each case unless indemnified and/or secured and/or pre-funded to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Note Trustee shall not be bound to give notice to any person of the execution of any documents comprised or referred to in the Trust Deed or any other Transaction Document or to take any steps to ascertain whether any Issuer Event of Default, Issuer Potential Event of Default, Commingling Reserve Trigger Event, Maintenance Reserve Trigger Event, Set-Off Reserve Trigger Event, Sale Trigger Event, Automatic Crystallisation

Event, Non-Insolvency Fallback Sub-Maintenance Coordinator Termination Event, Non-Insolvency Servicer Termination Event, Insolvency Event in respect of the Issuer, Seller Event of Default or any event which causes or may cause a right on its part or on the part of the Issuer Security Trustee or the Arval Security Trustee under or in relation to any Transaction Document to become exercisable has happened and, until it shall have actual knowledge or express notice pursuant to the Trust Deed to the contrary, the Note Trustee shall be entitled to assume that no Issuer Event of Default, Issuer Potential Event of Default, Commingling Reserve Trigger Event, Maintenance Reserve Trigger Event, Set-Off Reserve Trigger Event, Sale Trigger Event, Automatic Crystallisation Event, Non-Insolvency Fallback Sub-Maintenance Coordinator Termination Event, Non-Insolvency Servicer Termination Event, Insolvency Event in respect of the Issuer, or any Seller Event of Default or other such event has happened and that the Issuer and each of the other parties are observing and performing all their respective obligations under the Trust Deed and the other Transaction Documents and, if it does have actual knowledge or express notice as aforesaid, the Note Trustee shall not be bound to give notice thereof to the Noteholders or any other party.

The Trust Deed and the Issuer Deed of Charge also contain provisions pursuant to which the Note Trustee and the Issuer Security Trustee are entitled, among other things, (a) to enter into business transactions with the Issuer and/or any other party to any of the Transaction Documents and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any other party to any of the Transaction Documents, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders or any other Issuer Secured Creditors, and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

13. REPLACEMENT OF GLOBAL NOTES

If any Global Note is mutilated, defaced, lost, stolen or destroyed, it may be replaced at the specified office of the Registrar. Replacement of any mutilated, defaced, lost, stolen or destroyed Global Note will only be made on payment of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. A mutilated or defaced Global Note must be surrendered before a new one will be issued.

14. NOTICES

14.1 Publication of Notice

(a) Any notice to Noteholders shall be validly given if it is published in the Financial Times, or, if such newspaper shall cease to be published or, if timely publication therein is not practicable, in such other English newspaper or newspapers as the Note Trustee shall approve in advance having a general circulation in the United Kingdom, **provided that** if, at any time, (i) the Issuer procures that the information concerned in such notice shall appear on a page of the Reuters Screen, the Bloomberg Screen or any other medium for electronic display of data as may be previously approved in writing by the Note Trustee and notified to Noteholders (in each case a "**Relevant Screen**"), or (ii) paragraph (c) below applies and the Issuer has so elected, publication in the newspaper set out above or such other newspaper or newspapers shall not be required with respect to such information. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication shall have been made in the newspaper or newspapers in which (or on the Relevant Screen) publication is required.

(b) In respect of Notes in definitive form or notices to the Swap Counterparty, notices will be sent by first class post (or its equivalent) or (if posted to an address outside the United Kingdom) by airmail at, in the case of notices to Noteholders, the respective addresses on the Register or, in the case of the Swap Counterparty, the address set out in Clause 27.2 (*Party details*) in the Issuer Deed of Charge. Any such notice will be deemed to have been given on the 4th day after the date of posting.

(c) Whilst the Notes are represented by Global Notes, notices to Noteholders will be valid if published as described above, or, at the option of the Issuer, if submitted to Euroclear and/or Clearstream, Luxembourg for communication by them to Noteholders. Any notice delivered to Euroclear and/or Clearstream, Luxembourg, as aforesaid shall be deemed to have been given on the day of such delivery.

(d) The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange on which the Notes are for the time being listed or any other relevant authority.

14.2 **Note Trustee's Discretion to Select Alternative Method**

The Note Trustee shall be at liberty to sanction some other method of giving notice to the Noteholders or category of them if, in its sole opinion, such other method is reasonable having regard to market practice then prevailing and to the requirements of the stock exchanges, competent listing authorities and/or quotation systems on or by which the Class A Notes are then listed, quoted and/or traded and **provided that** notice of such other method is given to the Noteholders in such manner as the Note Trustee shall require.

15. **SUBORDINATION BY DEFERRAL**

15.1 **Interest**

In the event that, on any Payment Date, the amount available to the Issuer, subject to and in accordance with the Issuer Deed of Charge, to apply on such Payment Date pursuant to the Revolving Period Priority of Payments and, provided no Accelerated Amortisation Event has occurred, the Normal Amortisation Period Priority of Payments, after discharging the Issuer's liabilities of a higher priority (in each case, an "**Interest Residual Amount**"), is not sufficient to satisfy in full the aggregate amount of interest (including amounts previously deferred under this Condition 15.1 and accrued interest thereon) due, subject to this Condition 15.1, on a Class of Notes other than the Most Senior Class Outstanding on such Payment Date, there shall instead be payable on such Payment Date, by way of interest (including as aforesaid) on each Class of Notes other than the Most Senior Class Outstanding, only a pro rata share of the Interest Residual Amount attributable to the relevant Class of Notes on such Payment Date and it shall not constitute an Issuer Event of Default.

In any such event, the Issuer shall create a provision in its accounts for the shortfall equal to the amount by which the aggregate amount of interest (including as aforesaid) paid on the Class B Note on the relevant Payment Date in accordance with this Condition 15.1 falls short of the aggregate amount of interest (including as aforesaid) payable (but for the provisions of this Condition 15.1) on the Class B Note on that date pursuant to Condition 4 (Interest). Such shortfall shall itself accrue interest at the same rate as that payable in respect of the Class B Note and shall be payable together with such accrued interest on each following Payment Date, subject to the provisions of the preceding paragraph.

Payments of interest due on a Payment Date in respect of the Most Senior Class Outstanding will not be deferred.

15.2 **Principal**

All payments of principal shall be made in accordance with the relevant Priority of Payments.

15.3 **General**

Any amounts of principal or interest in respect of the Class B Note otherwise payable under these Conditions which are not paid by virtue of this Condition 15, together with accrued interest thereon, shall in any event become payable on the Payment Date falling in May 2036 or on such earlier date as the Class B Note become due and repayable in full under Condition 6 (Redemption) or 9 (Issuer Events of Default).

15.4 **Notification**

As soon as practicable after becoming aware that any part of a payment of interest or principal on the Class B Note will be deferred or that a payment previously deferred will be made in accordance with this Condition 15, the Issuer will give notice thereof to the Class B Noteholder in accordance with Condition 14 (Notices).

15.5 **Application**

This Condition 15 shall cease to apply in respect of the Class B Note, upon the redemption in full of all Class A Notes.

16. **RESTRICTIONS ON DISPOSAL OF ISSUER'S ASSETS**

If a Note Acceleration Notice has been delivered by the Note Trustee otherwise than by reason of non-payment of any amount due in respect of the Notes, the Issuer Security Trustee will not be entitled to dispose of the Issuer Charged Assets (defined in Condition 18 (Limited Recourse)) or any part thereof (apart from monies standing to the credit of any Swap Collateral Accounts which are required to pay any Swap Termination Payments under the Swap Agreement) unless either:

(a) a sufficient amount would be realised to allow payment in full of all amounts owing to the Noteholders of each class after payment of all other claims ranking in priority to the Notes in accordance with the Accelerated Amortisation Period Priority of Payments; or

(b) the Issuer Security Trustee is of the opinion, which shall be binding on the Noteholders and the other Issuer Secured Creditors, reached after considering at any time and from time to time the advice of an investment bank or other financial adviser selected by the Issuer Security Trustee (and if the Issuer Security Trustee is unable to obtain such advice having made reasonable efforts to do so this paragraph (b) shall not apply) that the cash flow prospectively receivable by the Issuer from the Issuer Charged Assets will not (or that there is a significant risk that it will not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts due in respect of the Notes of each class after payment of all other claims ranking in priority to the Notes in accordance with the Accelerated Amortisation Period Priority of Payments; and

(c) the Issuer Security Trustee shall not be bound to make the determination contained in paragraph (b) above unless the Issuer Security Trustee shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities (as defined in the Master Definitions Schedule) to which it may thereby become liable or which it may incur by doing so.

17. **NON-RESPONSIVE RATING AGENCY**

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

(a) (i) that Rating Agency indicates that it does not consider a Ratings Confirmation necessary in the circumstances or otherwise declines to review the matter for which the Ratings Confirmation is sought (including as a result of the policy or practice of that Rating Agency) or (ii) within 30 days of delivery of such request, that Rating Agency has not responded to the request for the Ratings Confirmation; and

(b) the Issuer has otherwise received no indication from that Rating Agency that its then current ratings of the Class A Notes would be reduced, qualified, withdrawn or put on negative watch as a result of such action, step or matter,

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

18. **LIMITED RECOURSE**

If at any time following:

(a) the occurrence of either:

(i) the Final Maturity Date or any earlier date upon which all of the Notes of each class are due and payable; or

(ii) the service of an Note Acceleration Notice; and

(b) Realisation (defined below) of all of the property, assets and undertakings of the Issuer and subject of any security created by the Issuer Deed of Charge (together the "**Issuer Charged**

Assets") and application in full of any amounts available to pay amounts due and payable under the Notes in accordance with the applicable Priority of Payments,

the proceeds of such Realisation are insufficient, after payment of all other claims ranking in priority in accordance with the applicable Priority of Payments, to pay in full all amounts then due and payable under any Class of Notes then the amount remaining to be paid (after such application in full of the amounts first referred to in paragraph (b) above) under such class of Notes (and any class of Notes junior to that Class of Notes) shall, on the day following such application in full of the amounts referred to in paragraph (b) above, cease to be due and payable by the Issuer. For the purpose of this Condition 18, "**Realisation**" means, in relation to any Issuer Charged Assets, the deriving, to the fullest extent practicable, of proceeds from or in respect of such Issuer Charged Assets including (without limitation) through sale or through performance by an obligor in accordance with the provisions of the Transaction Documents.

19. NON PETITION

Only the Issuer Security Trustee may pursue the remedies available under the general law or under the Transaction Documents to enforce the Issuer Security and no Noteholder or other Issuer Secured Creditor shall be entitled to proceed directly against the Issuer to enforce the Issuer Security. In particular, each Issuer Secured Creditor (other than the Issuer and the Issuer Security Trustee) agrees and acknowledges to each of the Issuer and the Issuer Security Trustee, and the Issuer Security Trustee agrees with and acknowledges to the Issuer, that:

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

(b) none of the Issuer Secured Creditors (other than the Issuer Security Trustee) shall have the right to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to any of such Issuer Secured Creditors;

(c) until the date falling two years after the Final Discharge Date (as defined in the Master Definitions Schedule) none of the Issuer Secured Creditors nor any person on their behalf shall initiate or join any person in initiating an Insolvency Event or the appointment of an Insolvency Official in relation to the Issuer other than a Receiver or an administrator appointed under Clause 11 (*Receiver*) of the Issuer Deed of Charge; and

(d) none of the Issuer Secured Creditors shall be entitled to take or join in the taking of any corporate action, legal proceedings or other procedure or step which would result in the Priority of Payments not being complied with.

20. GOVERNING LAW

The Trust Deed and the Notes and all non-contractual obligations arising from or connected with them are governed by, and shall be construed in accordance with English law.

21. RIGHTS OF THIRD PARTIES

No person shall have any right to enforce any Condition or any provision of the Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

WEIGHTED AVERAGE LIFE OF THE NOTES

The average lives of each Class of Class A Notes cannot be predicted as the actual rate at which the Lease Receivables will be repaid and a number of other relevant factors are unknown.

Calculations of possible average lives of each Class of Notes can be made under certain assumptions.

Based on the assumptions that:

(a) the Principal Amount Outstanding of the Class A Notes is £350,000,000 on the Closing Date;

(b) the Notes will be issued on 26 November 2024;

(c) the first Payment Date will be 30 December 2024, and each Payment Date falls on the 25th calendar day of a month subject to the convention applied on Business Day;

(d) the calculation of the WAL (in years) is made on a 30/360 basis;

(e) there will be no delinquencies, defaults or losses on the Lease Receivable and Lease Receivables payments will be received on a timely basis together with prepayments, if any, at the constant annual prepayment rate set out in the table;

(f) the Revolving Period is assumed to end on (but include) the Payment Date falling in November 2025, and no Revolving Period Termination Event occurs;

(g) the interest collections are deemed sufficient to cover all senior costs, interest on the Notes, swap payments and credit to the Retained Profit Ledger;

(h) there will be no Variations;

(i) the Lease Receivables are not subject to any enforcement proceedings;

(j) no Lease Receivables are to be repurchased by Arval as Repurchaser due to the breach of Lease Warranties;

(k) no Lease Agreements are terminated by the Seller prior to their Lease Maturity Date;

(l) Any Compensation Payment Obligations are paid when due;

(m) no Accelerated Amortisation Event occurs;

(n) the Issuer Cash is not invested and no remuneration is received on such available cash from the Account Bank;

(o) at the commencement of the Revolving Period the value of the Portfolio is £402,299,999.67;

(p) the Seller exercises the Clean-Up Call on the earliest Payment Date possible and the conditions in relation to the exercise of such Clean-Up Call are met on such date;

(q) no Seller Event of Default occurs;

(r) no Insolvency Event occurs in relation to the Issuer other than any Clean-Up Call; and

(s) during the Revolving Period, sufficient additional Lease Receivables are transferred to keep the Aggregate Outstanding Lease Principal Balance of the Portfolio constant (and equal to the Aggregate Outstanding Lease Principal Balance of the Initial Portfolio) and the relative amortisation profile of the Portfolio remains identical to the relative amortisation profile of the Initial Portfolio after any replenishment,

the approximate average life of each Class A Note, at various assumed rates of prepayment of the Lease Receivables, would be as follows (with "**CPR**" being the constant prepayment rate and "**WAL**" being the weighted average life):

CPR	WAL (in years)	First Principal Payment Date	Expected Maturity Date
0.0%	1.76	Dec-25	Sep-27
2.0%	1.75	Dec-25	Sep-27
5.0%	1.74	Dec-25	Aug-27
10.0%	1.71	Dec-25	Aug-27

The constant prepayment rates shown above are purely illustrative and do not represent the full range of possibilities for constant prepayment rates.

An exercise of the Clean-up Call will have no impact on the average life of the Class A Notes given the above assumptions.

Assumptions above in respect of the weighted average life of the Class A Notes relate to circumstances which are not predictable.

The average lives of the Class A Notes are subject to factors largely outside the control of the Issuer and consequently no assurance can be given that the assumptions and the estimates above will prove in any way to be realistic and they must therefore be viewed with considerable caution.

The actual characteristics and performance of the assigned Lease Receivables will differ from these assumptions. The weighted average life of the Class A Notes is hypothetical in nature and is provided only to give a general sense of how the principal cash flows might behave under various prepayment scenarios. For example, it is unlikely that the Lease Receivables will prepay at a constant rate until maturity, that all of the Lease Receivables will prepay at the same rate and that there will be no delinquencies, defaults or losses on the Lease Receivables or that no Lease Receivable will be subject to any Variation (which Variation may result in an increase or reduction of the Outstanding Lease Principal Balance of such Lease Receivable). Any difference between such assumptions and the actual characteristics and performance of the Lease Receivables, or actual prepayment or loss experience, will affect the percentages of the Principal Amount Outstanding of the Class A Notes which are outstanding over time and the weighted average life of the Class A Notes. As a result, the average life of each Class of Notes is subject to factors that cannot be provided and consequently no assurance can be given that the assumptions that the estimates above will prove in any way to be realistic and they must therefore be viewed with considerable caution.

The data shown above is based on the initial provisional portfolio of lease Receivables complying with the Eligibility Criteria as of 31 August 2024 selected by the Seller as of 5 September 2024.

Assumed Amortisation of the Class A Notes

This amortisation scenario is based on the assumptions listed above and is assuming a CPR of two per cent (2%). The actual amortisation of the Class A Notes may differ substantially from the amortisation scenario indicated below:

Class A Note Amortisation Profile	
Date	Principal Balance
Dec-24	100.00%
Jan-25	100.00%
Feb-25	100.00%
Mar-25	100.00%
Apr-25	100.00%
May-25	100.00%
Jun-25	100.00%
Jul-25	100.00%
Aug-25	100.00%
Sep-25	100.00%
Oct-25	100.00%
Nov-25	100.00%
Dec-25	92.98%
Jan-26	85.91%
Feb-26	79.02%
Mar-26	72.36%
Apr-26	66.02%
May-26	59.98%
Jun-26	54.20%
Jul-26	48.68%
Aug-26	43.42%
Sep-26	38.39%
Oct-26	33.62%
Nov-26	29.09%
Dec-26	24.82%
Jan-27	20.79%
Feb-27	17.00%
Mar-27	13.47%
Apr-27	10.25%
May-27	7.31%
Jun-27	4.65%
Jul-27	2.27%
Aug-27	0.15%
Sep-27	0.00%

THE ISSUER

1. **General**

The Issuer was incorporated and registered in England and Wales (registered number 15438733) under the Companies Act 2006 (as amended) as a public limited company on 24 January 2024.

2. **Registered Office**

The Issuer's registered office is at 10th Floor, 5 Churchill Place, London, United Kingdom, E14 5HU. The telephone number of the Issuer is +44 (0) 203 855 0285.

3. **Principal Activities**

The Issuer was established as a special purpose vehicle to issue the Notes, to purchase the Lease Receivables, to enter into the Transaction Documents, and carry out any and all other activities related to the transactions described in this Prospectus.

The Issuer has no subsidiaries or employees.

Since its incorporation, the Issuer has not carried on any business or activities other than those incidental to its incorporation, the authorisation and issue of the Notes and the purchase of the Lease Receivables and activities incidental to the exercise of its rights and compliance with its obligations under the Transaction Documents and any other documents entered into in connection with the issue of the Notes.

Since its date of incorporation, the Issuer has not commenced operations and no financial statements of the Issuer have been prepared as at the date of this Prospectus.

4. **Directors**

The directors of the Issuer and their business addresses are:

Name	**Business Address**
CSC Corporate Services (UK) Limited	10th Floor, 5 Churchill Place, London, E14 5HU
Debra Amy Parsall	10th Floor, 5 Churchill Place, London, E14 5HU
CSC Directors (No.1) Limited	10th Floor, 5 Churchill Place, London, E14 5HU
CSC Directors (No.2) Limited	10th Floor, 5 Churchill Place, London, E14 5HU

The directors of the Issuer may engage in other activities and have other interests which may conflict with the interests of the Issuer. As a matter of English law, each director is under a duty to act honestly and in good faith with a view to the best interests of the Issuer, regardless of any other directorships he may hold.

Pursuant to the terms of the Corporate Services Agreement, the Corporate Services Provider will provide directors and certain other corporate and administration services to the Issuer in consideration for the payment by the Issuer of an annual fee to the Corporate Services Provider.

The secretary of the Issuer is CSC Corporate Services (UK) Limited, a company incorporated in England and Wales with the registered number 10831084 and having its registered office is at 10th Floor, 5 Churchill Place, London, E14 5HU.

5. **Capital and Shares**

The issued share capital of the Issuer comprises 50,000 ordinary shares of £1 each, of which one share is fully paid and 49,999 are quarter paid and beneficially owned by Pulse UK 2024 Holdings Limited ("**Holdings**").

The Share Trustee will have no beneficial interest in and derive no benefit (other than fees) for acting as Share Trustee from its holding of its share in the Issuer.

Holdings was incorporated in England and Wales on 24 January 2024 (registered number 15438665) as a private limited company under the Companies Act 2006 (as amended). The registered office of Holdings is 10th Floor 5 Churchill Place, London, United Kingdom, E14 5HU. The telephone number of Holdings is +44 (0) 203 855 0285. The issued share capital of Holdings comprises one ordinary share of £1. Pursuant to a share trust deed dated 4 July 2024, the entire issued share capital of Holdings is held by CSC Corporate Services (UK) Limited (the "**Share Trustee**") on a discretionary trust for discretionary purposes.

6. **Capitalisation**

The following table sets out the capitalisation of the Issuer as at the date hereof:

Share Capital	**£**
Authorised:	
50,000 ordinary shares of £1 each	50,000
Issued:	
1 fully paid shares of £1 each	1
49,999 quarter paid shares of £1 each	49,999
Loan Capital	
Notes	0

As at the date hereof, save as disclosed above, the Issuer has no loan capital outstanding or authorised but unissued shares, no term loans outstanding and no other borrowings or indebtedness in the nature of borrowing nor any contingent liabilities or guarantees. The current financial period of the Issuer will end on 31 December 2024.

7. **Financial Statements and auditors**

Since its date of incorporation, the Issuer has not commenced operations and no financial statements of the Issuer have been prepared as at the date of this Prospectus. The Issuer intends to publish its first financial statements in respect of the period ending on 31 December 2024. The Issuer will not prepare interim financial statements. The financial year of the Issuer ends on 31 December in each calendar year.

The independent auditor of the Issuer is Deloitte, at 1 New Street Square, London EC4A 3BZ.

CORPORATE ADMINISTRATION

CSC Capital Markets UK Limited, having a place of business at 10th Floor, 5 Churchill Place, London E14 5HU will be appointed to provide corporate services to the Issuer and Holdings pursuant to the Corporate Services Agreement.

CSC Capital Markets UK Limited has served and is currently serving as corporate service provider for securitisation transactions and programmes involving various asset classes.

The Corporate Services Provider will be entitled to terminate its respective appointment under the Corporate Services Agreement on 30 days' written notice to the Issuer, the Issuer Security Trustee and each other party to the Corporate Services Agreement, provided that a substitute corporate services provider has been appointed on substantially the same terms as those set out in the Corporate Services Agreement.

The Issuer (with prior written consent of the Issuer Security Trustee) and, following delivery of a Note Acceleration Notice, the Issuer Security Trustee can terminate the appointment of the Corporate Services Provider on 30 days' written notice so long as a substitute corporate services provider has been appointed on substantially the same terms as those set out in the Corporate Services Agreement.

In addition, the appointment of the Corporate Services Provider may be terminated immediately upon notice in writing given by the Issuer Security Trustee, if the Corporate Services Provider breaches its obligations under the terms of the Corporate Services Agreement and/or certain insolvency related events occur in relation to the Corporate Services Provider.

HOLDINGS

1. INTRODUCTION

Pulse UK 2024 Holdings Limited ("**Holdings**") was incorporated in England and Wales under the Companies Act 2006 on 24 January 2024 (registered number 15438665) as a private company with limited liability under the Companies Act 2006 (as amended). The registered office of Holdings is at 10th Floor 5 Churchill Place, London, United Kingdom, E14 5HU, telephone +44 (0) 203 855 0285. The 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 4 July 2024.

2. PRINCIPAL ACTIVITIES OF HOLDINGS

Pursuant to the terms of its articles of association, Holdings is permitted, among other things, 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 the Issuer
CSC Directors (No.1) Limited	10th Floor 5 Churchill Place, London, United Kingdom, E14 5HU	Corporate director
CSC Directors (No.2) Limited	10th Floor 5 Churchill Place, London, United Kingdom, E14 5HU	Corporate director
Debra Amy Parsall	10th Floor 5 Churchill Place, London, United Kingdom, E14 5HU	Natural 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, THE ISSUER SECURITY TRUSTEE AND THE ARVAL SECURITY TRUSTEE

BNP Paribas Trust Corporation UK Limited has been appointed as Note Trustee under the Trust Deed, as Issuer Security Trustee under the Issuer Deed of Charge and as Arval Security Trustee under the Arval Deed of Charge.

BNP Paribas Trust Corporation UK Limited is incorporated under the Companies Act 1985 having limited liability and is registered with the Companies House of England and Wales with company number 04042668. It has its registered office at 10 Harewood Avenue, London, NW1 6AA.

This description of the Note Trustee, the Issuer Security Trustee and the Arval Security Trustee does not purport to be a summary of, and is therefore subject to, and qualified in its entirety by reference to, the detailed provisions of the Transaction Documents.

The delivery of this Prospectus does not imply that there has been no change in the affairs of the Note Trustee, the Issuer Security Trustee or the Arval Security Trustee since the date hereof, or that the information contained or referred to in this section is correct as of any time subsequent to its date.

ARVAL UK LIMITED AS SELLER AND SERVICER

1. Introduction

Arval UK Limited, the Seller, is a company incorporated in England and Wales with company number 01073098. Its registered office is at Whitehill House, Windmill Hill, Swindon, Wiltshire, SN5 6PE, United Kingdom.

The website of the Seller is https://www.arval.co.uk/.

The Seller is authorised by the Financial Conduct Authority (FCA) and holds several permissions including, "Entering into Regulated Consumer Hire Agreements as owner" and "Exercising or having the right to exercise the owner's rights and duties under a regulated consumer hire agreement". Its head office is in Swindon, with operations in Manchester and Solihull.

