

THE "TERMS AND CONDITIONS OF THE NOTES" SECTION FROM
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TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of Notes to be issued by each of the Issuers which will be incorporated by reference into each global Note and which will be endorsed upon each definitive Note. The applicable Final Terms in relation to any Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes.

In the case of the Notes issued by Toyota Credit Canada Inc., the following restrictions should be noted: unless otherwise specified in the applicable Final Terms (i) the minimum maturity is five years from the Issue Date of such Notes; (ii) Notes may not be redeemed at the option of the Noteholders prior to the fifth anniversary of the Issue Date of such Notes; (iii) in the case of a Series of Notes redeemable in instalments, the aggregate amount of all instalments payable within the first five years may not exceed 25 per cent. of the principal amount of such Notes; and (iv) except in the case of an Index-Linked Note which qualifies as a "prescribed obligation" for the purposes of the Income Tax Act (Canada), no portion of the interest payable on a Note shall be contingent or dependent upon the use of or production from property in Canada or may be computed by reference to revenue, profit, cash flow, commodity price or any other similar criterion or by reference to dividends paid or payable to shareholders of any class of shares in the capital stock of a corporation.

This Note is one of a series of Notes constituted by a trust deed dated 30th September, 1992 as amended, supplemented or restated by a Supplemental Trust Deed dated 25th May, 1993, a Second Supplemental Trust Deed dated 31st January, 1994, a Third Supplemental Trust Deed dated 16th May, 1996, a Fourth Supplemental Trust Deed dated 29th May, 1998, a Fifth Supplemental Trust Deed dated 7th July, 1999, an Amended and Restated Trust Deed dated 31st August, 2000, an Amended and Restated Trust Deed dated 31st August, 2001, an Amended and Restated Trust Deed dated 27th September, 2002, an Amended and Restated Trust Deed dated 26th September, 2003, an Amended and Restated Trust Deed dated 24th September, 2004 and an Amended and Restated Trust Deed dated 30th September, 2005 (together, the "Trust Deed", which expression shall mean the same as may from time to time be amended, supplemented or restated) made between, *inter alia*, Toyota Motor Finance (Netherlands) B.V., Toyota Credit Canada Inc., Toyota Finance Australia Limited and Toyota Kreditbank GmbH as Issuers and Union Bank of California N.A. as trustee (the "Trustee", which expression shall wherever the context permits include all other persons or companies for the time being acting as trustee under the Trust Deed). References herein to the "Issuer" shall be references to the party specified as such in the applicable Final Terms (as defined below). References herein to the "Notes" shall be references to the Notes of this Series (as defined below) and shall mean (i) in relation to any Notes represented by a global Note, units of the lowest Specified Denomination in the Specified Currency of issue, (ii) definitive Notes issued in exchange (or part exchange) for a global Note and (iii) any global Note. The Notes and the Receipts and the Coupons (each as defined below) also have the benefit of an Agency Agreement dated 30th September, 1992 as amended, supplemented or restated by a First Supplemental Agency Agreement dated 31st January, 1994, a Second Supplemental Agency Agreement dated 16th May, 1996, a Third Supplemental Agency Agreement dated 29th May, 1998, a Fourth Supplemental Agency Agreement dated 7th July, 1999, an Amended and Restated Agency Agreement dated 31st August, 2000, an Amended and Restated Agency Agreement dated 31st August, 2001, an Amended and Restated Agency Agreement dated 27th September, 2002, an Amended and Restated Agency Agreement dated 26th September, 2003, an Amended and Restated Agency Agreement dated 24th September, 2004 and an Amended and Restated Agency Agreement dated 30th September, 2005 (together, the "Agency Agreement", which expression shall mean the same as may from time to time be amended, supplemented or restated) and made between, *inter alia*, the Issuers, the Trustee, JPMorgan Chase Bank, N.A., as issuing and principal paying agent and, if so specified in the applicable Final Terms, as calculation agent (the "Agent", which expression shall include any successor agent or any other calculation agent specified in the applicable Final Terms) and the other paying agents named therein (together with the Agent, the "Paying Agents", which expression shall include any additional or successor paying agents). The Notes, the Receipts and the Coupons

also have the benefit of certain Credit Support Agreements governed by Japanese law, one between Toyota Motor Corporation (the “*Parent*”) and Toyota Financial Services Corporation (“*TFS*”) dated 14th July, 2000 as supplemented by a Supplemental Credit Support Agreement dated 14th July, 2000 and a Supplemental Credit Support Agreement No. 2 dated 2nd October, 2000 (collectively, the “*Supplemental Credit Support Agreements*”) and others between TFS and each of Toyota Credit Canada Inc., Toyota Motor Finance (Netherlands) B.V. and Toyota Finance Australia Limited dated 7th August, 2000 and Toyota Kreditbank GmbH dated 8th September, 2005.

Subject to applicable laws and regulations, Toyota Credit Canada Inc. may agree to issue Notes in registered form (“*Registered Notes*”). With respect to any Tranche of Registered Notes, Toyota Credit Canada Inc. will appoint, under a transfer, paying agency and registry agreement, a transfer agent, paying agent and registrar, all as more fully described in the relevant Final Terms.

Interest bearing definitive Notes (unless otherwise indicated in the applicable Final Terms) have interest coupons (“*Coupons*”) and, if indicated in the applicable Final Terms, talons for further Coupons (“*Talons*”) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons. Definitive Notes repayable in instalments have receipts (“*Receipts*”) for the payment of the instalments of principal (other than the final instalment) attached on issue.

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note which supplement these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Note, including without limitation terms and conditions relating to Registered Notes issued by Toyota Credit Canada Inc. References herein to the “*applicable Final Terms*” are to Part A of the Final Terms attached to or endorsed on this Note.

The Trustee acts for the benefit of the holders of the Notes (the “*Noteholders*”