2. Parent Company

The totality of the Seller's share capital is held by Arval UK Group Limited (015346530), a company incorporated in England and Wales. The Seller is 100% (indirectly) owned by Arval Service Lease S.A., which is in turn 100% (indirectly) owned by the BNP Paribas group.

As a part of the BNP Paribas group's organisation, the Seller applies BNP Paribas group's governance, policies and procedures. BNP Paribas is an international bank, listed on Euronext Paris, which provides retail, wholesale and investment banking services. The BNP Paribas group is divided into three major operating divisions:

- Commercial. Personal Banking & Services (CPBS), which includes retail banking activities as well as specialised finance businesses,
- Investment & Protection Services, and
- Corporate & Institutional Banking.

The Seller belongs to the CPBS division of BNP Paribas.

At the date of this prospectus, the long-term debt of the Seller's parent, Arval Service Lease S.A., is rated A / Stable outlook by Fitch Ratings Ireland Limited and A-/ Stable outlook by S&P Global Ratings Europe Limited. A rating is not a recommendation to buy, sell, or hold securities. It may, at any time, be suspended, modified, or withdrawn by the rating agency concerned. The Seller is not separately rated.

3. History and development

Arval Company Group

The Arval Company Group was founded in 1989 as a specialist in full service vehicle leasing and mobility solutions for large international corporates, mid corporates, SMEs, professionals and individuals.

At the end of 2023, Arval Company Group was present in 29 countries with 96% of the fleet (in value) leased in European countries (including the UK) and with, more than 300,000 customers worldwide.

Arval Company Group totalled 8,388 employees as of 31 December 2023 and 8486 as of 30 June 2024. It’s total leased fleet reached 1,701,540 vehicles at the end of 2023 (1,747,846 vehicles as at 30 June 2024).

Arval Service Lease is part of the Element-Arval Global Alliance, jointly with Element (a leading global fleet management company). As at December 2023, the Element-Arval global partnership was present in 56 countries. It provides leasing and associated services in the combined countries of Arval Company Group and Element with a view to offering customers geographic coverage worldwide, together with a standardised high quality of services through a common quality charter.

In 2015, the Arval Company Group strengthened its position in the European leasing market by acquiring GE Fleet Services in Europe.

In 2020, Arval Company Group launched Arval Beyond, a new strategic plan to reflect the evolution of its positioning from vehicle leasing to mobility, with a roadmap until 2025; key current targets for Arval Company Group are:

- Arval's growth and financial performance through, in particular, reaching two million leased cars worldwide;
- Arval's CSR & energy transition resulting in the ambition by the end of 2025:
    - to lease 350,000 battery electric vehicles (included within 700,000 electrified vehicles);[1]
    - 35% average CO_2 reduction per vehicle per km[2];
    - 100% of Arval countries proposing sustainable mobility offers to customers ;
- A business model covering a wider mobility concept, including the car;
- Influencing and acting for driver safety, with yearly liable accident rate decrease of 20% versus 2020[3]; and
- The percentage of women on Arval's Executive Committees to be 40% in all Arval countries.

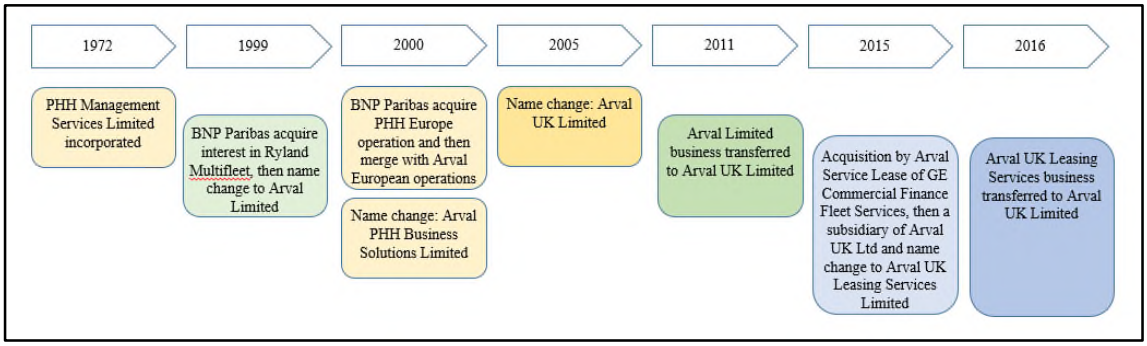
Arval in the United Kingdom

Arval operates in the United Kingdom through the Seller, Arval UK Limited. All employees are employed by the Seller's parent, Arval UK Group Limited. Arval's employees in the United Kingdom totalled 712 (full time equivalent) at the end of December 2023 (725.3 as at 30 June 2024).

The Seller's operations in the United Kingdom commenced in 2000 following the acquisition by BNP Paribas of an 80% interest in a joint venture that owned PHH Europe, which was then merged with Arval's European operations in 2000.

PHH was established in the UK in 1972 as a fleet management and then fuel card business. It later started offering vehicle finance with a growing emphasis on contract hire in the 1990s. BNP Paribas acquired an interest in Ryland Multi Fleet in 1999 and the operations of its UK entity, by then renamed as Arval Limited, were transferred to the Seller in 2011.

As part of an acquisition from General Electric in 2015, Arval Service Lease S.A. acquired GE Commercial Finance Fleet Services Ltd, which was subsequently established as a subsidiary of the Seller and renamed Arval UK Leasing Services Limited (AUKLS). In 2016, the business of AUKLS was transferred to the Seller.



The Seller has adopted the Arval Beyond strategy in the UK.

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[1] Electrified vehicles includes battery electric, plug-in and full hybrid.

[2] Average emissions of CO2 are calculated as a weighted average of the Arval entities' fleet (passenger cars and light commercial vehicles). In a context of regulation change (New European Driving Cycle (NEDC), Worldwide Harmonised Light Vehicles Test Procedure (WLTP)), the CO2 emissions are adjusted to the WLTP, making use of the results of an NEDC-WLTP correlation internal study, to ensure comparable stringency. The calculations are made starting 1 January 2020 vs December 2025.

[3] Calculation based on motor third party liability (MTPL) insurance contracts provided by Greenval Insurance DAC.

4. **Customer segments**

The Seller has two customer segments, Retail and Corporate. Its Retail business comprises both Regulated Lessees and Business Lessees, Regulated Lessees comprise both Regulated Business Lessees and Regulated Individual Lessees. A majority of the Seller's Retail business is introduced to the Seller via intermediaries (brokers, dealers and white-label partners). The Seller's Corporate business comprises its larger customers, including a number who have a global relationship with Arval Company Group.

Corporate Lessees and Business Lessees are primarily limited companies. The Seller also has non-limited company customers, including partnerships, LLPs, trusts and associations, as well as individual and sole-trader customers.

5. **Products and Services**

The Seller's core business focuses on Operating Lease Agreements (which represented 98% of Arval's total fleet in the United Kingdom at the end of June 2024).

An Operating Lease Agreement allows a Lessee to use a vehicle, with the Seller retaining legal ownership. The Seller leases mainly light commercial vehicles and cars, with some minibuses, motorbikes, e-cargo bikes and electric bikes. The Lessee chooses the vehicle (brand, model and options) which the Seller then purchases (or sources from campaign stock pre-purchased by the Seller). The Lessee pays a monthly rental, which covers the financing and the depreciation of the vehicle. For Corporate Lessees and Business Lessees, the Rental incorporates the cost of any additional services provided relating to the vehicle. For Regulated Lessees, the cost of additional services is itemised in the contract separately to the Rental. The term of a lease is usually 3 or 4 years, and for Corporate Lessees and Business Lessees may be formally extended for periods, usually for 6 or 12 months. Regulated Lease Agreements have an initial term of 3 to 4 years but are evergreen, meaning they continue after the initial term of the Lease Agreement until terminated.

Arval also offers mid-term rental ("**MTR**") to Corporate Lessees and Business Lessees. MTR offers a rental solution for a period between 1 and 24 months and gives customers fast access to a vehicle (usually within 48 hours) for more flexible durations, and at more competitive rates than short-term rental.

Additional services are available to Lessees taking the Seller's standard leasing product at the option of the Lessee. For all Lessees this include:

- *Service, maintenance and repair (including tyres)* – the Seller offers service, maintenance and repair (including tyres) for both routine and emergency situations through its network of selected workshops and tyre fitters;

- *Breakdown assistance* – the Seller offers roadside assistance that includes recovery to an agreed location, home start through the AA, as well as breakdown assistance in Europe

- *Arval Total Care (ATC)* – under the ATC product, the Lessee benefits from features including service, maintenance and repair, tyres, glass, breakdown assistance and in the event of damage to the vehicle. The Lessee also has the benefit of a third party insurance policy (the policy is entered into by the Seller with the benefit held on trust for ATC drivers). The policy does not cover damage to or Total Loss of the vehicle; in the event of damage or Total Loss the Seller assumes the risk. If an exception applies (e.g. drink driving or leaving keys in the Leased Vehicle) the Lessee is responsible for the reduction in the value of the vehicle.

Additional services are provided to all customers under the Lease Agreements, including cherished (private) plates and documentation needed to take a vehicle out of the United Kingdom.

Corporate Lessees and Business Lessees can opt for services including (at the option of the customer) accident management, Arval Connect (telematics), downtime management, risk management, fines management, outsourcing solutions and motor insurance database services, as well as the facilitation of fuel cards and short-term rental vehicles.

The Seller's Salary Sacrifice Lease Agreement product allows Corporate Lessees and Business Lessees to offer company cars to their employees through a salary sacrifice scheme. Similar to the

standard leasing product, the Seller contracts with its customer (the employer) and has no contractual relationship with the drivers of the vehicles (the employees). ATC is included in the salary sacrifice product.

For Corporate Lessees, the Seller also offers the following additional services (at the option of the customer):

Mobility services: The Seller is constantly aiming to meet customer needs by developing integrated and seamless mobility solutions for employees of Corporate Lessees which involve not only cars but also other means of transportation and which offer various mobility means. These include Arval Car Sharing - technology making pool cars more accessible and available for individuals and micro-mobility assets (including e-cargo bikes) which allow customers to undertake activities that a traditional vehicle might not be able to do (e.g. last mile delivery).

Fleet management is the provision of fleet management services where the customer outsources to the Seller management of the customer's own fleet of vehicles (i.e., vehicles not owned by the Seller, but either owned by the customer or leased by another company to the customer).

Consulting services: Arval Consulting is a service aimed at providing solutions to the Seller's customers, typically large national or international businesses, with their strategic and organisational issues by maximising the performance of the customer's fleet and supporting them in their energy and mobility transition.

6. **Remarketing / sale of used cars**

Remarketing is an important part of the business activity of the Seller. At the end of the Lease Agreement (or when a Lease Agreement is ended early), the Seller sells the used vehicle. Around 40,000 vehicles were sold by the Seller in 2023. In 2023, almost 41% of Vehicles were sold to vehicle traders using MotorTrade, a digital auction platform to ensure a competitive valuation is received for each vehicle, and 9% of vehicles were sold or re-leased directly to individual customers including to the driver at the end of the Lease Agreement. A further 32% were sold to individual consumers via partners, which may be online. Approximately 1% of vehicles were sold to international buyers, primarily in the Republic of Ireland, with export managed through Arval Trading. The remainder of the vehicles (c. 17%) were sold through the more traditional sales route of physical auction.

Depending on the age, condition and nature of the vehicle, rather than selling the vehicle at the end of the lease the Seller may choose instead to re-lease the vehicle through its re-lease product, which offers Retail customers the option of leasing selected used vehicles; or the vehicle may be added to the Seller's MTR fleet.

7. **Sustainable development**

Committed to 15 of the 17 of the United Nations Sustainable Development Goals, the Seller defined a new corporate social responsibility ("**CSR**") strategy in July 2020 that has since further evolved into its sustainability strategy. This strategy is based on 4 pillars (economy, people, community and the environment), which shows the Seller's ambitions in terms of these topics, including energy transition, social impact and its people.

In the context of sustainable development:

- the Seller launched in 2018 an innovative approach called SmaRT – Sustainable Mobility and Responsibility Targets following a several step methodology that is available to help customers define, implement and measure the progress of their fleet energy transition strategy;

- in 2021, Arval Company Group launched its first international biodiversity project (which the Seller participates in) with one tree planted or regenerated[4] for each electrified Vehicle leased by Arval;

[4] The Seller is helping to restore forests with Reforest'Action, which is in charge of planting and regenerating the trees. Reforest'Action regenerates trees with Assisted Natural Regeneration which is a natural method that helps preserve and strengthen existing forests through management that combines the trees' natural reproduction cycle with silviculture work.

- the Seller has a target of 25% of its leased fleet to be battery electric vehicles by the end of 2025[5] (in line with the target of 350,000 battery electric vehicles for Arval Company Group in 2025 (included in 700,000 electrified vehicles referred to above)).;

- the Seller is a responsible employer; it is accredited as a Living Wage Employer, and has also signed up to Ban the Box as part of encouraging inclusivity in its recruitment process. Focus on diversity and inclusion is key, with a week dedicated to the topic raising awareness each year;

- the Seller promotes employee engagement in sustainability by, for example, running Climate Fresk training, and volunteering days. The Seller has local governance in place to report regularly on sustainability actions and issues an annual sustainability report; and

- through ESG objectives and its sustainable sourcing charter, the Seller strives to ensure adherence of its suppliers, partners and customers to its code of conduct principles.

8. **Business overview in United Kingdom**

The Seller operates solely in the United Kingdom, with the majority of its customers in England and Wales, 8.6% in Scotland, 0.4% in Northern Ireland and 0.1% in the Isle of Man. As at 31 December 2023 its total fleet comprised 192,068 vehicles (194,890 as at 30 June 2024).

Vehicles are leased on a long-term basis, which gives high visibility on revenues. The average duration of the Seller's vehicle leasing contracts is 47months. 89% of vehicle leasing contracts delivered in 2024 (January-June) had a duration at origination higher than 36 months. Revenues are well diversified with a financial margin, a service margin (including various types of services as described earlier) and a used car margin.

The Seller has a very large customer base with more than 88,000 customers at the end of June 2024 (87,000 as at 31 December 2023). As at 30 June 2024, more than 59,700 are Regulated Lessees (59,000 as at 31 December 2023) (94% natural persons and 6% sole traders and other regulated business customers). As of the end of June 2024, the Seller's customers were split as follows (as a % of the number of customers):

Corporate		1%
Retail	SME	35% (including 4% sole traders and other regulated business customers)
	Natural persons	64%

Corporate and SME clients are very diversified by industry.

In 2023, the Seller continued its energy transition towards a lower carbon asset fleet with an ongoing decrease in petrol and diesel only orders (48% in 2023, compared to 48.3% in 2022) and an increasing number of electrified vehicle orders (52% in 2023 compared to 51.7% in 2022). This shift in energy at order level is starting to have an effect on financed fleet powertrain mix with diesel weight decreasing from 44.1% at the end of 2022 to 35% at the end of 2023, and petrol weight decreasing from 27.1% at the end of 2022 to 26.2% at the end of 2023. Electrified weight increased from 28.8% at the end of 2022 to 38.8% at the end of 2023. Of the 38.8% electrified share, hybrid fleet share increased from 13.3% in 2022 to 15.9% in 2023, and electric fleet share from 15.5% in 2022 to 22.9% in 2023. As at the end of 2023, the Seller had 44,021 electric vehicles on fleet, and 74,579 electrified vehicles.

As at 30 June 2024 (6 months), the Seller continues the acceleration trend towards a lower carbon asset fleet with an ongoing decrease in diesel orders of 17% (as at 30 June 2023 (6 months) 20%) and increasing electrified vehicles in orders of 52.5% (as at 30 June 2023 (6 months) 50%). The

[5] 2025 assumes similar or better supporting measures from the relevant governments on battery electric Vehicles, as well as charging infrastructure and supporting services being further upgraded.

petrol orders have increased by 0.2%. This shift in energy at order level continues to have an effect on financed fleet powertrain mix with diesel weight decreasing to 31% at the end of June 2024 (40% as at 30 June 2023), and petrol weight increasing to 27% at the end of June 2024 (26% as at 30 June 2023). Electrified weight increased to 42% at the end of June 2024 (34% as at 30 June 2023). Of the 42% electrified share, hybrid fleet share increased to 17% at the end of June 2024, and electric fleet share to 25%. As at the end of June 2023, the Seller had 48,700 electric vehicles on fleet, and 81,280 electrified vehicles .

Despite continuing supply issues, inflationary pressures and cost of living concerns, the Seller has increased its activity in terms of deliveries (52,981 in 2023, up by 32% compared to 2022), dehires (48,121 in 2023, up by 36.5% compared to 2022) and disposals (42,467 in 2023, up by 30% compared to 2022). Therefore, thanks to the quality of its customer-centric approach, its ambitious 2025 strategic plan Arval Beyond, and the solidity of the BNP Paribas group, the Seller's leased fleet continued to grow with an increase of 2.6% compared to December 2022, reaching 192,068 vehicles as of 31 December 2023.

The Seller's leased fleet continued to grow as at 30 June 2024 with an increase of 2.7% compared with the end of June 2023, reaching 194,890 vehicles as at 30 June 2024. The reduced delivery times by car manufacturers has meant higher deliveries (an increase of 4,390 in the first half of 2024, up by 17% compared to the first half 2023) generating in turn an increase in de-hires (an increase of 4,069 in the first half of 2024, up by 18% compared to the first half 2023). The order bank continues to be strong.

THE SWAP COUNTERPARTY

BNP Paribas' organisation is based on three operating divisions: Corporate and Institutional Banking (CIB), Commercial, Personal Banking & Services (CPBS) and Investment and Protection Services (IPS). These divisions include the following businesses.

1. **Corporate and Institutional Banking** division, combines:
   - Global Banking,
   - Global Markets; and
   - Securities Services.
2. **Commercial, Personal Banking & Services** division, covers:
   - 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),
     - Commercial & Personal Banking in Luxembourg (CPBL);
   - Commercial & Personal Banking outside the Euro-zone, organised around Europe-Mediterranean, covering Commercial & Personal Banking outside the Euro-zone, in particular in Central and Eastern Europe, Türkiye and Africa;
   - Specialised Businesses:
     - BNP Paribas Personal Finance,
     - Arval and BNP Paribas Leasing Solutions,
     - New Digital Businesses (in particular Nickel, Floa, Lyf) and BNP Paribas Personal Investors.
3. **Investment and Protection Services** division, combines:
   - Insurance (BNP Paribas Cardiff);
   - Wealth and Asset Management: BNP Paribas Asset Management, BNP Paribas Real Estate, the management of the BNP Paribas Group's portfolio of unlisted and listed industrial and commercial investments (BNP Paribas Principal Investments) and BNP Paribas Wealth Management.

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 https://invest.bnpparibas/en/.

THE ACCOUNT BANK

BNP Paribas, London Branch is a wholly-owned subsidiary of the BNP Paribas Group, is a leading global custodian and securities services provider backed by the strength of a universal bank. It provides integrated solutions for all participants in the investment cycle, from the buy-side and sell-side to corporates and issuers.

Covering over 90 markets, the BNP Paribas network is one of the most extensive in the industry. It brings together local insight and a global network to enable clients to maximise their market and investment opportunities worldwide.

As of 30 June 2024, BNP Paribas had USD13.9 trillion in assets under custody, USD2.8 trillion in assets under administration and 9,155 funds administered.

PAYING AGENT, LISTING AGENT AND REGISTRAR

BNP Paribas, Luxembourg Branch a wholly-owned subsidiary of the BNP Paribas Group, is a leading global custodian and securities services provider backed by the strength of a universal bank. It provides integrated solutions for all participants in the investment cycle, from the buy-side and sell-side to corporates and issuers.

Covering over 90 markets, the BNP Paribas network is one of the most extensive in the industry. It brings together local insight and a global network to enable clients to maximise their market and investment opportunities worldwide.

As of 30 June 2024, BNP Paribas had USD13.9 trillion in assets under custody, USD2.8 trillion in assets under administration and 9,155 funds administered.

THE CASH MANAGER

France Titrisation is a wholly-owned subsidiary of the BNP Paribas Group and is licensed as an AIFM Portfolio Management Company (Société de Gestion de Portefeuille), supervised by the Autorité des Marchés Financiers.

Its agreement give it full capacity to manage receivables and debt securities (i.e.: bonds) under French or foreign law, as well as all the underlying assets (corporate, RMBS, CMBS, CBO, ABCP, Synthetic, public law entities, individual loans, etc).

France Titrisation works in open architecture with a multitude of parties (e.g.: custodians, sellers, servicers and/or agents), using strong processes certified as ISAE 3402 type II, which facilitates the promotion of funds to foreign investors.

Due to its historical securitisation activity, France Titrisation has the experience and tools to provide the integrated solutions needed to manage granular portfolios.

As of 30 June 2024, France Titrisation managed 141 funds and had EUR 174,2 million in assets under management.

THE REPORTING AGENT

France Titrisation is a wholly-owned subsidiary of the BNP Paribas Group and is licensed as an AIFM Portfolio Management Company (Société de Gestion de Portefeuille), supervised by the Autorité des Marchés Financiers.

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Due to its historical securitisation activity, France Titrisation has the experience and tools to provide the integrated solutions needed to manage granular portfolios.

As of 30 June 2024, France Titrisation managed 141 funds and had EUR 174,2 million in assets under management.

RATINGS OF THE NOTES

The Class A Notes are expected to be assigned AAA(sf) by DBRS and Aaa(sf) by Moody's. The Class B Note is not expected to be assigned a rating by Rating Agencies.

It is a condition of the issue of the Notes that each Class of Notes receives the rating indicated above (if any).

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal by the Rating Agencies at any time. If the ratings initially assigned to the Class A Notes by the Rating Agencies are subsequently withdrawn or lowered for any reason, no person or entity is obliged to provide any additional support or credit enhancement with respect to such Class of Notes.

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

TAXATION

UNITED KINGDOM TAXATION

The following is a summary of the Issuer's understanding of current United Kingdom law and published HM Revenue and Customs ("**HMRC**") practice relating only to the United Kingdom withholding taxation treatment of payments of interest (as that term is understood for United Kingdom taxation purposes) in respect of the Notes. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of the Notes. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their position should seek their own professional advice.

Payments of Interest on the Notes

Payments of interest on the Class A Notes may be made without deduction of or withholding on account of United Kingdom income tax provided that the Class A Notes carry a right to interest and the Class A Notes are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007 (the "**Act**"). Euronext Dublin is a recognised stock exchange. The Class A Notes will satisfy this requirement if they are officially listed in Ireland in accordance with provisions corresponding to those generally applicable in EEA states and are admitted to trading on the regulated market of Euronext Dublin. Provided, therefore, that the Class A Notes carry a right to interest and are and remain so listed on a "recognised stock exchange", interest on the Class A Notes will be payable without deduction of or withholding on account of United Kingdom income tax.

Payments of interest on the Class B Note may be made without deduction of or withholding on account of United Kingdom tax **provided that** (i) the Issuer reasonably believes (and any person by or through whom interest on the Class B Note is paid reasonably believes) that the Class B Noteholder is a United Kingdom resident company and is beneficially entitled to the payments of interest; and (ii) HMRC has not given a direction (in certain circumstances) that such interest should be paid under deduction of tax.

Payments of interest on the Notes may also be paid without deduction of or withholding on account of United Kingdom income tax where the maturity of the Notes is less than 365 days and those Notes do not form part of a scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days. In other cases, an amount must generally be withheld from payments of interest on the Notes that has a United Kingdom source on account of United Kingdom income tax at the basic rate (currently 20%) subject to any other available exceptions or reliefs. However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to the Issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for it the relevant double tax treaty).

FOREIGN ACCOUNT TAX COMPLIANCE ACT

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including the United Kingdom) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be

required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE

SUBSCRIPTION

BNP Paribas (the "**Lead Manager**") has, pursuant to a subscription agreement dated on or about 21 November 2024 amongst the Seller, the Lead Manager and the Issuer (the "**Subscription Agreement**"), agreed with the Issuer (subject to certain conditions) to: (i) subscribe and pay for (i) £350,000,000 of the Class A Notes at the issue price of 100% of the aggregate principal amount of the Class A Notes (and additionally, pursuant to the Subscription Agreement, Arval as Class B Note Purchaser has agreed with the Issuer (subject to certain conditions) to subscribe and pay for £52,300,000 of the Class B Note at the issue price of 100% of the aggregate principal amount of the Class B Note); (ii) the Seller has undertaken to comply at all times on an ongoing basis as long as the Class A Notes have not been redeemed in full (1) with the provisions of Article 6 of the EU Securitisation Regulation and (2) with the provisions of the FCA Risk Retention Rules.

The Subscription Agreement is subject to a number of conditions and may be terminated by the Lead Manager in certain circumstances prior to payment for the Class A Notes to the Issuer. The Issuer has agreed to indemnify the Lead Manager against certain liabilities in connection with the issue of the Class A Notes.

Arval, as Seller will retain a material net economic interest of not less than 5% in the securitisation as required by SECN 4.2.1R(1)(d) of the FCA Risk Retention Rules and Article 5(1)(d) of the EU Securitisation Regulation (as such article is interpreted and applied on the date hereof and not taking into account any relevant national measures). As at the Closing Date and while any of the Notes remain outstanding, such interest will be comprised of an interest in the Class B Note in accordance with SECN 5.2.8R(1)(d) of the FCA Risk Retention Rules. Any change to the manner in which such interest is held will be notified to Noteholders.

Except with the prior written consent of Arval and where such sale falls within the exemption provided by Section _.20 of the U.S. Risk Retention Rules, the Notes (which term for the purposes of this section will be deemed to include any interest in the Notes, including Book-Entry Interests) offered and sold by the Issuer may not be purchased by, or for the account or benefit of, any Risk Retention U.S. Person.

The Issuer has agreed to indemnify Arval and the Lead Manager against certain liabilities and to pay certain costs and expenses in connection with the issue of the Notes.

Other than admission of the Notes to the Official List and the admission to trading on Euronext Dublin, no action has been taken by the Issuer, the Lead Manager or Arval, which would or has been intended to permit a public offering of the Notes, or possession or distribution of this Prospectus or other offering material relating to the Notes, in any country or jurisdiction where action for that purpose is required.

This Prospectus does not constitute, and may not be used for the purpose of, an offer or a solicitation by anyone to subscribe for or purchase any of the Notes in or from any country or jurisdiction where such an offer or solicitation is not authorised or is unlawful.

SELLING RESTRICTIONS

General Restrictions

The Lead Manager and the Arranger has undertaken that it will not, directly or indirectly, offer or sell any Class A Notes or have in its possession, distribute or publish any offering circular, prospectus, form of application, advertisement or other document or information in respect of the Class A Notes in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief, result in compliance with any applicable laws and regulations and all offers and sales of Class A Notes by it will be made on the same terms.

Other than admission of the Class A Notes on Euronext Dublin's regulated market, no action has been or will be taken in any country or jurisdiction that would, or is intended to, permit an offer to the public of the Class A Notes other than to qualified investors, or possession or distribution of this Prospectus or any other offering material, in any country or jurisdiction where action for that purpose is required. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation.

The Lead Manager has agreed to comply with any applicable laws and regulations in force in any jurisdictions in connection with the issue of the Class A Notes.

The Lead Manager has not and will not represent that the Class A Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exception available thereunder, or assumes any responsibility for facilitating such sale.

The Class A Notes sold on the Closing Date may not be purchased by any person except by persons that are not Risk Retention U.S. Persons or that are not U.S. Persons under Regulation S but have obtained a U.S. Risk Retention Waiver from the Seller. Prospective investors should note that, although the definition of "U.S. person" in the U.S. Risk Retention Rules is very similar to the definition of "U.S. person" in Regulation S, the definitions are not identical and that persons who are not "U.S. Persons" under Regulation S may be "U.S. Persons" under the U.S. Risk Retention Rules. Each purchaser of Class A Notes, including beneficial interests therein, will, by its acquisition of a Class A Note or beneficial interest therein, be deemed, and in certain circumstances (including as a condition to placing an order relating to the Class A Notes), will be required, to have made certain representations and agreements, including that it (1) either (i) is not a Risk Retention U.S. Person or (ii) is not a U.S. Person under Regulation S but has obtained a U.S. Risk Retention Waiver from the Seller, (2) is acquiring such Class A Note or a beneficial interest therein for its own account and not with a view to distribute such Class A Note, (3) is not acquiring such Class A Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Class A 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. limitation on primary offerings to Risk Retention U.S. Persons contained in the exemption provided for in Section 20 of the U.S. Risk Retention Rules) and (4) cannot transfer the Class A Notes to U.S. Persons or for the account of U.S. Persons (within the meaning of Regulation S) before the expiry of a forty (40) calendar days period after the completion of the distribution of the Class A Notes.

Notwithstanding the foregoing, the Issuer can, with the prior consent of the Seller, sell a limited portion of the Class A Notes to, or for the account or benefit of, Risk Retention U.S. Persons that are not U.S. Persons under Regulation S in accordance with the exemption from the U.S. Risk Retention Rules for non U.S. offerings where 10% or less of the primary offering is to Risk Retention U.S. Persons.

The Lead Manager will not have any liability for compliance with the U.S. Risk Retention Rules by the Issuer or the Seller or any other person.

Prohibition of Sales to EEA Retail Investors

The Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Class A Notes to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(ii) a customer within the meaning of Regulation (EU) 2016/97 (as amended or supplemented), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) a person who is not a qualified investor as defined in Regulation (EU) 2017/1129.

Prohibition of Sales to UK Retail Investors

The Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the United Kingdom. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or

(ii) a customer the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify

as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

(iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA

United Kingdom

The Lead Manager has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Class A Notes in, from or otherwise involving the United Kingdom.

United States

The Class A Notes have not been and will not be registered under the Securities Act or the securities laws or "blue sky" laws of any state or any other relevant jurisdiction of the United States and therefore may not be offered, sold, resold or otherwise transferred, directly or indirectly within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from the registration requirements of the Securities Act. Accordingly, the Notes are being offered outside the United States to persons other than U.S. persons.

The Lead Manager has agreed that, except as permitted by the Subscription Agreement, it will not offer or sell the Class A Notes (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering of the Class A Notes and the closing date (the "**Distribution Compliance Period**") within the United States or to, or for the account or benefit of, U.S. persons. The Lead Manager has further agreed that it will have sent to each affiliate or other person receiving a selling commission, fee or other remunerations that purchases Class A Notes from it during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of the Class A Notes within the United States or to, or for the account of, U.S. persons.

In addition, until the expiration of the Distribution Compliance Period, an offer or sale of the Class A Notes within the United States by any Lead Manager may violate the registration requirements of the Securities Act. Terms used in this section that are defined in Regulation S under the Securities Act are used herein as defined therein.

The Seller, the Issuer, the Arranger and the Lead Manager 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 Arval, and none of the Lead Manager 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 Lead Manager or any person who controls it or any director, officer, employee, agent or affiliate of such person accepts any liability or responsibility whatsoever for any such determination or characterisation. Prospective investors should consult their own advisors as to the U.S. Risk Retention Rules.

Prior to any Notes which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person, the purchaser of such Notes must first disclose to the Arranger and the Lead Manager that it is a Risk Retention U.S. Person and obtain the written consent of the Seller in the form of a U.S. Risk Retention Waiver.

Each purchaser of the Notes and any subsequent transferee of the Notes (which term for the purposes of this section will be deemed to include any interests in the Notes, including Book-Entry Interests) will be deemed to have acknowledged, represented and agreed, and in certain circumstances will be required, to represent and agree as follows:

(a) if the purchaser purchased the Notes during the initial syndication thereof, the purchaser (1) either (i) is not a Risk Retention U.S. Person or (ii) has obtained a U.S. Risk Retention Waiver, (2) is

acquiring such Note, or beneficial interest therein, for its own account and not with a view to distribute such Notes and (3) is not acquiring such Note, or beneficial interest therein, as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules);

(b) the Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, pledged or otherwise transferred in the United States or to, or for the account or benefit of, a U.S. Person (as defined in Regulation S) unless registered under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act, and, in each case, only in accordance with any applicable securities laws of any state or other jurisdiction of the United States. If the purchaser is purchasing the Notes within the Distribution Compliance Period, such purchaser is not a U.S. Person (as defined in Regulation S) and is not acquiring the Notes for the account or benefit of such a U.S. Person;

(c) unless the relevant legend set out on the Notes has ceased to be effective such purchaser shall notify each transferee of Notes (as applicable) from it that (i) such Notes have not been registered under the Securities Act, (ii) the holder of such Notes is subject to the restrictions on the resale or other transfer thereof described in paragraph (a) above, (iii) such transferee shall be deemed to have represented that such transferee is acquiring the Notes in an offshore transaction and that such transfer is made pursuant to an exemption from registration in accordance with Rule 903 or Rule 904 of Regulation S and (iv) such transferee shall be deemed to have agreed to notify its subsequent transferees as to the foregoing;

(d) the purchaser will promptly (i) inform the Issuer if, during any time it holds a Note, there shall be any change in the acknowledgements, representations and agreements contained above or if they shall become false for any reason and (ii) deliver to the Issuer such other representations and agreements as to such matters as the Issuer may, in the future, request in order to comply with applicable law and the availability of any exemption therefrom; and

(e) the Issuer, the Seller (being Arval), the Registrar, the Lead Manager and their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

The Notes and related documentation may be amended or supplemented from time to time to modify the restrictions on and procedures for resales and other transfers of the Notes to reflect any change in applicable law or regulation (or the interpretation thereof) or in practices relating to the resales or transfer of securities such as the Notes generally, and that the purchaser will be deemed, by its acceptance of such Notes, to have agreed to any such amendment or supplement.

The Issuer may receive a list of participants holding positions in its securities from one or more book-entry depositaries, and those participants may further disclose to the Issuer the names and positions of holders of its securities.

"**U.S. person**" has the meaning given to it in Regulation S.

Ireland

The Lead Manager has represented and agreed that:

(a) it will not underwrite the issue of, or place the Class A Notes, otherwise than in conformity with the provisions of the European Union (Markets in Financial Instruments) Regulations 2017 (as amended), including, without limitation, Regulation 5 (Requirement for authorisations (and certain provisions concerning MTFs and OTFs)) thereof and in connection with the MiFID Regulations, any applicable codes of conduct or rules and any conditions or requirements, or any other enactment, imposed or approved by the Central Bank, Regulation (EU) No 600/2014, as amended, and any delegated or implementing acts adopted thereunder any codes of conduct made thereunder and the provisions of the Investor Compensation Act 1998 of Ireland (as amended);

(b) it will not underwrite the issue of, or place, the Class A Notes, otherwise than in conformity with the provisions of the Central Bank Acts 2014 of Ireland, the Central Bank Acts 1942 -- 2018 (as amended)

and any codes of practice made under Section 117(1) of the Central Bank Act 1989 of Ireland, as amended thereof; and

(c) it will not underwrite the issue of, or place, or do anything in Ireland with respect to the Notes otherwise than in conformity with the provisions of the European Union (Prospectus Regulations, 2019 and any rules issued by the Central Bank under Section 1363 of the Companies Act; and

(d) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Class A Notes, otherwise than in conformity with the provisions of the Market Abuse Regulation (EU 596/2014) (as amended), the European Union (Market Abuse) Regulations 2016 (as amended) and any rules and guidance issued under Section 1370 of the Companies Act 2014 by the Central Bank of Ireland.

Legend

Unless determined otherwise by the Issuer in accordance with applicable law and so long as any series of the Notes are outstanding, each Global Note 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 CLOSING OF THE OFFERING OF THE NOTES, 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. 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.

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 OR A BENEFICIAL INTEREST HEREIN ACQUIRED IN THE INITIAL DISTRIBUTION THEREOF BY ITS ACQUISITION OF SUCH NOTE 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) IT HAS OBTAINED A U.S. RISK RETENTION WAIVER FROM THE SELLER, (2) IS ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE, AND (3) IS NOT ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING SUCH NOTE THROUGH A NON-RISK RETENTION U.S. PERSON, RATHER THAN A RISK RETENTION U.S. PERSON, AS PART OF A SCHEME TO EVADE THE 10 PER CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES).

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.

Investor Compliance

Persons into whose hands this Prospectus comes are required by the Issuer and the Arranger to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Notes or have in their possession, distribute or publish this Prospectus or any other offering material relating to the Notes, in all cases at their own expense.

DESCRIPTION OF THE NOTES IN GLOBAL FORM AND THE CLASS B NOTE

General

The Notes of each Class or sub-Class will be offered and sold outside the United States to non-U.S. persons in reliance on Regulation S and will be represented on issue by one or more Global Notes of such class in fully registered form without interest coupons or principal receipts attached (each a "**Global Note**"). Beneficial interests in the Class A Notes may only be held through Euroclear and/or Clearstream, Luxembourg or their participants at any time.

All capitalised terms not defined in this paragraph shall be as defined in the Conditions of the Notes.

In a press release dated 22 October 2008, "Evolution of the custody arrangement for international debt securities and their eligibility in Eurosystem credit operations", the ECB announced that it has assessed the new holding structure and custody arrangements for registered notes which the ICSDs had designed in co-operation with market participants and that notes to be held under the new structure (the "**New Safekeeping Structure**" or "**NSS**") would be in compliance with the "Standards for the use of EU securities settlement systems in ESCB credit operations" of the central banking system for the Euro (the "**Eurosystem**"), subject to the conclusion of the necessary legal and contractual arrangements. The press release also stated that the new arrangements for notes to be held in NSS form will be offered by Euroclear and/or Clearstream, Luxembourg as of 30 June 2010 and that registered debt securities in global registered form held issued through Euroclear and/or Clearstream, Luxembourg after 30 September 2010 will only be eligible as collateral in Eurosystem operations if the New Safekeeping Structure is used.

The Class A Notes will be held under the NSS and will be deposited with the common safekeeper for Euroclear and/or Clearstream, Luxembourg (the "**Common Safekeeper**"). The Class B Note will be in dematerialised form and will not be cleared. The Notes are not currently Eurosystem eligible. However, it is intended that the Class A Notes which are to be held under the NSS will be held in a manner to enable Eurosystem eligibility, however, it cannot be confirmed that the Class A Notes to be held under NSS will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria has been met. The Class A Notes will be deposited with the Common Safekeeper and registered in the name of a nominee of Euroclear and/or Clearstream. The Issuer will procure the Registrar to maintain a register in which it will register the nominee for the Common Safekeeper as the owner of the Global Notes.

Upon confirmation by the Common Safekeeper that it has custody of the Global Notes, Euroclear and/or Clearstream, Luxembourg, as the case may be, will record book-entry interests representing beneficial interests (the "**Book-Entry Interests**") in the Global Notes attributable thereto.

Book-Entry Interests in respect of Global Notes will be recorded in denominations of £100,000, and, for so long as or Clearstream, Luxembourg so permit integral multiples of £1,000 in excess thereof (a "**Minimum Denomination**"). Ownership of Book-Entry Interests is limited to persons that have accounts with Euroclear and/or Clearstream, Luxembourg ("**Participants**") or persons that hold interests in the Book-Entry Interests through Participants ("**Indirect Participants**"), including, as applicable, banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with Euroclear and/or Clearstream, Luxembourg, either directly or indirectly. Indirect Participants shall also include persons that hold beneficial interests through such Indirect Participants. Book-Entry Interests will not be held in definitive form. Instead, Euroclear and/or Clearstream, Luxembourg, as applicable, will credit the Participants' accounts with the respective Book-Entry Interests beneficially owned by such Participants on each of their respective book-entry registration and transfer systems. The accounts initially credited will be designated by the Arranger. Ownership of Book-Entry Interests will be shown on, and transfers of Book-Entry Interests or the interests therein will be effected only through, records maintained by Euroclear and/or Clearstream, Luxembourg (with respect to the interests of their Participants) and on the records of Participants or Indirect Participants (with respect to the interests of Indirect Participants). The laws of some jurisdictions or other applicable rules may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may therefore impair the ability to own, transfer or pledge Book-Entry Interests.

So long as a nominee of the Common Safekeeper is the registered holder of the Global Notes underlying the Book-Entry Interests, the nominee for the Common Safekeeper will be considered the sole Noteholder of the Global Note for all purposes under the Trust Deed. Except as set forth under "Issuance of Registered Definitive Notes", below, Participants or Indirect Participants will not be entitled to have Notes registered in their names,

will not receive or be entitled to receive physical delivery of Notes in definitive registered form and will not be considered the holders thereof under the Trust Deed. Accordingly, each person holding a Book-Entry Interest must rely on the rules and procedures of Euroclear and/or Clearstream, Luxembourg, as the case may be, and Indirect Participants must rely on the procedures of the Participants or Indirect Participants through which such person owns its interest in the relevant Book-Entry Interests, to exercise any rights and obligations of a holder of Notes under the Trust Deed. See "Action in Respect of the Global Note and the Book-Entry Interests", below.

Unlike legal owners or holders of the Notes, holders of the Book-Entry Interests will not have the right under the Trust Deed to act upon solicitations by the Issuer or consents or requests by the Issuer for waivers or other actions from Noteholders. Instead, a holder of Book-Entry Interests will be permitted to act only to the extent it has received appropriate proxies to do so from Euroclear and/or Clearstream, Luxembourg, as the case may be, and, if applicable, their Participants. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of Book-Entry Interests to vote on any requested actions on a timely basis. Similarly, upon the occurrence of an Event of Default under the Global Notes, holders of Book-Entry Interests will be restricted to acting through Euroclear and/or Clearstream, Luxembourg unless and until Registered Definitive Notes are issued in accordance with the Conditions. There can be no assurance that the procedures to be implemented by Euroclear and/or Clearstream, Luxembourg under such circumstances will be adequate to ensure the timely exercise of remedies under the Trust Deed.

In the case of a Global Note, unless and until Book-Entry Interests are exchanged for Registered Definitive Notes, the Global Note held by the Common Safekeeper, may not be transferred except as a whole by the Common Safekeeper to a successor of the Common Safekeeper.

Purchasers of Book-Entry Interests in a Global Note pursuant to Regulation S will hold Book-Entry Interests in the Global Notes relating thereto. Investors may hold their Book-Entry Interests in respect of a Global Note directly through Euroclear and/or Clearstream, Luxembourg (in accordance with the provisions set forth under "Transfers and Transfer Restrictions

", below), if they are account holders in such systems, or indirectly through organisations which are account holders in such systems. Euroclear and/or Clearstream, Luxembourg will hold Book-Entry Interests in each Global Note, as the case may be, on behalf of their account holders through securities accounts in the respective account holders' names on Euroclear's and/or Clearstream, Luxembourg's respective book-entry registration and transfer systems.

Trading between Euroclear and/or Clearstream, Luxembourg participants

Secondary market sales of Book-Entry Interests in the notes held through Euroclear and/or Clearstream, Luxembourg to purchasers of Book-Entry Interests in the notes held through Euroclear and/or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and/or Clearstream, Luxembourg and will be settled using the procedures applicable to conventional Eurobonds and sterling denominated bonds.

Payments on the Global Notes

Payment of principal and interest on, and any other amount due in respect of, the Global Notes will be made in Sterling by or to the order of BNP Paribas, Luxembourg Branch as the Paying Agent on behalf of the Common Safekeeper or its nominee as the registered holder thereof. Each holder of Book-Entry Interests must look solely to Euroclear and/or Clearstream, Luxembourg, as the case may be, for its share of any amounts paid by or on behalf of the Issuer to the Common Safekeeper or their nominees , in respect of those Book-Entry Interests. All such payments will be distributed without deduction or withholding for or on account of any taxes, duties, assessments or other governmental charges of whatever nature except as may be required by law. If any such deduction or withholding is required to be made, then neither the Issuer, the Paying Agents nor any other person will be obliged to pay additional amounts in respect thereof.

In accordance with the rules and procedures for the time being of Euroclear or, as the case may be, Clearstream, Luxembourg, after receipt of any payment from the Paying Agent to the order of the Common Safekeeper, the respective systems will promptly credit their Participants' accounts with payments in amounts proportionate to their respective ownership of Book-Entry Interests as shown in the records of Euroclear and/or Clearstream, Luxembourg. On each record date, Euroclear and/or Clearstream, Luxembourg will determine the identity of the Noteholders for the purposes of making payments to the Noteholders. The record date, in respect of the Class A Notes shall be one Clearing System Business Day prior to the relevant

Payment Date where "**Clearing System Business Day**" means a day on which each clearing system for which the Class A Notes are being held is open for business. The Issuer expects that payments by Participants to owners of interests in Book-Entry Interests held through such Participants or Indirect Participants will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participants or Indirect Participants. None of the Issuer, any agent of the Issuer, the Arranger, the Note Trustee or the Issuer Security Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of a Participant's ownership of Book-Entry Interests or for maintaining, supervising or reviewing any records relating to a Participant's ownership of Book-Entry Interests.

Information Regarding Euroclear and/or Clearstream, Luxembourg

Euroclear and/or Clearstream, Luxembourg have advised the Issuer as follows:

Euroclear and/or Clearstream, Luxembourg

Euroclear and/or Clearstream, Luxembourg each hold securities for their account holders and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders, thereby eliminating the need for physical movements of certificates and any risk from lack of simultaneous transfers of securities.

Euroclear and/or Clearstream, Luxembourg each provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and/or Clearstream, Luxembourg each also deal with domestic securities markets in several countries through established depositary and custodial relationships. The respective systems of Euroclear and of Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective account holders may settle trades with each other.

Account holders in both Euroclear and/or Clearstream, Luxembourg are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to both Euroclear and/or Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

An account holder's overall contractual relations with either Euroclear and/or Clearstream, Luxembourg are governed by the respective rules and operating procedures of Euroclear and/or Clearstream, Luxembourg and any applicable laws. Both Euroclear and/or Clearstream, Luxembourg act under such rules and operating procedures only on behalf of their respective account holders, and have no record of or relationship with persons holding through their respective account holders.

The Issuer understands that under existing industry practices, if any of the Issuer, the Note Trustee or the Issuer Security Trustee requests any action of owners of Book-Entry Interests or if an owner of a Book-Entry Interest desires to give instructions or take any action that a holder is entitled to give or take under the Trust Deed or the Issuer Deed of Charge, Euroclear and/or Clearstream, Luxembourg as the case may be, would authorise the Participants owning the relevant Book-Entry Interests to give instructions or take such action, and such Participants would authorise Indirect Participants to give or take such action or would otherwise act upon the instructions of such Indirect Participants.

Redemption

In the event that any Global Note (or portion thereof) is redeemed, the Paying Agent will deliver all amounts received by it in respect of the redemption of such Global Note to the nominee of the Common Safekeeper and, upon final payment, will surrender such Global Note (or portion thereof) to or to the order of the Paying Agent for cancellation. Appropriate entries will be made in the Register. The redemption price payable in connection with the redemption of Book-Entry Interests will be equal to the amount received by the Paying Agent in connection with the redemption of the Global Note (or portion thereof) relating thereto. For any redemptions of the Global Note in part, selection of the relevant Book-Entry Interest relating thereto to be redeemed will be made by Euroclear and/or Clearstream, Luxembourg, as the case may be, on a pro rata basis (or on such basis as Euroclear and/or Clearstream, Luxembourg, as the case may be, deems fair and appropriate). Upon any redemption in part, the Paying Agent will mark down the schedule to such Global Note by the principal amount so redeemed.

Cancellation

All Notes redeemed in full will be cancelled forthwith by the Issuer and may not be reissued or resold.

Transfers and Transfer Restrictions

All transfers of Book-Entry Interests will be recorded with the book-entry systems maintained by Euroclear and/or Clearstream Luxembourg, as applicable, pursuant to the customary procedures established by each respective system and its Participants.

Beneficial interests in the Global Notes may be held only through Euroclear and/or Clearstream, Luxembourg. Neither the Global Notes nor any beneficial interest therein may be transferred except in compliance with the transfer restrictions set forth in the legend appearing in the Global Notes.

Settlement and transfer of notes

Subject to the rules and procedures of each applicable clearing system, purchases of notes held within a clearing system must be made by or through Participants, which will receive a credit for such notes on the clearing system's records. The ownership interest of each actual purchaser of each such note (the "**beneficial owner**") will in turn be recorded on the Participant's records. Beneficial owners will not receive written confirmation from any clearing system of their purchase, but beneficial owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the direct and indirect participant through which such beneficial owner entered into the transaction. Transfers of ownership interests in notes held within the clearing system will be effected by entries made on the books of Participants acting on behalf of beneficial owners.

Beneficial owners will not receive individual notes representing their ownership interests in such notes unless use of the book-entry system for the notes described in this section is discontinued.

No clearing system has knowledge of the actual beneficial owners of the notes held within such clearing system and their records will reflect only the identity of the direct participants to whose accounts such notes are credited, which may or may not be the beneficial owners. Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the clearing systems to direct participants, by direct participants to indirect participants, and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

All transfers of Book-Entry Interests will be recorded in accordance with the book-entry systems maintained by Euroclear and/or Clearstream, Luxembourg, as applicable, pursuant to customary procedures established by each respective system and its Participants. See "General", above.

Issuance of Registered Definitive Notes

Holders of Book-Entry Interests in the Global Note will be entitled to receive certificates evidencing definitive notes in registered form ("**Registered Definitive Notes**") in exchange for their respective holdings of Book-Entry Interests if (a) both Euroclear and/or Clearstream, Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announce an intention permanently to cease business and do so cease to do business and no alternative clearing system satisfactory to the Note Trustee is available or (b) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom (or of any political subdivision thereof) or of any authority therein or thereof having power to tax or in the interpretation or administration by a revenue authority or a court or in the administration of such laws or regulations which becomes effective on or after the Closing Date, the Issuer or any Paying Agent is or will be required to make any deduction or withholding from any payment in respect of the Notes which would not be required were the Notes in definitive form.

Any Registered Definitive Note issued in exchange for Book-Entry Interests in a Global Note will be registered by the Registrar in such name or names as the Issuer shall instruct the Paying Agent based on the instructions of Euroclear and/or Clearstream, Luxembourg. It is expected that such instructions will be based upon directions received by Euroclear and/or Clearstream, Luxembourg from their Participants with respect to ownership of the relevant Book-Entry Interests. Holders of Registered Definitive Notes issued in exchange for Book-Entry Interests in a Global Note, as the case may be, will not be entitled to exchange such Registered Definitive Note, for Book-Entry Interests in a Global Note. Any Notes issued in definitive form will be issued in registered form only and will be subject to the provisions set forth under "Transfers And Transfer

Restrictions" above **provided that** no transfer shall be registered for a period of 15 days immediately preceding any due date for payment in respect of the Note or, as the case may be, the due date for redemption. Registered Definitive Notes will not be issued in a denomination that is not an integral multiple of the Minimum Denomination or for any amount in excess thereof, in integral multiples of £1,000. As the Notes have a denomination consisting of the Minimum Denomination plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of £100,000 (or its equivalent) that are not integral multiples of £100,000 (or its equivalent). In such case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the Minimum Denomination may not receive a Registered Definitive Note in respect of such holding (should Registered Definitive Notes be issued) and would need to purchase a principal amount of Notes such that its holding amounts to the Minimum Denomination.

Action in Respect of the Global Note and the Book-Entry Interests

Not later than 10 days after receipt by the Issuer of any notices in respect of the Global Notes or any notice of solicitation of consents or requests for a waiver or other action by the holder of the Global Notes, the Issuer will deliver to Euroclear and/or Clearstream, Luxembourg a notice containing (a) such information as is contained in such notice, (b) a statement that at the close of business on a specified record date Euroclear and/or Clearstream, Luxembourg will be entitled to instruct the Issuer as to the consent, waiver or other action, if any, pertaining to the Book-Entry Interests or the Global Notes and (c) a statement as to the manner in which such instructions may be given. Upon the written request of Euroclear and/or Clearstream, Luxembourg, as applicable, the Issuer shall endeavour insofar as practicable to take such action regarding the requested consent, waiver or other action in respect of the Book-Entry Interests or the Global Notes in accordance with any instructions set forth in such request. Euroclear and/or Clearstream, Luxembourg are expected to follow the procedures described under "General" above, with respect to soliciting instructions from their respective Participants. The Registrar will not exercise any discretion in the granting of consents or waivers or the taking of any other action in respect of the Book-Entry Interests or the Global Notes.

Reports

The Issuer will send to Euroclear and/or Clearstream, Luxembourg a copy of any notices, reports and other communications received relating to the Issuer, the Global Note or the Book-Entry Interests. In addition, notices regarding the Notes may be published in a leading newspaper having a general circulation in the United Kingdom (which is expected to be the Financial Times); provided that if, at any time, the Issuer procures that the information contained in such notice shall appear on a page of the Reuters Screen, the Bloomberg Screen or any other medium for electronic display of data as may be previously approved in writing by the Note Trustee or if notices have been submitted to Euroclear and/or Clearstream, Luxembourg, publication in the Financial Times shall not be required with respect of such information.

The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange on which the Class A Notes (other than the Class B Note) are for the time being listed or any other relevant authority.

Class B Note

The Class B Note will be issued in dematerialised registered form and no certificate evidencing entitlement to the Class B Note will be issued. The Issuer will also maintain a register, to be kept on the Issuer's behalf by the Registrar, in which the Class B Note will be registered in the name of the Class B Noteholder. Transfers of the Class B Note may be made only through the register maintained by the Issuer and are subject to the transfer restrictions set out in Condition 1.2 (Title).

USE OF PROCEEDS

The net proceeds of the Notes in an amount of £402,300,000 will be used on the Closing Date towards payment of the Initial Purchase Price and the remaining balance of the net proceeds of the Notes will be deposited in the General Account and applied by the Issuer on the next Payment Date in accordance with the applicable Priority of Payments to acquire further Leased Receivables.

On the Closing Date, the Issuer will use the entire proceeds of the Liquidity Reserve Advance to credit an amount equal to the Liquidity Reserve Required Amount in the Liquidity Reserve Account.

GENERAL INFORMATION

1. **Authorisation**

The issue of the Notes has been authorised by a resolution of the Board of Directors of the Issuer passed on 15 November 2024.

2. **Irish Listing**

It is expected that admission of the Class A Notes to the Official List of Euronext Dublin and to trading on its regulated market will be granted on or about the Closing Date, subject only, in the case of the Notes, to the issue of the Global Notes of each Class of Notes. The issue of the Notes will be cancelled, if the related Global Notes as applicable are not issued. The estimated aggregate cost of the foregoing applications for admission to the Official List of Euronext Dublin and admission to trading on its regulated market, is approximately €5,740.

This Prospectus has been approved by the Central Bank, as competent authority under the Prospectus Regulation. Application has been made to Euronext Dublin for the Notes to be admitted to the Official List and trading on its regulated market. The Issuer has appointed BNP Paribas, Luxembourg Branch as Listing Agent for Euronext Dublin. Prior to such listing of the Notes, the constitutional documents of the Issuer and legal notices relating to the issue of the Notes will be registered with the Registrar of Companies where such documents are available for inspection and copies of these documents may be obtained, free of charge, upon request.

BNP Paribas, Luxembourg Branch is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to the Official List of Euronext Dublin or to trading on its regulated market for the purposes of the Prospectus Regulation.

3. **LEI**

The Issuer's LEI number is 635400T1DQEENVCVUH68.

4. **Clearing Codes**

The Class A Notes have been accepted for clearance through Euroclear and/or Clearstream, Luxembourg as follows:

	ISIN	Common Code
Class A Notes	**XS2925049772**	**292504977**

5. **Litigation**

The Issuer is not and has not been involved in any legal, governmental or arbitration proceedings which may have or have had since its date of incorporation a significant effect on its financial position or profitability and the Issuer is not aware that any such proceedings are pending or threatened.

6. **Financial Statements, Financial Position of the Issuer**

No financial statements have been prepared in respect of the Issuer.

Since 24 January 2024 (being the date of incorporation of the Issuer), there has been (a) no significant change in the financial or trading position of the Issuer and (b) no material adverse change in the financial position or prospects of the Issuer.

7. **Material Change**

Save as disclosed in this Prospectus, there has been (1) no material adverse change in the prospects of the Issuer and (2) no significant change in the financial performance of the Issuer since its incorporation.

8. **Availability of Documents**

Copies of the following documents are available in physical form for inspection during usual business hours at the offices of the Paying Agent for the life of this Prospectus:

(a) the memorandum and articles of association of the Issuer;

(b) the Master Definitions Schedule;

(c) the Issuer Deed of Charge;

(d) the Arval Deed of Charge; and

(e) the Trust Deed.

The memorandum and articles of association of the Issuer and the Prospectus and all Transaction Documents referred to in this Prospectus will be available on the website of European Data Warehouse at https://dealdocs.eurodw.co.uk/AUTSUK102898500120246/.

9. **Reporting**

The Reporting Agent (on behalf of the Reporting Entity) will procure that the information and reports as more fully set out in the section of this Prospectus headed "Regulatory Requirements – Reporting" are published when and in the manner set out in such section.

10. **Clearing Systems**

The Notes have been accepted for clearance through Euroclear and/or Clearstream, Luxembourg (which are the entities in charge of keeping the records).

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels. The address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

11. **Miscellaneous**

No website referred to herein forms part of this Prospectus.

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

GLOSSARY OF DEFINED TERMS

1. DEFINITIONS

Except where the context otherwise requires, the following defined terms used in the Transaction Documents and herein shall have the meanings set out below:

"Accelerated Amortisation Event"	means the delivery of a Note Acceleration Notice.
"Accelerated Amortisation Period"	means the period commencing on (and including) the Payment Date following the date on which an Accelerated Amortisation Event occurs.
"Accelerated Amortisation Period Priority of Payments"	has the meaning given on page 79.
"**Accession Deed**"	means a deed substantially in the form set out in Schedule 3 (*Form of Seller Collection Account Declaration of Trust Accession Deed*) of the Seller Collection Account Declaration of Trust duly completed with the appropriate details and executed and delivered by the parties thereto.
"Account Bank"	means BNP Paribas, London Branch located at 10 Harewood Avenue, London NW1 6AA, United Kingdom or, as the case may be, any other Eligible Bank which would subsequently be appointed as Account Bank pursuant to the Bank Account Agreement.
"Account Bank Fee Letter"	means the fee letter entered into between the Issuer and the Account Bank on or around the Closing Date.
"Account Bank Minimum Required Ratings"	has the meaning given to it on page 91.
"Additional Account"	means an additional bank account, Additional Swap Collateral Account or replacement bank account opened by the Issuer in accordance with the terms of the Bank Account Agreement.
"Additional Cut-Off Date"	means the last calendar day of the relevant Collection Period.
"Additional Lease Receivables"	means Lease Receivables sold, or to be sold by the Seller to the Issuer on any Additional Portfolio Purchase Date in accordance with the Receivables Purchase Agreement.
"Additional Portfolio"	means any portfolio of Lease Receivables purchased (or to be purchased) by the Purchaser from the Seller during the Revolving Period after the Initial Purchase Date.
"Additional Portfolio Criteria"	has the meaning given on page 161.
"Additional Portfolio Purchase Date"	means (i) each Payment Date during the Revolving Period excluding the Initial Purchase Date or (ii) any Revised Purchase Date during the Revolving Period.
"Additional Portfolio Purchase Price"	means the purchase price paid by the Purchaser to the Seller on each Additional Portfolio Purchase

	Date for the acquisition of the Additional Portfolio out of: (a) on any Payment Date, the Available Distribution Amount in accordance with the Revolving Period Priority of Payments; or (b) on any Business Day (other than a Payment Date) funds standing to the credit of the Replenishment Ledger, which will be equal to the Aggregate Outstanding Lease Principal Balance of the Additional Lease Receivables comprised in the Additional Portfolio as of the relevant Entitlement Date.
"Additional Portfolio Schedule"	means a schedule describing details of the relevant Additional Portfolio, substantially in the form set out in Schedule 2 (*Form of Portfolio Schedule*) to the Receivables Purchase Agreement.
"**Additional Services**"	has the meaning given to it in Clause 2.2 (*Provision of Services*) of the Corporate Services Agreement.
"Additional Swap Collateral Account"	means any other bank account opened with the Account Bank and/or such other banks (with the prior consent of the Issuer Security Trustee) and designated as such for the purposes of holding collateral posted by the Swap Counterparty pursuant to the Swap Agreement in accordance with the provisions of the Bank Account Agreement.
"Advance"	has the meaning given on page 172.
"Agency Agreement"	means the agency agreement entered into on or prior to the Closing Date between the Issuer, the Note Trustee, the Paying Agent, the Issuer Security Trustee, the Registrar and the Agent Bank.
"Agent Bank"	means France Titrisation, a French *société par actions simplifiée* whose registered office is located at 1, Boulevard Haussmann, 75009 Paris, France, registered with the Trade and Companies Registry of Paris (France) under number 353 053 531, licensed and supervised by the *Autorité des Marchés Financiers* as portfolio management company (*société de gestion de portefeuille*) under number GP-14000030.
"Aggregate Outstanding Balance Increase Amount"	means the amount equal to the increase of the Outstanding Lease Principal Balance resulting from any Variation of any Lease Receivable which is not a Non-Permitted Variation during a Collection Period that will be paid by the Issuer to the Seller as Junior Deferred Purchase Price on the following Payment Date according to the applicable Priority of Payments.
"Aggregate Outstanding Balance Reduction Amount"	means the amount equal to the reduction of the Outstanding Lease Principal Balance resulting from any Variation of any Lease Receivable which is not a Non-Permitted Variation during a Collection Period that will be paid by the Seller to the Issuer as a

	Deemed Collection on the following Collections Transfer Date.
"Aggregate Outstanding Lease Principal Balance"	means, on a given date, the aggregate of the Outstanding Lease Principal Balance of the Lease Receivables composing the Portfolio on such date.
"Aggregate Outstanding Principal Amount"	means with respect to a Class of Notes, at any time, the sum of the Principal Amount Outstanding of each Note.
"Aggregate Performing Outstanding Lease Principal Balance"	means, on a given date, the aggregate of the Outstanding Lease Principal Balance of the Performing Lease Receivables on such date.
"Aggregate Portfolio Criteria"	has the meaning given in page 161.
"**Amortisation Event**"	means either a Revolving Period Termination Event or an Accelerated Amortisation Event.
"Ancillary Rights"	means certain rights related to each Lease Receivable transferred by the Seller pursuant to the Receivables Purchase Agreement (to the extent that the same are capable of transfer) including any rights of action against the relevant Lessee, rights to the proceeds arising from any Insurance Policy, Lessee Early Termination Fees, Total Loss Insurance Indemnities and rights against any person or entity guaranteeing (as the case may be) the obligations (in whole or in part) of the Lessee under the applicable Lease Agreement, and excluding any RV Claims prior to the occurrence of a Sale Trigger Event.
"Applicable Law"	means any law or regulation.
"Appointee"	means any attorney, manager, agent, delegate, nominee, Receiver, custodian or other person properly appointed by the Note Trustee under the Trust Deed or the Issuer Security Trustee under the Issuer Deed of Charge (as applicable) to discharge any of its functions.
"Arval"	means Arval UK Limited, a company incorporated in England and Wales under registered number 01073098 having its registered office at Whitehill House, Windmill Hill, Swindon, Wiltshire, SN5 6PE.
"Arval Company Group"	means Arval Service Lease, together with its consolidated subsidiaries and affiliates and including Arval.
"Arval Deed of Charge"	means the security deed entered into on the Closing Date between, among others, the Issuer and the Arval Security Trustee.
"Arval Secured Creditor"	means the Arval Security Trustee, any Arval Security Trustee Appointee, the Issuer, any Receiver appointed by the Arval Security Trustee under the Arval Deed of Charge and any other entity that accedes to the Arval Deed of Charge from time to time in such capacity.

"Arval Secured Liabilities"	means all obligations of Arval UK Limited secured under the Arval Deed of Charge being any and all present and future payment obligations of Arval UK Limited, acting in capacity as Seller, Servicer or Fallback Sub-Maintenance Coordinator under the Transaction Documents to which it is a party (including, but not limited to, any obligation to pay any Repurchase Price, Maintenance Lease Services Collections, Issuer Share Vehicle Sale Proceeds, Total Vehicle Sale Proceeds (only upon the occurrence of a Sale Trigger Event, and without double counting of any Recoveries), Compensation Payment Obligation, Deemed Collections, Collections and any indemnity under the provisions of the Receivables Purchase Agreement and Receivables Servicing Agreement), for the benefit of the Issuer, together with all related reasonable and documented out-of-pocket costs, charges and expenses properly incurred by the Issuer in connection with the protection, preservation or enforcement of its rights under such payments obligations, up to a maximum of an amount equal to the aggregate Initial Principal Amount of the Notes and to make payment of all amounts payable to the Arval Security Trustee, any Receiver or any Arval Security Trustee Appointee under the Arval Deed of Charge.
"Arval Security"	means the Arval Security Interests created in favour of the Arval Security Trustee pursuant to the Arval Deed of Charge.
"Arval Security Interest"	means any mortgage, sub mortgage, standard security, charge, sub charge, assignment, assignation in security, pledge, lien, right of set off or other encumbrance or security interest.
"Arval Security Trustee"	means BNP Paribas Trust Corporation UK Limited, a company incorporated in England and Wales with limited liability (registered number 04042665), having its registered office at 10 Harewood Avenue, London NW1 6AA, appointed pursuant to the Arval Deed of Charge.
"Arval Security Trustee Appointee"	means any attorney, manager, agent, delegate, nominee, custodian or other person appointed by the Arval Security Trustee under the Arval Deed of Charge including, for the avoidance of doubt, any Trustee Agent.
"Arval Security Trustee Fee Letter"	means the fee letter entered into between the Issuer and the Arval Security Trustee on or around the Closing Date.
"Arval Service Lease"	means Arval Service Lease S.A., a French *société anonyme* duly organised and validly existing under the laws of France, having its registered office at 1 boulevard Haussmann, 75009 Paris, France, registered under number 352 256 424, in the Trade and Companies Registry of Paris.
"Arval Total Care" or "ATC"	means the service agreed between the Seller and certain Lessees, pursuant to which the relevant

Lessee will have the benefit of a third party insurance policy, and which includes (without limitation) maintenance and tyre services, breakdown and accident management, glass damage and damage to the Leased Vehicle (subject to certain exclusions).

"Arval Trading" means Arval Trading, a French company fully owned by Arval Service Lease.

"Authorised Investments" means:

(a) Sterling gilt-edged securities;

(b) UK Treasury Bills; and

(c) Sterling demand or time deposits, certificates of deposit and short-term debt obligations (including commercial paper) other than asset-backed commercial paper or asset-backed securities,

provided that in all cases such investments have a maturity on or before the Business Day preceding the next following Payment Date, or may be broken or demanded by the Issuer (with no reduction in the value of such investment and at no cost to the Issuer) on or before the Business Day preceding the next following Payment Date, and (a) have an expected rate of return equal to or higher than would be obtained on amounts standing to the credit of the relevant Bank Account, (b) do not include transferable securities, as defined in point (24) of Article 2(1) of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 as it forms part of UK domestic law by virtue of the EUWA, (c) constitute financial assets as defined in Regulation 9A of the Securitisation Taxation Regulations, and (d) the unsecured, unguaranteed and unsubordinated debt obligations of the issuing or guaranteeing entity or the entity with which the demand or time deposits are made (being an authorised person under the FSMA) or if the relevant investments have a rating which is distinct from the rating of the issuing or guaranteeing entity then the rating of those investments, are rated at least:

(a) with a rating of:

(a) if the issue of the debt securities is rated by DBRS:

(a) maximum maturity of 30 days: “R-1 (low)” (short term) or “A” (long term);

(b) maximum maturity of 90 days: “R-1 (middle)” (short term) or “AA (low)” (long term);

(c) maximum maturity of 180 days: “R-1 (high)” (short term) or “AA” (long term);

(d) maximum maturity of 365 days: “R-1 (high)” (short term) or “AAA” (long term);

(b) if there is no DBRS Long-term Rating, then as determined by DBRS through its private rating provided that if there is no private rating by DBRS, then for DBRS the required ratings will mean the following ratings from at least two of the following rating agencies:

(a) a short-term rating of at least “F1” by Fitch;

(b) a short-term rating of at least “A-1” by S&P;

(c) a short-term rating of at least “P-1” by Moody’s; and

(b) with a rating of “P-1” (short-term) or “A2” (long-term) by Moody's.

"Automatic Crystallisation Event" has the meaning given to it on page 99.

"Available Distribution Amount" has the meaning given on page 76.

"Back-Up Fallback Sub-Maintenance Facilitator Fee" means the fee to be paid by the Issuer to the Back-Up Fallback Sub-Maintenance Facilitator on the Payment Date following the earlier of the appointment of the Back-Up Fallback Sub-Maintenance Coordinator or the activation of the Substitute Fallback Sub-Maintenance Coordinator in accordance with the Receivables Servicing Agreement.

"Back-Up Fallback Sub-Maintenance Coordinator" means the Suitable Entity appointed within ninety (90) calendar days of a Downgrade Event to act as the back-up Fallback Sub-Maintenance Coordinator pursuant to the Back-Up Fallback Sub-Maintenance Coordinator Agreement.

"Back-Up Fallback Sub-Maintenance Coordinator Agreement" means the back-up Fallback Sub-Maintenance Coordinator agreement to be entered into by and between, the Issuer, the Back-Up Fallback Sub-Maintenance Coordinator and the Issuer Security Trustee following the occurrence of a Downgrade Event.

"Back-Up Fallback Sub-Maintenance Facilitator" means France Titrisation, a French *société par actions simplifiée* whose registered office is located at 1, Boulevard Haussmann, 75009 Paris, France, registered with the Trade and Companies Registry of Paris (France) under number 353 053 531, licensed and supervised by the *Autorité des Marchés Financiers* as portfolio management company

(*société de gestion de portefeuille*) under number GP-14000030.

"Back-Up Servicer" means a back-up servicer appointed in accordance with the Receivables Servicing Agreement.

"Back-Up Servicer Facilitator" means France Titrisation, a French *société par actions simplifiée* whose registered office is located at 1, Boulevard Haussmann, 75009 Paris, France, registered with the Trade and Companies Registry of Paris (France) under number 353 053 531, licensed and supervised by the *Autorité des Marchés Financiers* as portfolio management company (*société de gestion de portefeuille*) under number GP-14000030.

"Back-Up Servicer Facilitator Fee" means the fee to be paid by the Issuer to the Back-Up Servicer Facilitator on the Payment Date following the earlier of the appointment of the Back-Up Servicer or the activation of the Substitute Servicer, and to the extent that it is not the same entity as the Back-Up Servicer of the Substitute Servicer, in accordance with the Receivables Servicing Agreement.

"Back-Up Servicer Role" has the meaning given on page 160.

"Bank Account Agreement" means the agreement entered into on or prior to the Closing Date between the Issuer and the Account Bank, under which the Account Bank will provide the Issuer with certain banking functions including the establishment and operation of the Bank Accounts.

"Bank Accounts" means the General Account, the Sterling Swap Collateral Account, any Additional Swap Collateral Account, the Liquidity Reserve Account, the Maintenance Reserve Account, the Set-Off Reserve Account, the Commingling Reserve Account and any Additional Account opened with the Account Bank.

"Basic Terms Modification" means any proposal:

(a) to change any date fixed for payment of principal or interest in respect of the Notes of any class, to change the amount of principal or interest due on any date in respect of the Notes of any class or to alter the method of calculating the amount of any payment in respect of the Notes of any class (other than a Base Rate Modification);

(b) (except in accordance with Clause 25 (*Substitution*) of the Trust Deed) to effect the exchange, conversion or substitution of the Notes of any Class for, or the conversion of such Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;

(c) to change the currency in which amounts due in respect of the Notes are payable;

(d) any amendment to any Priority of Payments;

(e) (other than any new fee arrangement upon replacement of any Transaction Party) to alter the priority of payment of interest or principal in respect of the Notes;

(f) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or

(g) to amend this definition.

"**BRRD**" means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014.

"**BRRD Party**" means an institution or entity referred to in point (b), (c) or (d) of Article 1(1) BRRD.

"Business Contract Hire Agreement" means an Operating Lease Agreement entered into with a Business Lessee.

"Business Day" means a day (other than a Saturday or a Sunday) on which banks are open for general business in London (United Kingdom), Paris (France), Luxembourg (Grand Duchy of Luxembourg) and Dublin (Ireland) and which is also a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System or any successor or replacement for that system is open.

"Business Lessee" means a Lessee (i) which is not an individual, sole trader, association or partnership with three (3) or less partners, and (ii) whose contractual relationship is managed by the Seller's Retail sales division.

"Calculation Date" means the date falling five (5) Business Days prior to each Payment Date.

"Cash Management Agreement" means the agreement entered into on the Closing Date between the Issuer, the Cash Manager, the Seller, and the Issuer Security Trustee, governing the provision of certain cash management and bank account and ledger operation services to the Issuer in respect of the Portfolio and the Notes.

"Cash Management Services" means the services to be provided by the Cash Manager, pursuant to Clause 3 (*Services*) of the Cash Management Agreement.

"Cash Manager" means France Titrisation, a French *société par actions simplifiée* whose registered office is located at 1, Boulevard Haussmann, 75009 Paris, France, registered with the Trade and Companies Registry of Paris (France) under number 353 053 531, licensed and supervised by the *Autorité des Marchés Financiers* as portfolio management company (*société de gestion de portefeuille*) under number GP-14000030.

"CCA" means the Consumer Credit Act 1974, as amended from time to time and associated secondary legislation.

"Charged Vehicles" means each Leased Vehicle where such Leased Vehicle relates to a Lease Agreement from which a Lease Receivable comprised in the Portfolio is derived.

"Class" or "Class of Notes" means the Class A Notes and the Class B Note, as applicable.

"Class A Noteholders" means the Noteholders in respect of the Class A Notes.

"Class A Notes" means the £350,000,000 class A floating rate notes due May 2036.

"Class A Notes Amortisation Amount" means:

(a) during the Normal Amortisation Period, on a Calculation Date, an amount payable on the next Payment Date that shall be equal to the lesser between:

(a) the Available Distribution Amount on that date, after payment by the Issuer of all sums due and payable under items (a) to (h) of the Normal Amortisation Period Priority of Payments; and

(b) the Aggregate Outstanding Principal Amount of the Class A Notes prior to giving effect to any payment on such Payment Date; and

(c) the positive difference between (A) the Aggregate Outstanding Principal Amount of all Classes of Notes prior to giving effect to any payment on such Payment Date and (B) the Aggregate Performing Outstanding Lease Principal Balance on the Cut-Off Date corresponding to such Payment Date;

(b) during the Accelerated Amortisation Period, on a Calculation Date, an amount payable on the next Payment Date that shall be equal to the lesser between:

(a) the Available Distribution Amount on that date, after payment by the Issuer of all sums due and payable under items (a) to (g) of the Accelerated Amortisation Period Priority of Payments; and

(b) the Aggregate Outstanding Principal Amount of the Class A

Notes prior to giving effect to any payment on such Payment Date.

"Class A Notes Interest Amount" means, with respect to any Payment Date, the sum of all the interest amounts due in respect of each Class A Note as at such Payment Date as calculated in accordance with the Condition 4.4 (*Determination of Rate of Interest and Interest Amounts*) of the Conditions of the Class A Notes.

"Class B Note" means the £52,300,000 class B fixed rate note due May 2036.

"Class B Note Purchaser" means Arval.

"**Class B Note Register**" means the register of Class B Noteholder kept by the Registrar and which records the identity of each Class B Noteholder and the number of Class B Notes which each Class B Noteholder owns.

"Class B Noteholder" means the Noteholder in respect of the Class B Note.

"Class B Notes Amortisation Amount" means:

(a) during the Normal Amortisation Period, on a Calculation Date, an amount payable on the next Payment Date that shall be equal to the lesser between:

  (a) the Available Distribution Amount on that date, after payment by the Issuer of all sums due and payable under items (a) to (j) of the Normal Amortisation Period Priority of Payments; and

  (b) the Aggregate Outstanding Principal Amount of the Class B Notes prior to giving effect to any payment on such Payment Date; and

  (c) the positive difference between:

    (A) the Aggregate Outstanding Principal Amount of all Classes of Notes prior to giving effect to any payment on such Payment Date; minus;

    (B) the Aggregate Performing Outstanding Lease Principal Balance on the Cut-Off Date corresponding to such Payment Date; minus

    (C) the Class A Notes Amortisation Amount on such Payment Date;

(b) during the Accelerated Amortisation Period, on a Calculation Date, an amount payable on the next Payment Date that shall be equal to the lesser between:

(a) the Available Distribution Amount on that date, after payment by the Issuer of all sums due and payable under items (a) to (i) of the Accelerated Amortisation Period Priority of Payments; and

(b) the Aggregate Outstanding Principal Amount of the Class B Notes prior to giving effect to any payment on such Payment Date.

"Class B Notes Interest Amount" means, with respect to any Payment Date, the sum of all the Interest Amounts due in respect of each Class B Note as at such Payment Date as calculated in accordance with the Condition 4.4 (*Determination of Rate of Interest and Interest Amounts*) of the Conditions of the Class B Notes.

"Clean-up Call" has the meaning given on page 102.

"Clearing Systems" means Clearstream, Luxembourg and Euroclear.

"Clearstream, Luxembourg" means for Clearstream Banking, *société anonyme*.

"Closing Date" means 26 November 2024.

"Collections" means any amounts received from a Lessee pursuant to a Lease Agreement, for the avoidance of doubt including:

(a) any amounts of Lease Instalments collected (including any Lease Principal Collections and Lease Interest Collections);

(b) all amounts paid in relation to any Ancillary Rights, provided that:

(a) in relation to any Lease Agreement, any amount paid as Lessee Early Termination Fees shall be up to the difference between:

(1) the sum of (x) the Outstanding Lease Principal Balance of the relevant Lease Receivable as at the date on which such Lessee Early Termination Fees are paid by the Lessee and (y) any unpaid amount due by the Lessee under the relevant Lease Receivable; *less*:

(2) any Compensation Payment Obligation paid by the Seller to the Issuer in

relation to such Lease Receivable,

(b) in relation to any Leased Vehicle and its corresponding Lease Agreement, any amount paid as Total Loss Insurance Indemnities shall be up to the difference between:

(1) the sum of (x) the Outstanding Lease Principal Balance of the relevant Lease Receivable as at the date on which such Total Loss Insurance Indemnities are paid by the Lessee and (y) any unpaid amount due by the Lessee under the relevant Lease Receivable; *less*:

(2) any Repurchase Price paid by the Seller to the Issuer in relation to such Lease Receivable,

(c) all Recoveries in relation to the Defaulted Lease Receivables which are not included in (a) or (b) above; and

(d) any net proceeds received by means of realisation of enforcement of the Arval Deed of Charge (including any insurance indemnities payable to the Seller under any insurance policy relating to the loss or damage of the Charged Vehicles),

but excluding any Excluded Amounts.

"Collection Ledger" has the meaning given on page 175.

"Collection Period" means the period commencing on and including the first day of a calendar month and ending on (but excluding) the first day of the next calendar month.

"Collections Transfer Date" means, in respect to a Collection Period, the 24th of the calendar month following such Collection Period, or if such day is not a Business Day, the immediately preceding Business Day.

"Commingling Reserve Account" means the bank account opened and maintained in the name of the Issuer with the Account Bank in accordance with the Bank Account Agreement or with any replacement account bank in accordance with any substitute bank account agreement, to be credited by the Servicer with the Commingling Reserve Required Amount.

"Commingling Reserve Advance" means the advance made by the Servicer for the benefit of the Issuer and credited on the Commingling Reserve Account subject to and

pursuant to the terms of the Reserve Loan Agreement.

"Commingling Reserve Release Amount" means on any Calculation Date, the amount equal to the excess of current balance of the Commingling Reserve Account over the applicable Commingling Reserve Required Amount.

"Commingling Reserve Required Amount" means:

(a) on the Closing Date and for so long as no Commingling Reserve Trigger Event has occurred and is continuing: GBP 0;

(b) if a Commingling Reserve Trigger Event has occurred and is continuing, an amount equal on any Calculation Date to 125% multiplied by the sum of:

(a) the aggregate of Scheduled Collections agreed for the next Collection Period in relation to Performing Lease Receivables, taking into account the Additional Portfolio purchased at the immediately following Purchase Date but excluding the Lease Receivables to be repurchased by the Seller on or prior to the immediately following Payment Date; and

(b) the Monthly Prepayment Rate multiplied by the Aggregate Performing Outstanding Lease Principal Balance on such Calculation Date, taking into account the Additional Portfolio purchased at the immediately following Purchase Date but excluding the Lease Receivables to be reassigned to the Seller on or prior to the immediately following Payment Date;

(c) when all Class A Notes have been redeemed, zero.

"Commingling Reserve Required Ratings" means, with respect to the Arval Company Group and the Majority Shareholder, as applicable:

(a) a long-term unsecured, unsubordinated and unguaranteed debt obligations rating of at least “Baa3” by Moody’s; and

(b) a DBRS Critical Obligations Rating of at least "BBB (high)" or (ii) if a DBRS Critical Obligations Rating is not currently maintained on the relevant entity a DBRS Long-term Rating of at least "BBB", or, if there is no DBRS Long-term Rating, but the relevant entity is rated by any one of Fitch, Moody's and S&P a DBRS Equivalent

Rating with respect to its long-term debt obligations between "1" and "9",

or such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then ratings of the Class A Notes.

"Commingling Reserve Trigger Event" has the meaning given to it on page 91.

"Companies Act" means the Companies Acts 1948 to 2006 (as amended).

"**Company Administration Services**" has the meaning given to it in Clause 2.2 (*Provision of Services*) of the Corporate Services Agreement.

"Company Group" means all companies which are either directly or indirectly held by the same holding company.

"Compensation Payment Obligation" means, in respect of any Performing Lease Receivable in respect of which a Lease Agreement Early Termination has occurred, any obligation of the Seller to indemnify the Issuer by paying an amount equal to the sum of its Outstanding Lease Principal Balance plus any amount in arrear in respect of such Lease Receivable, both as of the Cut-Off Date immediately preceding the date of such payment.

"Compounded Daily SONIA" means the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Agent Bank as at the Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_{i-pLBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

Where:

"**d**" is the number of calendar days in the relevant Interest Period;

"$\mathbf{d_o}$" is the number of London Banking Days in the relevant Interest Period;

"$_i$" is a series of whole numbers from one to d_o, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in the relevant Interest Period;

"**LBD**" or "**London Banking Day**" means a day (other than a Saturday or Sunday or public holiday) on which banks are open generally for business in London;

"$\mathbf{n_i}$", for any day "i", means the number of calendar days from and including such day "i" up to but excluding the following London Banking Day; and

"**SONIAi-5LBD**" means in respect of any London Banking Day falling in the relevant Interest Period, the SONIA Reference Rate for the London Banking Day falling five London Banking Days prior to that London Banking Day "i";.

"Conditions" means the terms and conditions of the Notes as set out in Schedule 2 (Terms and Conditions) of the Trust Deed.

"Corporate Contract Hire Agreement" means an Operating Lease Agreement entered into with a Corporate Lessee.

"Corporate Lessee" means a Lessee which (i) is not an individual, sole trader, association or partnership with three (3) or fewer partners, and (ii) whose relationship is managed by the Seller's Corporate sales division.

"Corporate Services Agreement" means the agreement entered into on or before the Closing Date between the Issuer, the Corporate Services Provider, the Seller and the Issuer Security Trustee, pursuant to which the Corporate Services Provider will provide the Issuer and Holdings with certain corporate and administrative functions.

"**Corporate Services Fee Letter**" has the meaning given to it in Clause 1.1 (*Definitions and Interpretations*) of the Corporate Services Agreement.

"Corporate Services Provider" means CSC Capital Markets UK Limited, a company incorporated in England and Wales with limited liability (registered number UK 10780001), and having its registered office at 5 Churchill Place, 10th Floor, London, England, E14 5HU.

"Corporate Warranties" has the meaning given on page 150.

"Critical Obligations Rating" or "**COR**" means the rating assigned to a relevant entity by DBRS to address the risk of default of particular obligations and/or exposures of certain banks that have a higher probability of being excluded from bail-in and remaining in a continuing bank in the event of the resolution of a troubled bank than other senior unsecured obligations.

"Crystallisation Threshold" has the meaning given on page 177.

"Cumulative Default Ratio" means on any Payment Date the ratio, whereby:

(a) the numerator is the sum of the Outstanding Lease Principal Balance of all the Lease Receivables which have been classified as Defaulted Lease Receivables (as of the Cut-Off Date on which such Lease Receivables were first declared Defaulted Lease Receivables provided that any Recoveries shall remain excluded) from the Initial Cut-Off Date up to the relevant Cut-Off Date; and

(b) the denominator is the Aggregate Outstanding Lease Principal Balance of the

	Initial Portfolio as of the Initial Entitlement Date.
"Cut-Off Date"	means the Initial Cut-Off Date or an Additional Cut-Off Date.
"Data Protection Agency Agreement"	means the data protection agency agreement entered into on the Closing Date between, among others, the Data Protection Agent, the Issuer and Arval UK Limited in its capacity as Seller.
"Data Protection Agent"	means BNP Paribas whose registered office is at 16 Boulevard des Italiens, 75009 Paris, France, appointed pursuant to the Data Protection Agency Agreement.
"Data Protection Laws"	means the GDPR, the UK GDPR, the ePrivacy Directive 2002/58/EC, the Privacy and Electronic Communications (EC Directive) Regulations 2003, the Data Protection Act 2018, any legislation which amends or replaces these laws, and all other applicable data protection and data privacy laws and regulations, including where applicable (i) the guidance and codes of practice issued by the Information Commissioner, and (ii) any other applicable legislation relating to data protection or data privacy in the jurisdiction in which the services under the data protection agency agreement are being provided or a relevant party is established, as well as any amendment, update or replacement to those laws as may occur from time to time and together with any subordinate or related legislation made under any of the foregoing.
"**Data Trustee**"	means CSC Trustees Limited, a private limited company incorporated under the laws of England and Wales with company number 10830936 and with its registered office located at 10th Floor, 5 Churchill Place, London E14 5HU.
"Data Trustee Fee Letter"	means the fee letter entered into between the Issuer and the Data Trustee on or around the Closing Date.
"DBRS"	means (i) for the purpose of identifying the Morningstar DBRS' entity which has assigned the credit rating to the Rated Notes, DBRS Ratings Limited or any successor to this rating activity, and (ii) in any other case, any entity that is part of the Morningstar DBRS' group.
"DBRS Critical Obligations Rating" or "DBRS COR"	means, in relation to a relevant entity, the rating assigned by DBRS which addresses the risk of default of particular obligations and/or exposures of the relevant entity that in the view of DBRS have a higher probability of being excluded from bail-in and remaining in a continuing bank in the event of the resolution of a troubled bank than other senior unsecured obligations. If the DBRS COR assigned by DBRS to the entity is public, it will be indicated on the website of DBRS (https://dbrs.morningstar.com/); or if the DBRS COR assigned by DBRS to the entity is private, such entity shall give notice to the other party as soon as

reasonably practicable upon the occurrence of any change relevant for the purpose of the applicability of the DBRS COR.

"DBRS Eligible Counterparty" means a First Threshold DBRS Compliant Entity or a Second Threshold DBRS Compliant Entity.

"DBRS Equivalent Chart" means

DBRS Equivalent Rating		Moody's	S&P
AAA	1	Aaa	AAA
AA(high)	2	Aa1	AA+
AA	3	Aa2	AA
AA(low)	4	Aa3	AA-
A(high)	5	A1	A+
A	6	A2	A
A(low)	7	A3	A-
BBB(high)	8	Baa1	BBB+
BBB	9	Baa2	BBB
BBB(low)	10	Baa3	BBB-
BB(high)	11	Ba1	BB+
BB	12	Ba2	BB
BB(low)	13	Ba3	BB-
B(high)	14	B1	B+
B	15	B2	B
B(low)	16	B3	B-
CCC(high)	17	Caa1	CCC+
CCC	18	Caa2	CCC
CCC(low)	19	Caa3	CCC-
CC	20	Ca	CC
CC	21	Ca	C
D	22	C	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 lowest ratings have been excluded or (b) in the case of two or more same ratings, any of such ratings (upon conversion on the basis of the DBRS Equivalent Chart); (ii) if the DBRS Equivalent Rating cannot be determined under paragraph (i) above, but public ratings by any two of Fitch, Moody's and S&P are available, the lower rating available (upon conversion on the basis of the DBRS Equivalent Chart); and (iii) if the DBRS Equivalent Rating cannot be determined under paragraph (i) or paragraph (ii)

above, and therefore only a public rating by one of Fitch, Moody's and S&P is available, such rating will be the DBRS Equivalent Rating (upon the conversion on the basis of the DBRS Equivalent Chart).

"DBRS Long-term Rating" means a public rating assigned by DBRS under its long-term rating scale in respect of a person's long-term, unsecured and unsubordinated debt obligations.

"Decryption Key" means the decryption key required to decrypt, where relevant, any Records or other information subject to Data Protection Laws.

"Deemed Collection" means, in respect of any Collections Transfer Date, the aggregate of the following amounts which are deemed to be collected by the Servicer in respect of the Collection Period immediately preceding the relevant Collections Transfer Date in respect of a Lease Receivable and which are due by the Servicer to the Issuer on such Collections Transfer Date:

(a) any amount unpaid by the relevant Lessee under a Lease Receivable if the non-payment (including, without limitation, any set-off (whether such set-off is imposed by operation of law, by contract or by a competent court (including any Permitted Set-Off Right)) was caused by reasons other than circumstances relating exclusively to credit risk; and

(b) the Aggregate Outstanding Balance Reduction Amount,

all as calculated on the relevant Calculation Date in respect of the immediately preceding Collection Period.

"Defaulted Lease Receivable" means:

(a) a Lease Receivable in respect of which the Lessee is subject to an Insolvency Event; or

(b) a Retail Lease Receivable in respect of which any uncured, missed or delayed payment equal to or greater than £200 remains unpaid for more than ninety (90) calendar days; or

(c) a Non-Retail Lease Receivable in respect of which:

(a) any uncured, missed or delayed payment equal to or greater than £200 remains unpaid for more than ninety (90) calendar days; and

(b) the Servicer has determined that there is no reasonable chance that the Lessee is able to pay the Lease

Instalments due under the relevant Lease Agreement; or

(d) a Lease Receivable which is considered as being defaulted in the Servicer's internal systems in accordance with the Servicing Procedures.

For the avoidance of doubt, any Lease Receivable with any payment delay for purely technical reason shall to that extent not be treated as a Defaulted Lease Receivable.

"Deferred Purchase Price" means the RV Deferred Purchase Price, the Junior Deferred Purchase Price, the Residual Deferred Purchase Price and the VAT Deferred Purchase Price.

"Deficiency Level" means, on each Payment Date falling during the Revolving Period, and following the application of the Available Distribution Amount in accordance with the Revolving Period Priority of Payments, after giving effect to items (a) to (i) of the Revolving Period Priority of Payments, the amount equal to the positive difference (if any) between (i) the Required Replenishment Amount and (ii) the sum of amounts paid on such Payment Date under items (h) and (i) of the Revolving Period Priority of Payments to the Seller and to the Replenishment Ledger respectively.

"Definitive Notes" means the Global Notes in definitive form.

"Delinquent Lease Receivable" means a Lease Receivable, which is not a Defaulted Lease Receivable, and for which one (1) or more Lease Instalments are in arrears (including any technical arrears).

"Directors" means each person nominated from time to time by the Corporate Services Provider to serve as a director for the Issuer and/or Holdings, and collectively the "**Board of Directors**".

"Discount Rate" means 8.0% per annum.

"DMR" means the Financial Services (Distance Marketing) Regulations Act 2004, as amended from time to time.

"Downgrade Event" has the meaning given to it on page 91.

"Eligibility Criteria" has the meaning given on page 150.

"Eligible Bank" means a bank or credit institution that (a) satisfies the Account Bank Minimum Required Ratings, (b) is an institution authorised to carry on banking business (including accepting deposits) under the FSMA and (c) is a bank for the purposes of section 878 of the Income Tax Act 2007.

"Encumbrance" means any mortgage, charge (whether legal or equitable or otherwise), pledge, lien, hypothecation

	or other encumbrance or other security interest securing any obligation of any person or any other type of agreement, trust or arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect but, for the avoidance of doubt shall not include (a) a right of counterclaim or (b) a right of set-off or analogous rights arising by contract or operation of law not constituting a mortgage, charge or other encumbrance under applicable law.
"Entitlement Date"	means with respect to the Initial Portfolio and any Additional Portfolio, the date agreed between the Seller and the Issuer, on which the relevant Lease Receivables are selected to be assigned to the Issuer on the immediately succeeding Purchase Date. Any Entitlement Date (other than the Initial Entitlement Date) shall occur no more than twenty five (25) calendar days before the relevant Purchase Date. The Entitlement Date with respect to the Initial Portfolio shall be 5 November 2024 (the "**Initial Entitlement Date**").
"Euro", or "euro", "EUR" or "€"	means the single currency introduced at the start of the third stage of European Economic Monetary Union pursuant to the Treaty of Rome of 25 March 1957, as amended by, among other things, the Single European Act of 1986 and the Treaty of European Union of 7 February 1992 and the Treaty of Amsterdam of 2 October 1997 establishing the European Community, as further amended from time to time.
"EU Article 7 ITS"	means the Commission Implementing Regulation (EU) 2020/1225 including any relevant guidance and policy statements relating to the application of the 2020/1225 ITS published by the EBA, the ESMA, the EIOPA (or their successor) or by the European Commission.
"EU Article 7 RTS"	means the Commission Delegated Regulation (EU) 2020/1224 including any relevant guidance and policy statements relating to the application of the 2020/1224 RTS published by the EBA, the ESMA, the EIOPA (or their successor) or by the European Commission
"EU Article 7 Technical Standards"	mean the EU Article 7 RTS and the EU Article 7 ITS.
"EU EMIR"	means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories, as amended from time to time.
"EU Insolvency Regulation"	means Regulation (EU) No. 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast).
"EU Securitisation Regulation"	means Regulation (EU) 2017/2402, as amended, including (i) relevant regulatory and/or implementing technical standards or delegated regulation, or other applicable national implementing measures in relation thereto (including any applicable transitional

	provisions); and/or (ii) any relevant guidance and policy statements in relation thereto published by the EBA, the ESMA, the EIOPA, the European Commission, and/or the European Central Bank.
"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.
"Excluded Amounts"	means any amount related to VAT, VAT Collections and the VAT Receivables (unless (A) paid to the Issuer upon the occurrence of a Lessee Notification Event, and which Arval shall be entitled to retain or be paid to it as VAT Deferred Purchase Price or (B) a Sale Trigger Event has occurred), Taxes, insurance premiums, fees of any nature which are not related to principal or interest and any RV Claims (unless a Sale Trigger Event has occurred) or any Maintenance Lease Services Amounts (unless a Sale Trigger Event has occurred).
"Extraordinary Resolution"	has the meaning given to it in Schedule 3 (*Provisions for Meetings of Noteholders*) of the Trust Deed.
"Fallback Maintenance Coordinator"	means the Issuer.
"**Fallback Maintenance Coordinator Fee**"	means £1,000 per month payable to the Issuer in its role as Fallback Maintenance Coordinator pursuant to the Receivables Purchase Agreement.
"Fallback Sub-Maintenance Coordinator"	means Arval.
"Fallback Sub-Maintenance Coordinator Agreement"	means the fallback sub-maintenance coordinator agreement entered into on the Closing Date between, among others, the Issuer, the Fallback Sub-Maintenance Coordinator and the Issuer Security Trustee.
"Fallback Sub-Maintenance Coordinator Change of Control"	means the circumstance that the Maintenance Reserve Guarantor ceases to own more than fifty percent (50%) of the shareholding of the Fallback Sub-Maintenance Coordinator (whether directly or indirectly).
"Fallback Sub-Maintenance Coordinator Fee"	means the fee payable by the Issuer to the Fallback Sub-Maintenance Coordinator in respect of performing the role of the Fallback Sub-Maintenance Coordinator on each Payment Date in an amount equal to the higher of: (a) £1,000 per month; and (b) following the occurrence of an Insolvency Event in relation to the Fallback Sub-Maintenance Coordinator and until the activation of the Back-Up Fallback Sub-Maintenance Coordinator, subject to the Fallback Sub-Maintenance Coordinator complying in all material respects with its obligations under the Fallback Sub-Maintenance Coordinator Agreement, an amount equal to any cost, expense or

liability of the Fallback Sub-Maintenance Coordinator in relation to the coordination of the Maintenance Lease Services, or (ii) zero otherwise.

"Fallback Sub-Maintenance Coordinator Required Ratings" means with respect to the Fallback Sub-Maintenance Coordinator or, as applicable, the Maintenance Reserve Guarantor, the following ratings:

(a) a long-term unsecured, unsubordinated and unguaranteed debt obligations rating of at least “Baa3” by Moody’s; and

(b) at least a DBRS Critical Obligations Rating of at least "BBB (high)" or (ii) if a DBRS Critical Obligations Rating is not currently maintained, a DBRS Long-term Rating of at least "BBB", or, if there is no DBRS Long-term Rating, but the Fallback Sub-Maintenance Coordinator is rated by any one of Fitch, Moody's and S&P a DBRS Equivalent Rating with respect to its long-term debt obligations between "1" and "9",

or such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then ratings of the Class A Notes.

"Fallback Sub-Maintenance Coordinator Termination Event" has the meaning given to it on page 91.

"FATCA" means Sections 1471 through 1474 of the United States Internal Revenue Code of 1986, as amended (or any regulations or agreements thereunder or official interpretations thereof) or any intergovernmental agreement between the United States and another jurisdiction entered into in connection with the implementation thereof (or any law implementing such an intergovernmental agreement).

"FCA" means the UK’s Financial Conduct Authority and each of its predecessors and successors (including the Financial Services Authority).

"**FCA Credit-Granting Rules**” or “**FCA CG Rules**" means SECN 8.

"**FCA Due Diligence Rules**” or “**FCA DD Rules**" means SECN 4.

"**FCA Handbook**" means the handbook of rules and guidance adopted by the FCA.

"**FCA Risk Retention Rules**" or “**FCA RR Rules**” means SECN 5.

"FCA Transparency Rules" means SECN 6, SECN 11 (including its Annexes) and SECN 12 (including its Annexes).

"**Fee Letter**" means each of:

(a) The Note Trustee Fee Letter;

(b) The Issuer Security Trustee Fee Letter;

(c) The Arval Security Trustee Fee Letter;

(d) The Account Bank Fee Letter;

(e) The Registrar, Paying Agent and Listing Agent Fee Letter;

(f) The Data Trustee Fee Letter;

(g) The Reporting Agent and Cash Manager Fee Letter; and

(h) The Corporate Services Fee Letter.

"Final Discharge Date" means the date on which the Issuer Security Trustee notifies the Issuer and the Issuer Secured Creditors that it is satisfied that all the Issuer Secured Liabilities have been paid or discharged in full.

"**Final Maturity Date**" means the Payment date falling in May 2036.

"Financial Indebtedness" means any indebtedness for or in respect of:

(a) moneys borrowed and debit balances at banks or other financial institutions;

(b) any acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent);

(c) any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(d) the amount of any liability in respect of Lease Agreements;

(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis) and meet any requirement for de-recognition under the accounting principles applicable in the United Kingdom;

(f) any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account;

(g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of (i) an underlying liability of an entity which is not a member of

the Arval Company Group which liability would fall within one of the other paragraphs of this definition or (ii) any liabilities of any member of the Arval Company Group relating to any post-retirement benefit scheme;

(h) any amount raised by the issue of shares which are redeemable (other than at the option of the issuer) before the Final Maturity Date or are otherwise classified as borrowings under the accounting principles applicable in the United Kingdom;

(i) any amount of any liability under an advance or deferred purchase agreement if (i) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or (ii) the agreement is in respect of the supply of assets or services and payment is due more than three (3) Business Days after the date of supply;

(j) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under the accounting principles applicable in the United Kingdom; and

(k) the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

"First Threshold DBRS Compliant Entity" means an entity that could lawfully perform the obligations owing to the Issuer under the Swap Agreement and:

(a) the Long-Term DBRS Rating of such entity is at least as high as "A"; or

(b) the obligations of such entity under the Swap Agreement are guaranteed pursuant to a DBRS Eligible Guarantee by an entity whose Long-Term DBRS Rating is at least as high as "A".

"Fitch" means Fitch Ratings Limited.

"FSMA" means the UK's Financial Services and Markets Act 2000, as amended by the Financial Services and Markets Act 2023.

"GDPR" means Regulation (EU) 2016/679 of the European Parliament and the Council of 27 April 2016.

"General Account" means the bank account opened and maintained in the name of the Issuer with the Account Bank in

	accordance with the Bank Account Agreement or with any replacement account bank in accordance with any substitute bank account agreement, for the purpose of receiving amongst other things, the Collections and any other amounts due to the Issuer under the Transaction Documents for distribution in accordance with the applicable Priority of Payments.
"General Account Ledgers"	means the Collection Ledger, the Replenishment Ledger, the Operating Ledger and the Retained Profit Ledger maintained by the Cash Manager (on behalf of the Issuer) on the General Account and "**General Account Ledger**" means any one of them.
"Global Notes"	means the global notes in registered form issued in respect of the Notes.
"Holdings"	means Pulse UK 2024 Holdings Limited (registered number 15438665), a limited company incorporated under the laws of England and Wales whose registered office is at 10th Floor, 5 Churchill Place, London, United Kingdom, E14 5HU.
"Information Date"	means, for any Collection Period, the Business Day on which the Servicer shall provide the Issuer, the Cash Manager and the Reporting Agent with the Servicing Report in relation to such Collection Period.
"Initial Adjusted Lease Maturity"	means for any Lease Agreement, the number of months between the relevant Lease Origination Date and the relevant Initial Adjusted Lease Maturity Date.
"Initial Adjusted Lease Maturity Date"	means, in respect of a Lease Receivable, the Lease Maturity Date of such Lease Receivable as at the relevant Cut-Off Date.
"Initial Cut-Off Date"	means 31 October 2024.
"Initial Portfolio"	means the portfolio consisting of Lease Receivables purchased (or to be purchased) by the Purchaser from the Seller on the Initial Purchase Date.
"Initial Portfolio Schedule"	means a schedule describing details of the Initial Portfolio, substantially in the form set out in Schedule 2 (*Form of Portfolio Schedule*) to the Receivables Purchase Agreement.
"Initial Principal Amount"	means in relation to a Note, its nominal amount as at the Initial Purchase Date.
"Initial Purchase Date"	means the Closing Date.
"Initial Purchase Price"	means the amount paid by the Issuer to the Seller on the Closing Date being equal to the Aggregate Outstanding Lease Principal Balance of the Lease Receivables comprised in the Initial Portfolio, as calculated per the Initial Entitlement Date.
"Insolvency Act"	means the Insolvency Act 1986, as amended.
"Insolvency Event"	means in respect of:

(1) a relevant entity other than the Maintenance Reserve Guarantor (each a "**Relevant Entity**"), any of the following events:

(a) an order is made or an effective resolution passed for the winding up of the Relevant Entity (or it proposes or makes any compromise or arrangement with its creditors), except a winding-up for the purposes of or pursuant to an amalgamation or reconstruction the terms of which have previously been approved by the Note Trustee (in the case of the Issuer), or as the case may be, the Issuer Security Trustee in writing or (in the case of the Issuer) by the Noteholders by Extraordinary Resolution in accordance with the provisions of Schedule 3 (Provisions for Meetings of Noteholders) of the Trust Deed; or

(b) the Relevant Entity, otherwise than for the purposes of such amalgamation or reconstruction as is referred to in paragraph (a) above, ceases or through an authorised action of its board of directors, threatens to cease to carry on all or substantially all of its business or admits its inability to pay debts as they fall due or is unable to pay its debts within the meaning of Section 123(1) of the Insolvency Act (other than, except in the case of the Issuer, subsection 123(1)(a)) or 123(2) of the Insolvency Act or, where applicable, Section 222 to 224 of the Insolvency Act; or

(c) proceedings, corporate action or other steps shall be initiated against the Relevant Entity under any applicable liquidation, insolvency, bankruptcy, composition, reorganisation or other similar laws (including, but not limited to, presentation of a petition for an administration order, the filing of documents with the court for the appointment of an administrator, the service of a notice of intention to appoint an administrator or the taking of any steps to appoint an administrator) and (except in the case of presentation of a petition for an administration order, the filing of documents with the court for the appointment of an administrator,

the service of a notice of intention to appoint an administrator or the taking of any steps to appoint an administrator) such proceedings are not, in the reasonable opinion of the Issuer Security Trustee, being disputed in good faith with a reasonable prospect of success or an administration order shall be granted or the appointment of an administrator takes effect or an administrative receiver or other receiver, liquidator, trustee in sequestration, monitor or other similar official shall be appointed in relation to the Relevant Entity or in relation to the whole or any substantial part of the undertaking or assets of the Relevant Entity, or an encumbrancer (other than the Issuer, the Issuer Security Trustee or the Note Trustee) shall take possession of the whole or any substantial part of the undertaking or assets of the Relevant Entity, or a distress, execution or diligence or other process shall be levied or enforced upon or sued out against the whole or any substantial part of the undertaking or assets of the Relevant Entity and such possession or process (as the case may be) shall not be discharged or otherwise ceases to apply within thirty days of its commencement, or the Relevant Entity (or its directors or shareholders) initiates or consents to judicial proceedings relating to itself under applicable liquidation, insolvency, bankruptcy, composition, reorganisation or other similar laws or makes a conveyance or assignment or assignation for the benefit of its creditors generally or takes steps with a view to obtaining a moratorium in respect of any indebtedness; and

(d) any event occurs which, under English law or any applicable law, has an analogous effect to any of the events referred to in paragraphs (a), (b) or (c) above; or

(2) the Maintenance Reserve Guarantor, any of the following events:

(a) such person is in a state of cessation of payments (*cessation des paiements*) within the meaning of Article L. 613-26 of the French

Monetary and Financial Code or, as applicable, Article L. 631-1 of the French Commercial Code or any other equivalent provision under any applicable law;

(b) such person is subject to any of the following events:

(i) (x) safeguard proceeding (*procédure de sauvegarde or procédure de sauvegarde accélérée*); (y) recovery or liquidation proceedings (*procédure de redressement ou de liquidation judiciaire*); (z) a *mandataire ad hoc* is appointed or a conciliation opened, in relation to such person under Book VI of the French Commercial Code;

(ii) any person presents a petition for the opening of any of the proceedings referred to in paragraph (i) above unless such proceedings are being disputed in good faith with a reasonable prospect of success;

(iii) the appointment of an insolvency administrator, examiner or a liquidator, receiver, administrator, administrative receiver, judicial manager, compulsory manager or other equivalent officer in respect of such person or its assets (in whole or in part);

(iv) the forced dissolution or the winding-up of such person; or

(v) in any jurisdiction other than France, any proceeding under the laws of that jurisdiction analogous to any of the proceedings referred in paragraph (i) above,

and an administrator or a liquidator is legally and validly appointed over such person or relating to all of such person's revenues and assets,

provided always that, if applicable, the opening of any judicial liquidation (liquidation judiciaire) or any safeguard procedure (procédure de sauvegarde) or any judicial recovery procedure (procédure de redressement judiciaire) against a credit institution shall have been subject to the approval (avis conforme) of the Autorité de Contrôle Prudentiel et Résolution in accordance with Article L. 613-27 of the French Monetary and Financial Code; or

(c) if applicable, such person is subject to resolution measures (*mesures de résolution*) decided by the Single Resolution Board and/or the *Autorité de Contrôle Prudentiel et Résolution* in accordance with the applicable provisions of the French Monetary and Financial Code and such resolution measures (*mesures de résolution*) are likely to prevent such person from performing its obligations under the Transaction Documents to which it is a party and/or have a negative impact on its ability to perform its obligations under the Transaction Documents to which it is a party.

"Insolvency Official" means a liquidator, administrator, receiver or similar such official appointed with respect to Arval or the Issuer, as applicable.

"Insurance Company" means any insurance company which has entered into an Insurance Policy with a Lessee or the Seller in respect of a Leased Vehicle.

"Insurance Policy" means, in respect of any Leased Vehicle, any insurance policy entered into by a Lessee or the Seller in relation to (i) damage to the Leased Vehicle as a result of accident, theft, fire, broken glass, impact against a fixed or mobile body, up to the agreed value, defined in the Lease Agreement and (ii) defense, recourse and insolvency of third parties, provided that the Seller is the beneficiary or otherwise entitled to the proceeds of such Insurance Policy.

"Interest Determination Date" means the fifth London Banking Day before the Payment Date for which the relevant Note Rate and Interest Amount will apply.

"Interest Period" means the period from and including the Closing Date to but excluding the first Payment Date and each successive period from and including a Payment Date to but excluding the next succeeding Payment Date.

"Interest Residual Amount" has the meaning given on page 205.

"ISDA" means the International Swaps and Derivatives Association Inc.

"Issuer" means Pulse UK 2024 plc (registered number 15438733), a company incorporated with limited liability under the laws of England and Wales whose registered office is at 10th Floor 5 Churchill Place, London, United Kingdom, E14 5HU.

"Issuer Cash" means the amounts standing from time to time to the credit of the Bank Accounts (other than the Swap Collateral Account) and pending allocation.

"Issuer Charged Assets" means all of the property, assets and undertakings of the Issuer the subject of any security created by the Issuer Deed of Charge.

"Issuer Charged Documents" means the Transaction Documents to which the Issuer is a party and all other contracts, documents, agreements and deeds to which it is, or may become, a party (other than the Issuer Deed of Charge and the Trust Deed).

"Issuer Deed of Charge" means the deed of charge and assignment dated the Closing Date and made between, among others, the Issuer and the Issuer Security Trustee.

"Issuer Event of Default" means any of the following events:

(a) an Insolvency Event occurs with respect to the Issuer; or

(b) the Issuer defaults in the payment of any interest on the Most Senior Class Outstanding when the same becomes due and payable, and such default continues for a period of five (5) Business Days; or

(c) the Issuer defaults in the payment of principal on any Class A Note or (subject to the Class A Notes being redeemed in full) any Class B Note when the same becomes due and payable, and such default continues for a period of ten (10) Business Days; or

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

(e) if any representation or warranty made by the Issuer under any Transaction Document is incorrect when made which in the opinion of the Note Trustee, to be certified in writing, is materially prejudicial to the interests of the Noteholders of the Most Senior Class Outstanding and the matters giving rise to such misrepresentation are not remedied within a period of thirty (30) calendar days (except that in any case where the Note Trustee considers the matters giving rise to such misrepresentation to be incapable of remedy, then no continuation or notice as is hereinafter mentioned will be required) following the service by the Note Trustee on the Issuer of notice requiring the same to be remedied.

"Issuer Potential Event of Default" means any event which with the giving of notice, lapse of time, making of any determination or any combination thereof would constitute an Issuer Event of Default.

"Issuer Secured Creditors" means the Note Trustee and any Appointee thereof, Data Trustee and any Appointee thereof, the Issuer Security Trustee and any Appointee thereof, the Arval Security Trustee and any Arval Security Trustee Appointee thereof, the Noteholders, the Servicer, the Back-Up Servicer, the Fallback Sub-Maintenance Coordinator, the Seller, the Back-Up Fallback Sub-Maintenance Coordinator, the Reserve Loan Provider, the Swap Counterparty, the Account Bank, the Agent Bank, the Cash Manager, the Paying Agent, the Registrar, the Corporate Services Provider, the Data Protection Agent, any Receiver appointed by the Arval Security Trustee under the Arval Deed of Charge (or an Insolvency Official of Arval with respect to payment of any Recovery Incentive Fee, Servicing Incentive Fee or Maintenance Liquidation Fee) and any Receiver appointed by the Issuer Security Trustee under the Issuer Deed of Charge and any other entity that accedes to the Issuer Deed of Charge from time to time in such capacity.

"Issuer Secured Liabilities" means any and all monies, obligations and liabilities and all other amounts due, owing, payable or owed by the Issuer to the Issuer Secured Creditors under the Notes and/or the Transaction Documents and references to Issuer Secured Liabilities includes references to any of them.

"Issuer Security" means the security created in favour of the Issuer Security Trustee pursuant to the Issuer Deed of Charge.

"Issuer Security Trustee" means BNP Paribas Trust Corporation UK Limited, a company incorporated in England and Wales with limited liability (registered number 04042668), having its registered office at 10 Harewood Avenue, London NW1 6AA appointed pursuant to the Issuer Deed of Charge.

"Issuer Security Trustee Fee Letter" means the fee letter entered into between the Issuer and the Issuer Security Trustee on or around the Closing Date.

"Issuer Share Vehicle Sale Proceeds" means, in relation to the sale or other disposal of a Leased Vehicle relating to a Lease Receivable:

(a) the Total Vehicle Sale Proceeds; multiplied by

(b) the ratio having:

(a) as numerator the sum of (x) the Outstanding Lease Principal Balance of such Lease Receivable and (y) any amount in arrear and other ancillary amounts in respect of such Lease Receivable, (x) and (y) being calculated as of the Cut-Off Date immediately preceding the date of such payment; and

(b) as denominator the sum of (x) the Residual Value and (y) the amount set out in paragraph (b)(i) above,

provided that if such amount exceeds the sum set out in paragraph (b)(i) above, it shall be deemed to be equal to the sum set out in such paragraph (b)(i).

"Issuer's Proportion" means such proportion of the amount standing to the credit of the Seller (Non-Customer) Collection Account which is equal to the amounts derived from Lease Receivables (and, following a Sale Trigger Event, Maintenance Lease Services Amounts, RV Claims, and VAT Receivables) comprised in the Portfolio beneficially owned by the Issuer together with their Ancillary Rights.

"Junior Deferred Purchase Price" means, for each relevant Lease Receivable, the amount (including any arrears) of Aggregate Outstanding Balance Increase Amount relating to such Lease Receivable to be paid by the Issuer to the Seller and not already paid pursuant to the applicable Priority of Payments.

"Latest Variation Date" in relation to a Lease Receivable, the latest date when a Variation occurred.

"Lease Agreement" means a Corporate Contract Hire Agreement, a Business Contract Hire Agreement, a Regulated Business Contract Hire Agreement or a Personal Contract Hire Agreement.

"Lease Agreement Early Termination" means any termination or rescission for whatever causes, of a Lease Agreement prior to the relevant Lease Maturity Date which includes, but is not limited to:

(a) early termination following a voluntary return of the Leased Vehicle by the relevant Lessee; or

(b) any early termination of a Salary Sacrifice Lease Agreement; or

(c) any other early termination of a Lease Agreement made (i) in accordance with the provisions of the relevant Lease Agreement or (ii) in accordance with applicable law,

provided, for the avoidance of doubt, such a Lease Agreement is not a Defaulted Lease Receivable.

"Lease Agreement Early Termination Date" means any date on which a Lease Agreement terminates prior to the Lease Maturity Date, for the avoidance of doubt excluding Defaulted Lease Receivables.

"Lease Instalment" means, in respect of any Lease Receivable and the relevant Lease Agreement, the amounts of each of the lease rental payments scheduled to be made by the Lessee on each Lease Instalment Due Date under that Lease Agreement (as such amounts may be amended, suspended or adjusted from time to time in accordance with the Servicing Procedures subject to the provisions of the Receivables Servicing Agreement).

"Lease Instalment Due Date" means, in respect of any Lease Agreement, the date on which the payment of the Lease Instalment is due and payable by the relevant Lessee (as such date may be amended from time to time in accordance with the Servicing Procedures subject to the provisions of the Receivables Servicing Agreement).

"**Lease Instalment Interest Component**" means in respect of any Lease Receivable and the relevant Lease Agreement, and in respect of each Lease Instalment Due Date, the interest component of the financial lease rental included in any Lease Instalments as determined under an actuarial calculation as calculated by the Servicer.

"**Lease Instalment Principal Component**" means in respect of any Lease Receivable and the relevant Lease Agreement, and in respect of each Lease Instalment Due Date, the principal component of the financial lease rental included in any Lease Instalments as determined under an actuarial calculation as calculated by the Servicer.

"Lease Interest Collections" means the aggregate Lease Instalment Interest Components actually collected during the relevant Collection Period.

"Lease Maturity Date" means in respect of a Lease Receivable and at any time, the maturity date of such Lease Receivable's term (or, for a Regulated Lease Agreement, initial term), as documented and agreed upon between the Seller (as lessor) and the Lessee (taking into account, for the avoidance of doubt, any reduction or extension of the maturity date formally agreed by the Seller (as lessor) and the Lessee from time to time) and where such term is the period during which the Lessee is obliged to pay Lease Instalments to the Seller (as lessor).

"Lease Origination Date"	means in respect of any Lease Receivable, the date on which the relevant Leased Vehicle is made available to the relevant Lessee.
"Lease Principal Collections"	means the aggregate Lease Instalment Principal Components actually received during the relevant Collection Period.
"Lease Receivable Material Adverse Effect"	means (i) the Seller altering a Lease Receivable in a manner which would result in the relevant Lease Receivable and (following a Sale Trigger Event) the relevant RV Claim failing to comply with the Lease Warranties or (ii) such other alteration to the Lease Receivable or breach of Lease Warranty, having a material adverse effect on the enforceability (or otherwise the rights to payment) or the value of the relevant Lease Receivable and (following a Sale Trigger Event) the relevant RV Claim.
"Lease Receivable(s)"	means, with respect to any Leased Vehicle and the corresponding Lease Agreement (including any Ancillary Rights), the Lease Instalments due by the Lessee in connection with the use of such Leased Vehicle or otherwise that are invoiced, or will be invoiced, after the relevant Entitlement Date in respect of such Lease Receivables until the applicable Lease Maturity Date, (but, for the avoidance of doubt, the Issuer will not be entitled to any Excluded Amounts).
"Lease Warranties"	has the meaning given on page 149.
"Leased Vehicle"	means a Vehicle which is the subject of a Lease Agreement included in the Portfolio.
"**Lessee Early Termination Fees**"	means, with respect to a Lease Agreement, any amounts (excluding VAT) paid by the Lessee to the Seller as early termination fees pursuant to the provisions of such Lease Agreement.
"Lessee Notification Event"	has the meaning given to it on page 91.
"Lessee(s)	means corporate entities, LLPs, sole traders and natural persons that have entered into a Lease Agreement with the Seller.
"Liability"	means any losses, damages, costs, charges, claims, demands, expenses, judgments, decrees, actions, proceeding or other liability whatsoever (including, without limitation in respect of taxes, duties, levies, imposts and other charges (other than taxes in respect of net income or profit)) and including any VAT or similar tax charged or chargeable in respect thereof and legal fees and expenses on a full indemnity basis.
"**Liquidity Reserve**"	means the liquidity reserve funded on the Closing Date by the Issuer up to the Liquidity Reserve Required Amount with the proceeds from the Liquidity Reserve Advance it will receive from the Reserve Loan Provider.

"Liquidity Reserve Account" means the bank account opened in the name of the Issuer in the books of the Account Bank, to be credited by the Seller with the Liquidity Reserve Required Amount, in accordance with the Reserve Loan Agreement.

"Liquidity Reserve Advance" means the advance made pursuant to the terms of the Reserve Loan Agreement equal to the Liquidity Reserve Required Amount to be paid to the Issuer by the Reserve Loan Provider on the Closing Date.

"Liquidity Reserve Final Utilisation Date" means the Payment Date following the Calculation Date on which the Agent Bank determines that the Aggregate Outstanding Principal Amount of the Class A Notes is equal to zero.

"Liquidity Reserve Release Amount" means, on any Payment Date, the positive difference (if any) between (i) the credit balance of the Liquidity Reserve Account as at the Calculation Date immediately preceding such Payment Date and (ii) the Liquidity Reserve Required Amount on such Payment Date.

"Liquidity Reserve Required Amount" means an amount equal to:

(a) on the Closing Date, £5,250,000.00 (corresponding to 1.50 per cent. of the Aggregate Outstanding Principal Amount of the Class A Notes); and

(b) on any Payment Date falling before the Liquidity Reserve Final Utilisation Date, as long as no Accelerated Amortisation Event has occurred, an amount equal to the higher of:

(a) 1.50 per cent. of the Aggregate Outstanding Principal Amount of the Class A Notes as calculated on the immediately preceding Calculation Date; and

(b) £500,000;

(c) on any Payment Date falling on or after the Liquidity Reserve Final Utilisation Date, on any Payment Date during the Accelerated Amortisation Period or on the Final Maturity Date: zero.

"Listing Agent" means BNP Paribas, Luxembourg Branch.

"Loan Interest Period" has the meaning given to it in Clause 4.1 (*Interest Periods*) of the Reserve Loan Agreement.

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

(a) its DBRS Critical Obligations Rating (COR); or

(b) if no DBRS Critical Obligations Rating (COR) has been assigned by DBRS, the higher of

(I) the solicited public or private issuer rating (the *Issuer Rating*) assigned by DBRS to such entity or

(II) the solicited public or private rating (the *Senior Unsecured Debt rating*) assigned by DBRS to such entity's long-term senior unsecured debt obligations; or

(c) if no such solicited public or private rating has been assigned by DBRS, the corresponding DBRS Equivalent Rating.

"Long Term Lease Agreement" means an Operating Lease Agreement with a contractual term or, in the case of a Regulated Lease Agreement, an initial term, as at the Lease Origination Date, of not less than twenty-four (24) months.

"Maintenance Costs" means the amounts paid or payable to third party repairers and service providers (excluding any VAT thereon) for the provision of the Maintenance Lease Services in relation to the Leased Vehicles relating to the Portfolio and all other costs related thereto.

"Maintenance Lease Services" means: (i) the service, maintenance and repair (SMR), and tyres services; and (ii) other services (including but not limited to assistance services, fines, vehicle selection, the Seller's ATC product (to the extent not covered in (i)), breakdown / roadside assistance etc.), or other obligations or services owed by the Seller to a Lessee in connection with a Leased Vehicle and a Lease Agreement.

"Maintenance Lease Services Amount" means, in relation to any Lease Agreement and the corresponding Leased Vehicle, any amount payable by the relevant Lessee under any Maintenance Lease Services.

"Maintenance Lease Services Collections" means the aggregate Maintenance Lease Services Amounts invoiced by the Fallback Sub-Maintenance Coordinator during the relevant Collection Period.

"Maintenance Lease Services Fixed Amounts" means any Maintenance Lease Services Amount in relation to Maintenance Lease Services which are invoiced to the Lessee on a fixed periodic basis and which relate to service, maintenance, and repairs (SMR) and tyres services (as described in limb (i) of the definition of Maintenance Lease Services) (but excluding, for the avoidance of doubt, any premiums payable to the Seller in relation to the provision of such Maintenance Lease Services).

"Maintenance Liquidation Fee"	means the amount (inclusive of VAT) paid to an Insolvency Official of Arval, in an amount equal to any cost, expense or liability of Arval or any Insolvency Official (including VAT in respect thereof other than to the extent the Insolvency Official is entitled to credit or repayment in respect of such VAT) arising in respect of Arval's obligation to provide and coordinate the Maintenance Lease Services where such obligations are being carried out by the Back-Up Fallback Sub-Maintenance Coordinator or any other entity (acting as Fallback Sub-Maintenance Coordinator).
"Maintenance Reserve Account"	means the bank account held with the Account Bank to which the Seller will credit the Maintenance Reserve Advance.
"Maintenance Reserve Advance"	means the amount which will be advanced under the Reserve Loan up to the Maintenance Reserve Required Amount.
"Maintenance Reserve Guarantee"	means the French law first-demand autonomous guarantee (*garantie autonome à première demande*) governed by article 2321 of the French Civil Code, issued on the Closing Date by the Maintenance Reserve Guarantor in favour of the Issuer up to the Maintenance Reserve Guarantee Maximum Amount.
"Maintenance Reserve Guarantee Cut-Off Date"	means the later of (a) thirty (30) days following the Fallback Sub-Maintenance Coordinator Change of Control, or (b) a Replacement Maintenance Reserve Guarantor having entered into a Replacement Maintenance Reserve Guarantee.
"Maintenance Reserve Guarantee Maximum Amount"	means £20,000,000.
"Maintenance Reserve Guarantor"	means BNP Paribas.
"Maintenance Reserve Guarantor Required Ratings"	means, with respect to the Maintenance Reserve Guarantor, the Fallback Sub-Maintenance Coordinator Required Ratings.
"Maintenance Reserve Required Amount"	means: (a) on the Closing Date and for as long as no Maintenance Reserve Trigger Event has occurred and is continuing: GBP 0; (b) upon the occurrence of a Maintenance Reserve Trigger Event which is continuing, an amount equal to the positive balance of the Maintenance Settlement Ledger; or (c) on the Final Maturity Date: zero
"Maintenance Reserve Trigger Event"	has the meaning given to it on page 91.
"Maintenance Settlement Ledger"	means the ledger maintained by the Fallback Sub-Maintenance Coordinator in which (a) Maintenance Lease Services Fixed Amounts invoiced to Lessees in relation to the provision of Maintenance Lease

Services are credited and (b) Maintenance Costs in relation to the same are debited.

"Majority Shareholder" means (i) BNP Paribas, or (ii) any successor, permitted assignee or person deriving title under or through BNP Paribas and holding, directly or indirectly, more than fifty (50) per cent. of the share capital of the Servicer.

"Master Definitions Schedule" means the master definitions and construction schedule entered into on the Closing Date between, among others, the Issuer, the Paying Agents and the Note Trustee.

"Master Services Agreement" means the master services agreement entered into by the Seller and a Corporate Lessee or Business Lessee as such form may be amended from time to time in accordance with the Receivables Servicing Agreement and which establishes the terms and conditions upon which the Seller agrees to lease Vehicle(s) to the Corporate Lessee or Business Lessee and for any additional services which the Seller has agreed to provide.

"Material Adverse Effect" means with respect to any person or entity, a material adverse effect on: (a) the business, operations, property, condition (financial or otherwise) or prospects of such person or entity and, in the case of Arval, the Lease Receivables (including, without limitation, to the origination or servicing of the Lease Receivables); (b) the ability of such person or entity to perform its obligations under any Transaction Document to which it is a party or any of the rights or remedies of any other party to such Transaction Document; or (c) the validity or enforceability of any Transaction Document to which it is a party.

"Minimum Required Ratings" means:

with respect to the Swap Counterparty (or its successors):

(a) a DBRS Long-Term Rating of at least "BBB"; and

(b) long-term unsecured and unsubordinated debt obligations which are rated by Moody's at least as high as "Baa1(cr)".

"Monthly Prepayment Rate" means, in respect of a Calculation Date, the highest monthly prepayment rate as determined by the Cash Manager over the preceding twelve (12) Collection Periods (and for any monthly period before the Closing Date, assuming that the monthly prepayment rate is equal to 0.2%), multiplied by 125 per cent.

"Moody's" means Moody's Investors Services Limited.

"**Most Senior Class Outstanding**"	means the Class A Notes while they remain outstanding and thereafter the Class B Note while it remains outstanding.
"Motor Insurance Database"	means the central record of all insured vehicles in the UK, managed by the Motor Insurers' Bureau and is used by the Driver and Vehicle Licensing Agency (DVLA) to enforce motor insurance laws.
"Non-Insolvency Fallback Sub-Maintenance Coordinator Termination Event"	means each of the events not relating to an Insolvency Event in respect of the Fallback Sub-Maintenance Coordinator listed in the definition of Fallback Sub-Maintenance Coordinator Termination Event.
"Non-Insolvency Servicer Termination Event"	means each of the events not relating to an Insolvency Event in respect of the Servicer listed in Clause 26.1(a) to (c), (e) and (f) (*Termination*) of the Receivables Servicing Agreement.
"Non-Permitted Variation"	means, in respect of any Performing Lease Receivable, any Variation of such Lease Receivable that would: (a) not be made in compliance with the level of care and diligence usually applied by the Servicer for similar Lease Receivables in accordance with the Servicing Procedures and Servicer Standard of Care; or (b) result in a modification of the means of payment or of the periodicity of payment; or (c) result in the transfer of the related Lease Agreement to another Lessee who does not comply with the Lessee Eligibility Criteria at the date of such Variation; or (d) increase the Remaining Maturity of such Lease Receivable that would result in the weighted average number of remaining scheduled Lease Instalments due to be paid under the Lease Receivables in the Portfolio to exceed 42 instalments.
"Non-Retail Lease Receivable"	means any Lease Receivable that is not a Retail Lease Receivable.
"Non VAT Collections"	means the aggregate of the Non VAT Components actually received.
"Non VAT Component"	means the Lease Instalments other than amounts representing VAT Components pertaining to a Lease Agreement.
"Normal Amortisation Period"	means the period: (a) commencing on the earlier of: (a) the Revolving Period End Date; or (b) the Payment Date following the date on which a Revolving Period

Termination Event occurs (included), and

(b) ending on the Payment Date following the date on which an Accelerated Amortisation Event occurs (excluded).

"Normal Amortisation Period Priority of Payments" has the meaning given on page 77.

"Note Acceleration Notice" means a notice given to the Issuer by the Note Trustee of an Issuer Event of Default.

"Note Rate" means for each Interest Period means in respect of the Class A Notes, Compounded Daily SONIA determined as at the related Interest Determination Date plus the Relevant Margin in respect of such class and for these purposes if the Note Rate is less than zero, the Note Rate shall be deemed to be zero.

"Note Trustee" means BNP Paribas Trust Corporation UK Limited, a company incorporated in England and Wales with limited liability (registered number 04042668), having its registered office at 10 Harewood Avenue, London NW1 6AA, appointed pursuant to the Trust Deed.

"Note Trustee Fee Letter" means the fee letter entered into between the Issuer and the Note Trustee on or around the Closing Date.

"Notes" means the Class A Notes and the Class B Note.

"Observation Period" means the period from and including the date falling five London Banking Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Closing Date) and ending on, but excluding, the date falling five London Banking Days prior to the Payment Date for such Interest Period (or, if applicable, the date falling five London Banking Days prior to any other date on which a payment of interest is to be made in respect of the Notes).

"OFT" means the Office of Fair Trading.

"Ombudsman" means the Financial Ombudsman Service.

"Operating Lease Agreement" means an agreement between the Seller as the owner of the Leased Vehicle and a Lessee under the terms of which a Leased Vehicle is leased to the Lessee for the bailment or, in Scotland, the hiring of goods to the Lessee, for an agreed period in return for periodic payments by the Lessee and under the terms of which the Seller retains title to the Leased Vehicle and the Leased Vehicle is returned to Seller at the end of the agreed period (other than any such agreement whereby the applicable Master Services Agreement (if any) was not originally entered into by the Seller).

"Operating Ledger" means the ledger to which all Available Distribution Amounts will be credited and applied in accordance with the relevant Priority of Payments.

"OPS" Means an occupational pension scheme as defined in section 1(1) of the Pension Schemes Act 1993 that has its main administration in the United Kingdom.

"OPS Due Diligence Rules" means regulations 32B, 32C and 32D of the SR 2024.

"Ordinary Resolution" has the meaning given to it in Schedule 3 (Provisions for Meetings of Noteholders) of the Trust Deed.

"Origination and Underwriting Procedures" means the Seller's usual policies, procedures and practices relating to the operation of its lease business including, without limitation, the usual policies, procedures and practices adopted by it as lessor in relation to lease agreements and/or (as the case may be) its usual policies, procedures and practices for dealing with matters relating to the obligations and liabilities of the relevant lessee under applicable laws and regulations, for determining the creditworthiness of the lessees, as such policies, procedures and practices may be amended or varied from time to time (and excluding, for the avoidance of doubt, any policies, procedures and practices related to the Servicer's Servicing Procedures).

"Outstanding Lease Principal Balance" means, in relation to a Lease Receivable:

(a) on the Purchase Date or the Latest Variation Date of that Lease Receivable, the present value of all Lease Instalment Interest Components and Lease Instalment Principal Components remaining to be paid until the relevant Lease Maturity Date, calculated using a discount rate equal to the Discount Rate; or

(b) on any other date following the later of the Purchase Date of that Lease Receivable and the Latest Variation Date of that Lease Receivable, an amount equal to (i) the Outstanding Lease Principal Balance of such Lease Receivable as at such relevant Purchase Date or Latest Variation Date (as determined pursuant to paragraph (a) above) less (ii) the aggregate of all Lease Instalment Principal Components received since that relevant Purchase Date or Latest Variation Date.

"Paying Agent" means BNP Paribas, Luxembourg Branch, acting through its registered office at 60 avenue J.F. Kennedy, L-1855, Luxembourg, appointed pursuant to the Agency Agreement.

"Paying Agents" means the institutions (including, where the context permits, the Paying Agent) at their respective specified offices initially appointed as paying agents

in relation to the Notes by the Issuer pursuant to the Agency Agreement and/or, if applicable, any successor paying agents at their respective specified offices.

"Payment Date" means 30 December 2024 (being the first Payment Date) and thereafter each 25th day of a month or, in the event such day is not a Business Day, then the next following Business Day, unless that day falls in the next calendar month, in which case the date will be the first preceding day that is a Business Day.

"Performing Lease Receivable" means a Lease Receivable relating to a Lease Agreement which is not a Defaulted Lease Receivable.

"Permitted Encumbrance" means:

(a) any lien or rights of set-off arising by operation of law, statute, regulation or other mandatory provisions (including but not limited to consumer protection law);

(b) in relation to any assets other than Leased Vehicles, any netting or set-off arrangement entered into by the Seller or the Servicer in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances in accordance with the general business terms of such bank;

(c) in relation to any assets other than Leased Vehicles any title transfer or retention of title arrangement entered into by the Seller or the Servicer in the ordinary course of its business;

(d) any Encumbrance created pursuant to the Issuer Deed of Charge or the Arval Deed of Charge; and

(e) any Encumbrances created over the Seller's right, title, interest and benefit in, to and under any receivables or RV Claims that are not Lease Receivables or RV Claims,

provided that any encumbrance over or in relation to (1) any Lease Receivable; (2) any right, title or interest of the Issuer in relation to any Lease Receivable; (3) any proceeds of or sums received or payable in respect of any Lease Receivable; or (4) the interest of the Issuer in any amount from time to time standing to the credit of a Bank Account, shall only be a Permitted Encumbrance under items (a) or (d) above.

"Permitted Set-Off Rights" means any right of set-off of a Lessee under (as the case may be):

(a) any advances received by the Seller from a Lessee;

(b) any amounts payable by the Seller to a Lessee due to a Variation but not yet paid; and/or

(c) any credit note, rebate, bonus or any other equivalent right granted to the Lessee in accordance with the relevant Lease Agreement, the Origination and Underwriting Procedures and the Servicing Procedures.

"Person" means any person, body corporate, association or partnership and shall include their legal personal representatives, successors and permitted assigns.

"Personal Contract Hire Agreement" means an Operating Lease Agreement entered into between the Seller and a Regulated Individual Lessee and which is regulated by the CCA.

"Portfolio" means the aggregate of the Initial Portfolio and each Additional Portfolio purchased by the Issuer from the Seller pursuant to the Receivables Purchase Agreement.

"Portfolio Criteria" has the meaning given on page 153.

"Portfolio Schedule" means a schedule substantially in the form set out in Schedule 2 to the Receivables Purchase Agreement.

"PRA Due Diligence Rules" or "PRA DD Rules" means Article 5 of Chapter 2 of the PRASR.

"PRA" means the Prudential Regulation Authority of the Bank of England.

"PRASR" means the Securitisation Part of the PRA Rulebook.

"PRA Rulebook" means the rulebook of published policy of the PRA.

"Principal Amount Outstanding" means the amount of a Note on any date shall be its original principal amount less the aggregate amount of all principal payments in respect of such Note which have become due and payable and received by the relevant Noteholder since the Closing Date except if and to the extent that any such payment has been improperly withheld or refused.

"Priority of Payments" means the Revolving Period Priority of Payments, the Normal Amortisation Period Priority of Payments, the Swap Collateral Account Priority of Payments and the Accelerated Amortisation Period Priority of Payments.

"Purchase Date" means the Initial Purchase Date or an Additional Portfolio Purchase Date.

"Purchase Price" means the Initial Purchase Price or the Additional Portfolio Purchase Price (as applicable) together with the Deferred Purchase Price.

"Purchaser" means the Issuer.

"Rated Notes" means the Class A Notes.

"Rating Agencies" means DBRS and Moody's and "**Rating Agency**" means any one of them.

"Ratings Confirmation" means written confirmation from each Rating Agency that the relevant assignment, transfer, amendment, action, determination or appointment will not result in the reduction, qualification, suspension or withdrawal of the then current ratings assigned to any outstanding Notes rated by that Rating Agency.

"Realisation Agent" means Arval.

"Realisation Procedures Rules" has the meaning given to it in Clause 24.1 (*Undertakings of the Realisation Agent*) of the Receivables Servicing Agreement.

"Realisation Services" means the services provided by the Servicer pursuant to the Receivables Servicing Agreement and as further set out in Schedule 3 (*The Realisation Services*) to the Receivables Servicing Agreement.

"Receivables Purchase Agreement" means the receivables sale and purchase agreement entered into by the Seller, the Issuer and the Issuer Security Trustee on or about the Closing Date.

"Receivables Servicing Agreement" means the receivables servicing agreement entered into on or around the Closing Date between the Issuer, the Note Trustee, the Issuer Security Trustee and Arval pursuant to which Arval will be instructed to act as Servicer and to carry out certain management, collection and recovery activities in relation to the Lease Receivables.

"Receiver" means any person or persons appointed (and any additional person or persons appointed or substituted) as an administrative receiver, receiver, manager or receiver and manager.

"Records" means:

(a) in respect of the Seller and the Servicer, the Lease Agreements, the Master Services Agreement and all formal records, files, microfiches, correspondence, notes of dealing and other documents, books, books of account, registers, records and other information and all computer tapes and discs relating to the Lease Agreements from which the Lease Receivables derive and relating to the Lessees in respect thereof (which, for the avoidance of doubt, includes electronic records); and

(b) in respect of the Fallback Sub-Maintenance Coordinator, all formal records, files, microfiches, correspondence, notes of dealing and other documents, books, books

	of account, registers, records and other information and all computer tapes and discs relating to the Maintenance Lease Services, (including without limitation the list of all garages/repairers used by the Fallback Sub-Maintenance Coordinator, their correspondence addresses and any contacts entered into with them) the Lease Agreements and the Lessees in respect thereof (which, for the avoidance of doubt, includes electronic records).
"Recoveries"	means any amount received in relation to any Defaulted Lease Receivable from the relevant Lessee, guarantors, risk participant or other sources, according to the relevant Lease Agreements and laws and regulations in force from time to time, or as a result of any enforcement proceeding, by the Servicer, acting in accordance with the Servicing Procedures, including any Issuer Share Vehicle Sale Proceeds relating to such Defaulted Lease Receivable and any enforcement of any related Ancillary Rights, (but, for the avoidance of doubt, the Issuer will not be entitled to any Excluded Amounts).
"Recovery Incentive Fee"	means the fee (inclusive of VAT) payable to the Insolvency Official of Arval on each Payment Date following an Insolvency Event of Arval in relation to the sale of the Leased Vehicles in an amount equal to 1.0% of the corresponding Vehicle Realisation Proceeds, or such amount to be agreed by the Servicer with the Insolvency Official of Arval pursuant to the Receivables Servicing Agreement, and section 89 of the Value Added Tax Act 1994 shall not apply to affect the amount of such fee.
"Registrar"	means BNP Paribas, Luxembourg Branch, acting through its registered office at 60 avenue J.F. Kennedy, L-1855, Luxembourg, appointed pursuant to the Agency Agreement.
"Registrar, Paying Agent and Listing Agent Fee Letter"	means the fee letter entered into between the Issuer and the Registrar, Payment Agent and Listing Agent on 14 November 2024.
"Regulated Business Contract Hire Agreement"	means an Operating Lease Agreement entered into between the Seller and a Regulated Business Lessee and which is regulated by or treated by the Seller as regulated by the CCA.
"Regulated Business Lessee"	means a sole trader who has entered into a Regulated Business Contract Hire Agreement with the Seller.
"Regulated Individual Lessee"	means a natural person who has entered into a Personal Contract Hire Agreement with the Seller.
"Regulated Lease Agreement"	means any Personal Contract Hire Agreement or Regulated Business Contract Hire Agreement.
"Regulated Lessee"	means either of a Regulated Individual Lessee and a Regulated Business Lessee.

"**Relevant Margin**"	means 0.66 per cent.
"Remaining Maturity"	means for any Lease Agreement, the number of months between the Cut-Off Date and the Lease Maturity Date.
"Replacement Maintenance Reserve Guarantee"	means any guarantee compliant with the Rating Agencies' criteria, pursuant to which the Replacement Maintenance Reserve Guarantor will unconditionally and irrevocably undertake to pay to the Issuer, at the Issuer's first request, all sums due to the Issuer with respect to the funding of the Maintenance Reserve Advance.
"Replacement Maintenance Reserve Guarantor"	means an entity having at least the Fallback Sub-Maintenance Coordinator Required Ratings appointed as replacement maintenance reserve guarantor by the Issuer in accordance with the terms of the Maintenance Reserve Guarantee.
"Replacement Swap Premium"	means an amount received by the Issuer from a replacement swap counterparty, or an amount paid by the Issuer to a replacement swap counterparty, upon entry by the Issuer into an agreement with such replacement swap provider to replace the Swap Counterparty.
"Replenishment Ledger"	has the meaning given on page 175.
"Reporting Agent"	means France Titrisation, a French *société par actions simplifiée* whose registered office is located at 1, Boulevard Haussmann, 75009 Paris, France, registered with the Trade and Companies Registry of Paris (France) under number 353 053 531, licensed and supervised by the *Autorité des Marchés Financiers* as portfolio management company (*société de gestion de portefeuille*) under number GP-14000030.
"Reporting Agent and Cash Manager Fee"	means the fee payable by the Issuer to the Reporting Agent pursuant to a fee letter dated on or about the Closing Date between the Issuer and the Reporting Agent and Cash Manager (the **"Reporting Agent and Cash Manager Fee Letter")**.
"Reporting Entity"	means Pulse UK 2024 plc.
"Repurchase Price"	means an amount equal to the Aggregate Outstanding Lease Principal Balance (calculated, in the case of any Lease Receivables which are to be repurchased due to breach of Lease Warranties and/or which relate to Defaulted Lease Receivables and/or if a Total Loss occurs in respect of a Leased Vehicle relating to a Lease Receivable in the Portfolio, as if such Lease Receivables are Performing Lease Receivables) of the Lease Receivables to be repurchased by the Seller as of the Cut-Off Date immediately preceding the date of such repurchase, together with any unpaid amount due by the relevant Lessees under the relevant Lease Receivables.

"Repurchaser" means Arval.

"Required Replenishment Amount" means, on any Payment Date during the Revolving Period, an amount equal to the highest of:

(a) zero; and

(b) the difference between:

(a) the sum of the Initial Principal Amount of all the Notes; and

(b) the Aggregate Performing Outstanding Lease Principal Balance on the Cut-Off Date immediately preceding such Payment Date.

"Required Reserve Amount" means the Liquidity Reserve Required Amount, the Maintenance Reserve Required Amount, the Commingling Reserve Required Amount and the Set-Off Reserve Required Amount as applicable.

"Reserve Loan" means the reserve loan provided to the Purchaser by the Reserve Loan Provider pursuant to the terms of the Reserve Loan Agreement.

"Reserve Loan Agreement" means the reserve loan agreement entered into on or about the Closing Date between the Reserve Loan Provider, the Issuer and the Issuer Security Trustee.

"Reserve Loan Provider" means Arval in its capacity as Reserve Loan provider pursuant to the Reserve Loan Agreement.

"Residual Deferred Purchase Price" means, on any applicable Payment Date, all remaining Available Distribution Amounts available for distribution at item (n) of the Revolving Period Priority of Payments, item (p) of the Normal Amortisation Period Priority of Payments and item (o) of the Accelerated Amortisation Period Priority of Payments.

"Residual Value" or "**RV**" means, in relation to a Leased Vehicle, the estimated residual value (excluding any VAT) of such Leased Vehicle at its Lease Maturity Date, as calculated by the Seller (as lessor) upon signature of the Lease Agreement and as may be recalculated by the Servicer further to any Variation of the relevant Lease Agreement.

"Retail Lease Receivable" means any Lease Receivable deriving from a Lease Agreement entered into between the Seller and a Retail Lessee.

"Retail Lessee" means a Business Lessee, a Regulated Business Lessee and a Regulated Individual Lessee.

"Retained Profit Ledger" has the meaning given on page 175.

"Revised Purchase Date" means the revised date indicated on a revised Transfer Notice on which the Seller wishes to sell and assign to the Issuer an Additional Portfolio in

accordance with Clause 2.6 (*Sale of Additional Portfolios*) of the Receivables Purchase Agreement.

"Revolving Period" means the period commencing on (and including) the Closing Date and ending on the earlier of (a) the Payment Date (included) falling in November 2025 (the **"Revolving Period End Date"**), and (b) the Payment Date (excluded) following the date on which a Revolving Period Termination Event occurs.

"Revolving Period Priority of Payments" has the meaning given on page 76.

"Revolving Period Termination Event" means the occurrence of any of the following:

(a) the amount credited to the Replenishment Ledger and remaining in the General Account (including without limitation, following such amounts as applied in accordance with the applicable Priority of Payments) on two (2) consecutive Payment Dates exceeds twenty per cent. (20%) of the Aggregate Outstanding Lease Principal Balance of the Initial Portfolio on the Initial Entitlement Date;

(b) the Cumulative Default Ratio exceeds 4.0 per cent. on any Payment Date;

(c) a Servicer Termination Event has occurred and is continuing;

(d) a Fallback Sub-Maintenance Coordinator Termination Event has occurred and is continuing;

(e) a Seller Event of Default has occurred and is continuing;

(f) a Downgrade Event has occurred and no Back-Up Servicer or no Back-Up Fallback Sub-Maintenance Coordinator has been appointed within one hundred and twenty (120) calendar days following such event in accordance with the provisions of the Transaction Documents;

(g) the Swap Counterparty ceases to have the Minimum Required Ratings set out in the Swap Agreement and the Swap Counterparty has failed to provide collateral in accordance with the provisions of the Swap Agreement and/or has not transferred or novated any and all of its rights and obligations with respect to the Swap Agreement to an entity that has the required ratings set out in the Swap Agreement to be the Swap Counterparty, pursuant to the criteria set out by Moody's and DBRS, or has not procured an eligible guarantor having at least the required ratings set out in the Swap Agreement to guarantee any and all of its

obligations under, or in connection with, the Swap Agreement;

(h) on any Payment Date after giving effect to the Revolving Period Priority of Payments, there has been insufficient Available Distribution Amount in order to fund the Liquidity Reserve Account up to the Liquidity Reserve Required Amount, pursuant to item (g) of the Revolving Period Priority of Payments;

(i) on any Payment Date, the amount standing to the credit of:

(a) the Commingling Reserve Account is lower than the Commingling Reserve Required Amount; and/or

(b) the Set-Off Reserve Account is lower than the Set-Off Reserve Required Amount; and/or

(c) the Maintenance Reserve Account is lower than the Maintenance Reserve Required Amount;

(j) on any three consecutive Payment Dates after giving effect to the Revolving Period Priority of Payments, the Deficiency Level exceeds 0.1% of the Aggregate Outstanding Principal Amount of all Classes of Notes;

(k) the occurrence of a Sale Trigger Event; or

(l) an Accelerated Amortisation Event has occurred and is continuing.

"RV Claims" means the right to receive all proceeds derived from the Leased Vehicles other than Lease Receivables (including, for the avoidance of doubt, any sale proceeds or amounts arising as a result of entering into a new lease with respect to such Leased Vehicle which does not constitute a Lease Receivable (but excluding any costs or amounts incurred in relation to such new lease)).

"RV Deferred Purchase Price" means, for each relevant Lease Receivable, the right to receive the amount by which aggregate Total Vehicle Sale Proceeds exceed the aggregate Issuer Share Vehicle Sale Proceeds derived from the Leased Vehicles to be paid by the Issuer to the Seller.

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

"Salary Sacrifice Lease Agreement" means a Corporate Contract Hire Agreement or a Business Contract Hire Agreement pursuant to which the relevant Corporate Lessee hires the relevant Leased Vehicle in the context of a scheme whereby an employee of such Corporate Lessee

agrees to a reduction in salary in exchange for use of the relevant Leased Vehicle.

"Sale Required Ratings" means with respect to Arval Company Group (or if Arval Company Group is not assigned any such ratings, the Majority Shareholder), the following ratings:

(a) a long-term unsecured, unsubordinated and unguaranteed debt obligations rating of at least “Baa3” by Moody’s; and

(b) at least a DBRS Critical Obligations Rating of at least "BBB (high)" or (ii) if a DBRS Critical Obligations Rating is not currently maintained, a DBRS Long-term Rating of at least "BBB", or, if there is no DBRS Long-term Rating, but the Fallback Sub-Maintenance Coordinator is rated by any one of Fitch, Moody's and S&P a DBRS Equivalent Rating with respect to its long-term debt obligations between "1" and "9";

or such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then ratings of the Class A Notes.

"Sale Trigger Event" has the meaning given to it on page 91.

"Scheduled Collections" means all Lease Instalments in respect of the Lease Receivables expected to be received at any time during the Collection Period in the calendar month following a Payment Date.

"Scottish Declaration of Trust" means each declaration of trust in relation to Scottish Receivables constituted pursuant to a Transfer Notice delivered pursuant to the Receivables Purchase Agreement by means of which the sale of such Scottish Receivables by the Seller to the Issuer and the transfer of the beneficial interest therein to the Issuer are given effect.

"Scottish Receivables" means those Lease Receivables for which the relevant Lessee: (i) if a company, is incorporated under the laws of Scotland or has its registered office in Scotland, or (ii) if an individual, is resident in Scotland.

"Scottish Supplemental Charge" means each assignation in security granted by the Issuer in favour of the Issuer Security Trustee in respect of the Issuer's interest in a Scottish Declaration of Trust entered into pursuant to the Issuer Deed of Charge and in substantially the form set out in Schedule 3 (*Form of Scottish Supplemental Charge*) thereto.

"**Scottish Trust**" means the trust declared by the Seller pursuant to a Scottish Declaration of Trust.

"**Scottish Trust Property**" has the meaning given to it in the relevant Scottish Declaration(s) of Trust.

"Screen"	means Reuters Screen SONIA; or (a) such other page as may replace Reuters Screen SONIA on that service for the purpose of displaying such information; or (b) if that service ceases to display such information, such page as displays such information on such service (or, if more than one, that one previously selected by the Issuer) as may replace such screen.
"**SECN**"	means the securitisation sourcebook of the FCA Handbook
"Second Threshold DBRS Compliant Entity"	means an entity that could lawfully perform the obligations owing to the Issuer under the Swap Agreement and: (a) the Long-Term DBRS Rating of such entity is at least as high as "BBB"; or (b) the obligations of such entity under the Swap Agreement are guaranteed by an entity whose Long-Term DBRS Rating is at least as high as "BBB".
"Securities Act"	means the U.S. Securities Act of 1933 as amended.
"Securitisation Transaction"	means the securitisation of the Lease Receivables made by the Seller with the Issuer through the issuance of the Notes on the Closing Date.
"Security Interest"	means any mortgage, sub mortgage, standard security, charge, sub charge, assignment, assignation in security, pledge, lien, right of set off or other encumbrance or security interest.
"Seller"	means Arval.
"Seller Collection Account Bank"	means BNP Paribas, London Branch.
"**Seller (Customer) Collection Account**"	means the bank account in the name of the Seller, into which collections credited in the normal course of business in respect of the Lease Agreements will be paid, including, but not limited to, all rentals, servicing fees and other amounts payable by customers and, for the avoidance of doubt, including any reimbursements and any Recoveries.
"**Seller (Non-Customer) Collection Account**"	means the dedicated bank account in the name of the Seller, which has been opened with the Seller Collection Account Bank and which is used exclusively for the purpose of the securitisation programme, and into which Collections are swept on a weekly basis.
"**Seller Collection Account Declaration of Trust**"	means the seller collection account declaration of trust originally dated on or about the Closing Date between, among others, the Seller and the Issuer

whereby the Seller declares a trust over the Seller (Non-Customer) Collection Account.

"Seller Event of Default" means with respect to Arval in its capacity as Seller and Repurchaser (but excluding, for the avoidance of doubt, in its capacity as Servicer), the earliest to occur of the following:

(a) a default is made by Arval in the payment on the due date of any amount due and payable by it under any Transaction Document to which it is a party (except, in relation to the payment of the Maintenance Reserve Advance, if the Maintenance Reserve Advance has been funded by the Maintenance Reserve Guarantor up to the Maintenance Reserve Required Amount pursuant to the Maintenance Reserve Guarantee) and such failure is not remedied within five (5) Business Days (or fifteen (15) calendar days if the breach is due to *force majeure* or technical reasons) after notice thereof has been given by the Purchaser or the Issuer Security Trustee to Arval;

(b) Arval fails duly to perform or comply with any of its material obligations under any Transaction Document to which it is a party (other than a payment obligation referred to in paragraph (a) above) and if such failure is capable of being remedied, such failure, is not remedied within twenty (20) Business Days after notice thereof has been given by the Purchaser or the Issuer Security Trustee to Arval or such other party;

(c) an Insolvency Event has occurred in respect of Arval;

(d) Arval is dissolved or other procedures are initiated which will or may result in a liquidation of Arval (other than due to an intra-group merger where Arval is the surviving entity);

(e) any representation or warranty in the Receivables Purchase Agreement granted by Arval or in any report provided by Arval, is materially false or incorrect and such inaccuracy, if capable of remedy, is not remedied within ten (10) Business Days (or fifteen (15) calendar days if the breach is due to *force majeure* or technical reasons) of notice from the Issuer and has a material adverse effect in relation to the Issuer.

"Senior Expenses" means the amounts payable:

(a) to the Note Trustee, the Arval Security Trustee and Issuer Security Trustee under the Trust Deed, the Arval Deed of Charge and the Issuer Deed of Charge and in each

case, its Appointees or Arval Security Trustee Appointees (as applicable);

(b) to the Paying Agent, the Registrar and the Agent Bank under the Agency Agreement;

(c) to the Account Bank under the Bank Account Agreement;

(d) to the Cash Manager under the Cash Management Agreement;

(e) to the Corporate Services Provider under the Corporate Services Agreement;

(f) to the Reporting Agent under the Receivables Servicing Agreement;

(g) to the Data Protection Agent and to the Data Trustee under the Data Protection Agency Agreement;

(h) to the Rating Agencies for the fees concerning the monitoring;

(i) to the directors of the Issuer;

(j) to the Servicer under the Receivables Servicing Agreement;

(k) to any Insolvency Official of Arval for any Servicing Incentive Fee, any Recovery Incentive Fee, and any Maintenance Liquidation Fee, as applicable;

(l) to the Back-Up Servicer, Back-Up Realisation Agent or Substitute Servicer (if appointed) for any stand-by, activation and/or services fees as may be agreed between the Issuer, the Issuer Security Trustee, and the Back-Up Servicer, Back-Up Realisation Agent or Substitute Servicer, as applicable;

(m) to the Back-Up Servicer Facilitator for the Back-Up Servicer Facilitator Fee;

(n) to the Back-Up Fallback Sub-Maintenance Facilitator for the Back-Up Fallback Maintenance Facilitator Fee;

(o) to the Fallback Sub-Maintenance Coordinator for the Fallback Sub-Maintenance Coordinator Fee;

(p) to the Back-Up Fallback Sub-Maintenance Coordinator or Substitute Fallback Sub-Maintenance Coordinator (if appointed) for any stand-by, activation and/or services fees as may be agreed between the Issuer, the Issuer Security Trustee, and the Back-Up Fallback Sub-Maintenance Coordinator or

Substitute Fallback Sub-Maintenance Coordinator, as applicable; and

(q) in respect of other costs and expenses of the Issuer (including any part thereof which represents VAT thereof) payable to a person other than a Transaction Party (subject to compliance with the Transaction Documents) including any costs relating to the listing of the Notes, STS Verification, and maintenance and related costs not covered by Arval measured by or on behalf of the Purchaser.

"Servicer" means Arval.

"Servicer Fee" means the fee (inclusive of VAT) payable by the Issuer to the Servicer on each Payment Date in equal portions according to the applicable Priority of Payments and calculated as:

(a) in respect of the lease portfolio administration and management tasks, a servicing fee of 0.55% per annum of the Aggregate Performing Outstanding Lease Principal Balance (excluding any Delinquent Lease Receivable) as at the commencement of the Collection Period (for the avoidance of doubt, after inclusion of any Additional Portfolio) ending immediately prior to the relevant Payment Date (plus any applicable taxes) (the "**Servicing Fee**"); *plus*

(b) in respect of the collection and recovery process tasks, a recovery fee of 1.0% per annum of the sum of (i) the aggregate of the Outstanding Lease Principal Balance of the Defaulted Lease Receivables and (ii) the aggregate of the Outstanding Lease Principal Balance of the Delinquent Lease Receivables as at the commencement of the Collection Period ending immediately prior to the relevant Payment Date (plus any applicable taxes) (the "**Recovery Fee**"),

it being agreed that on each Payment Date the aggregate amount of Servicing Fee and Recovery Fee paid to the Servicer shall not be greater than 0.60% per annum of the Aggregate Outstanding Lease Principal Balance as at the commencement of the Collection Period (for the avoidance of doubt, after inclusion of any Additional Portfolio) ending immediately prior to the relevant Payment Date (plus any applicable taxes).

"**Servicer Standard of Care**" means the standard of care described in Clause 3 (*Standard of Care*) of the Receivables Servicing Agreement.

"Servicer Termination Event" has the meaning given to it on page 91.

"Servicing Incentive Fee" means the fee (inclusive of VAT) payable by the Issuer to any Insolvency Official of Arval on each

	Payment Date in equal portions upon the occurrence of an Insolvency Event of Arval and until the activation of the Substitute Servicer, subject to the Servicer complying in all material respects with its obligations under the Receivables Purchase Agreement and the Receivables Servicing Agreement, in an amount equal to 0.40 per cent. per annum of the Aggregate Outstanding Lease Principal Balance as at the commencement of the Collection Period (for the avoidance of doubt, after inclusion of any Additional Portfolio) ending immediately prior to the relevant Payment Date as calculated by the Cash Manager on behalf of the Issuer.
"Servicing Procedures"	means the customary and usual management and servicing procedures usually applied from time to time by the Servicer for managing, collecting and servicing the Lease Receivables and any other lease receivables not assigned to the Issuer. A summary of the Servicing Procedures applied by the Servicer as at the Closing Date are appended to the Receivables Servicing Agreement. See Section "SELLER'S SERVICING PROCEDURES" of this Prospectus.
"Servicing Report"	means the servicing report of the Servicer substantially in the form agreed between the Servicer and the Issuer, from time to time, in accordance with the Receivables Servicing Agreement.
"Set-Off Reserve Account"	means the bank account opened and maintained in the name of the Issuer with the Account Bank in accordance with the Bank Account Agreement or with any replacement account bank in accordance with any substitute bank account agreement, to be credited with the Set-Off Reserve Advance.
"Set-Off Reserve Advance"	means the advance made by the Servicer on the Set-Off Reserve Account in an amount equal to the Set-Off Reserve Required Amount following the occurrence of a Set-Off Reserve Trigger Event pursuant to the Receivables Servicing Agreement and the Reserve Loan Agreement, to protect the Issuer against the risk of set-off, deduction or withholding applied by the Lessees against payments due under the Lease Receivables where those amounts have not yet been paid by the Servicer to the Issuer as a Deemed Collection.
"Set-Off Reserve Required Amount"	means: (a) on the Closing Date and for as long as no Set-Off Reserve Trigger Event has occurred and is continuing: GBP 0; (b) upon the occurrence of a Set-Off Reserve Trigger Event which is continuing, an amount (as determined on the Cut-Off Date immediately preceding each Payment Date) equal to the sum of:

(a) in respect of each Lease Agreement, any amounts accounted for under item (a) and item (b) of the definition of "Permitted Set-Off Rights"; and

(b) in respect of each Lessee, any amounts accounted for under item (c) of the definition of "Permitted Set-Off Rights" (applying a *pro rata* between the Lease Agreements included in the Portfolio and other lease agreements entered into by the Lessee with the Seller).

"Set-Off Reserve Required Ratings" means with respect to Arval Company Group and the Majority Shareholder, the following ratings:

(a) a long-term unsecured, unsubordinated and unguaranteed debt obligations rating of at least “Baa3” by Moody’s; and

(b) at least a DBRS Critical Obligations Rating of at least "BBB (high)" or (ii) if a DBRS Critical Obligations Rating is not currently maintained, a DBRS Long-term Rating of at least "BBB", or, if there is no DBRS Long-term Rating, but Arval Company Group, or the Majority Shareholder as applicable, is rated by any one of Fitch, Moody's and S&P a DBRS Equivalent Rating with respect to its long-term debt obligations between "1" and "9";

or such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then ratings of the Class A Notes.

"Set-Off Reserve Trigger Event" has the meaning given to it on page 91.

"Severe Deterioration Event" means all or any part of the property, business, undertakings, assets or revenues of the Seller having an aggregate value in excess of £150,000,000 having been attached as a result of any distress, execution or diligence being levied or any encumbrancer taking possession or similar attachment and such attachment having not been lifted within thirty (30) calendar days.

"Share Trustee" means CSC Corporate Services (UK) Limited and having its registered office at 10th Floor, 5 Churchill Place, London, United Kingdom, E14 5HU holds one share of Holdings on trust for discretionary purposes.

"SONIA Reference Rate" means in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Screen or, if the Screen is unavailable, as otherwise published by such

	authorised distributors (on the London Banking Day immediately following such London Banking Day). If, in respect of any London Banking Day in the relevant Observation Period, the Agent Bank determines that the SONIA Reference Rate is not available on the Screen or has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate shall be: (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Banking Day; plus (ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.
"**SR 2024**"	means the UK's Securitisation Regulations 2024 (SI 2024/102).
"**Standard Industrial Classification**" or "**SIC**"	means the standard industrial classification of economic activities (1992 version) (howsoever described) published by the United Kingdom Office of National Statistics (or any further version published from time to time as may be selected by the Seller).
"Start-up Reserve Advance"	means the advance made by the Seller on the General Account in an amount equal to £2,749,746.06 on the Closing Date pursuant to the Reserve Loan Agreement and which will be used by the Issuer towards payment of the amounts referred to in items (a) to (l) of the Revolving Period Priority of Payments then due and payable by the Issuer in an amount of (i) 2,342,304.38 on the first Payment Date and (ii) £407,441.68 on the second Payment Date.
"Sterling" and "£"	means the lawful currency for the time being of the United Kingdom of Great Britain and Northern Ireland.
"Sterling Swap Collateral Account"	means the swap collateral account opened by the Issuer on or prior to the Closing Date and maintained with the Account Bank in accordance with the provisions of the Bank Account Agreement for the purposes of holding collateral denominated in Sterling (or such additional account denominated in Sterling as may be required for the deposit of securities) and posted by the Swap Counterparty pursuant to the Swap Agreement.
"stevensdrake"	means stevensdrake limited (as also defined in page 133).
"Substitute Fallback Sub-Maintenance Coordinator"	means at any time an entity appointed as substitute Fallback Sub-Maintenance Coordinator by the Issuer, with the prior consent of the Issuer Security

	Trustee, in accordance with the terms of the Fallback Sub-Maintenance Coordinator Agreement.
"Substitute Servicer"	means at any time an entity appointed as substitute servicer by the Issuer in accordance with the terms of the Receivables Servicing Agreement.
"Suitable Entity"	means, an entity which (i) is located in England and Wales, (ii) is (if applicable) authorised as Back-Up Servicer, Trustee Agent or Back-Up Fallback Sub-Maintenance Coordinator, as the case may be and (iii) is capable of performing the Back-Up Servicer Role in the case of the Back-Up Servicer, the Back-Up Fallback Sub-Maintenance Coordinator Role in the case of the Back-Up Fallback Sub-Maintenance Coordinator and the Trustee Agent Role in the case of the Trustee Agent.
"Swap Agreement"	means the swap agreement, consisting of an ISDA 2002 Master Agreement, a schedule and a credit support annex thereto and a confirmation thereunder, entered into on or about the Closing Date between the Issuer and the Swap Counterparty.
"Swap Collateral"	means, at any time, any asset (including, without limitation, cash and/or securities) which is paid or transferred by the Swap Counterparty to the Issuer as collateral to secure the performance by the Swap Counterparty of its obligations under the Swap Agreement together with any income or distributions received in respect of such asset and any equivalent of such asset into which such asset is transformed.
"Swap Collateral Account"	means the Sterling Swap Collateral Account and any Additional Swap Collateral Account, as the context may permit.
"Swap Collateral Account Priority of Payments"	has the meaning ascribed to such term in Section "Bank Accounts and Cash Management" of this Prospectus.
"Swap Collateral Account Surplus"	has the meaning ascribed to such term in Section "Bank Accounts and Cash Management" of this Prospectus.
"Swap Counterparty"	means BNP Paribas.
"Swap Counterparty Ratings Trigger"	has the meaning given to it on page 91.
"Swap Fixed Amount"	means the "*Fixed Amount*" as defined in the Swap Agreement.
"Swap Floating Amount"	means the "*Floating Amount*" as defined in the Swap Agreement.
"Swap Net Amount"	means, in respect of any Payment Date, the absolute value of the difference between the Swap Floating Amount and the Swap Fixed Amount, provided that in the event that the Swap Floating Amount exceeds the Swap Fixed Amount, Swap Net Amount shall be due and payable by the Swap Counterparty to the Issuer and in the event that the Swap Fixed Amount

	exceeds the Swap Floating Amount, the Swap Net Amount shall be due and payable by the Issuer to the Swap Counterparty.
"Swap Senior Termination Amount"	means any Swap Termination Payment due and payable to the Swap Counterparty under the Swap Agreement other than a Swap Subordinated Termination Amount.
"Swap Subordinated Termination Amount"	means the termination amounts payable to the Swap Counterparty in connection with an early termination of the Swap Agreement where such termination results from: (i) an "*Event of Default*" in respect of which the Swap Counterparty is the "*Defaulting Party*" or (ii) an "*Additional Termination Event*" as a result of the failure of the Swap Counterparty to comply with the requirements of the rating downgrade provisions (as such terms are defined in the Swap Agreement) and payable in accordance with the relevant Priority of Payments.
"Swap Termination Payments"	means any termination payment payable to or, as the case may be, from the Swap Counterparty upon early termination of a transaction under the Swap Agreement.
"Tax Authority"	means any government, state or municipality or any local, state, federal or other authority, body or official anywhere in the world exercising a fiscal, revenue, customs or excise function (including, without limitation, His Majesty's Revenue and Customs).
"Tax Credit"	means any credit, allowance, set-off or repayment received by the Issuer in respect of tax from the tax authorities of any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Swap Counterparty to the Issuer or a decreased payment by the Issuer to the Swap Counterparty, in each case under the terms of the Swap Agreement.
"Title Documents"	means the documents relating to or otherwise evidencing the title to the Charged Vehicles or possession thereof and including, for the avoidance of doubt, any vehicle registration documents.
"Total Loss"	means, in relation to any Lease Agreement and the related Vehicle, a Leased Vehicle that has been declared by insurers or an expert designated by the parties to the Lease Agreement as (i) stolen for more than one (1) month, (ii) non-repairable or (iii) declared as such for safety reasons or where the necessary repairs are deemed too costly, unachievable or where such repairs may not be efficient.
"Total Loss Insurance Indemnities"	means, in relation to any Lease Agreement and the related Leased Vehicle, any amounts expressed to be payable by an Insurance Company to the Seller

	under the relevant Insurance Policy as indemnity for the Total Loss of such Leased Vehicle.
"Total Vehicle Sale Proceeds"	means, in relation to the sale or other disposal (including by way of bailment) of a Leased Vehicle, any and all proceeds resulting therefrom.
"Transaction Documents"	means the Agency Agreement, the Bank Account Agreement, the Cash Management Agreement, the Corporate Services Agreement, the Issuer Deed of Charge, the Arval Deed of Charge, the Master Definitions Schedule, the Receivables Purchase Agreement, any Transfer Notice, the Receivables Servicing Agreement, the Fallback Sub-Maintenance Coordinator Agreement, the Maintenance Reserve Guarantee, the Reserve Loan Agreement, the Swap Agreement, the Trust Deed, the Seller Collection Account Declaration of Trust, the Issuer Power of Attorney, the Seller Power of Attorney, the Fee Letters, the Data Protection Agency Agreement, each Scottish Declaration of Trust, each Scottish Supplemental Charge and any other agreement or document from time to time designated as such by the Issuer and the Issuer Security Trustee.
"Transaction Party"	means any person who is a party to a Transaction Document and "**Transaction Parties**" means some or all of them.
"Transfer Notice"	means a transfer notice from the Seller to the Issuer, the Issuer Security Trustee and the Cash Manager, substantially in the form as set out in Schedule 1 (*Form of Transfer Notice*) to the Receivables Purchase Agreement.
"Treasury Transactions"	means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price.
"Trust Deed"	means the trust deed entered into on the Closing Date between the Issuer and the Note Trustee pursuant to which the Notes are constituted.
"**Trust Documents**"	means the Trust Deed and the Issuer Deed of Charge and any other agreement to which a Security Interest is created in favour of the Issuer Security Trustee on behalf of the Issuer Secured Creditors (each as from time to time modified in accordance therewith).
"Trustee Agent"	means the Suitable Entity procured by Arval or, as the case may be, the Issuer and appointed by the Arval Security Trustee to perform the Trustee Agent Role appointed as agent of the Arval Security Trustee (and not, for the avoidance of doubt, as agent of Arval) to perform the discretions of the Arval Security Trustee as set out in Clause 13 (*Crystallisation*) of the Arval Deed of Charge.
"Trustee Agent Role"	has the meaning given on page 171.

"UK"	"UK" means the United Kingdom of Great Britain and Northern Ireland.
"UK CRR"	means Regulation (EU) No 575/2013 as it forms part of domestic law of the United Kingdom by virtue of the EUWA, including any applicable regulations, rules, guidance or other implementing measures of the FCA, the Bank of England or the PRA (or their successor) in relation thereto.
"UK Due Diligence Rules" or "UK DD Rules"	means the PRA DD Rules, the FCA DD Rules and the OPS DD Rules.
"UK EMIR"	means UK domestic legislation or regulation from time to time that has the effect of implementing EU EMIR, with any applicable modifications, in the United Kingdom.
"UK GDPR"	means the GDPR as it forms part of the domestic law of the United Kingdom by virtue of the EUWA and any implementing laws or regulations in force in the United Kingdom in relation to the GDPR or amending the GDPR as it applies in the United Kingdom (together with applicable directions, secondary legislation, guidance, regulatory technical standards, implementing technical standards and related documents published by the Information Commissioner).
"UK Insolvency Regulation"	means Regulation (EU) 2015/848 as it forms part of domestic law by virtue of the EUWA and the Insolvency (Amendment) (EU Exit) Regulations 2009, SI 2019/146.
"UK Non-ABCP STS Criteria"	means SECN 2.2.2R to SECN 2.2.29R (inclusive).
"UK Reporting Entity"	means the entity designated in accordance with SECN 6.3.1R(1).
"UK Securitisation Framework" or "UKSF"	means SR 2024, SECN, and PRASR, together with the relevant provisions of FSMA.
"UK Securitisation Regulation"	means Regulation (EU) 2017/2402 as it forms part of the domestic law by virtue of the EUWA, including any relevant binding technical standards, regulations, instruments, rules, policy statements, guidance transitional relief or other implementing measures of the FCA (the Bank of England, the PRA, the Pensions Regulator or other relevant UK regulator (or their successor) in relation thereto.
"UK Securitisation Repository Operational Standards"	means Commission Delegated Regulation (EU) 2020/1229 (the "**2020/1229 RTS**") as it forms part of domestic law by virtue of the EUWA, including any applicable regulations, rules, guidance or other implementing measures of the FCA (or its successor) in relation thereto.
"UK STS Notification"	means a notification to the FCA made in accordance with SECN 2.5.

"UK STS Notification Technical Standards"	means Commission Delegated Regulation (EU) 2020/1226 and Commission Implementing Regulation (EU) 2020/1227 as these form part of domestic law by virtue of the EUWA, including any applicable regulations, rules, guidance or other implementing measures of the FCA or other relevant UK regulator (or their successor) in relation thereto.
"UK STS Rules"	means Part 4 of the SR 2024 together with SECN 2.
"UK STS Securitisation"	has the meaning set out for "STS securitisation " in Regulation 9 of the SR 2024.
"UNCITRAL Implementing Regulations"	means The Cross Border Insolvency Regulations 2006 (SI 2006/1030).
"Unregulated Lease Agreement"	means a Corporate Contract Hire Agreement and/or a Business Contract Hire Agreement.
"Variation"	means, in respect of a Lease Agreement and the related Lease Receivable, an amendment or variation, whether by way of written or oral agreement, which is in line with the Origination and Underwriting Procedures and the Servicing Procedures (including, without limitation, the extension or reduction of mileage and term of the relevant lease agreement), or the exercise of any waiver, but excluding any Lease Agreement Early Termination.
"VAT" or "Value Added Tax"	means value added tax imposed by the United Kingdom as referred to in VATA and legislation (whether delegated or otherwise) replacing the same or supplemental thereto or in any primary or subordinate legislation promulgated by the European Union or any official body or agency thereof, and any similar turnover tax replacing or introduced in addition to any of the same or any similar sales, purchase or turnover tax chargeable outside the European Union, if any amount or fee payable by the Issuer is expressed to be inclusive of VAT, section 89 of VATA shall not apply to such amount.
"VAT Collections"	means the aggregate VAT Components actually received.
"VAT Component"	means in relation to each supply made by Arval in relation to a Leased Vehicle for which any Collections (or any part thereof) are the consideration for VAT purposes, such part of such Collections received by the Issuer as equals the amount of VAT on that supply for which Arval is required to account to the relevant Tax Authority.
"**VAT Deferred Purchase Price**"	means in relation to each calendar month, an amount payable to the Seller in accordance with the Receivables Purchase Agreement in an amount equal to all the VAT Collections received by the Issuer during that calendar month in relation to any Leased Vehicles relating to the Portfolio.

"**VAT Receivable**"	means in relation to any Leased Vehicle the VAT Component owed by any Lessee in respect of each monthly rental instalment under a Lease Agreement.
"VATA"	means the Value Added Tax Act 1994.
"Vehicle"	means any private passenger motor vehicle or a light commercial vehicle on 4 wheels, more than or equal to 0.5 tonnes and less than or equal to 3.5 tonnes.
"**Vehicle Realisation Proceeds**"	means, in relation to the sale of the Leased Vehicles as from the occurrence of an Insolvency Event with respect to the Seller, the sum of the sale proceeds arising from the realisation (sale or other disposal) of each Leased Vehicle less any realisation costs incurred in connection with such realisation.

INDEX OF DEFINED TERMS

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Corporate Services Provider of the Issuer

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Arranger and Lead Manager

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75009 Paris
France

Seller, Servicer, Fallback Sub-Maintenance Coordinator and Reserve Loan Provider

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Swap Counterparty

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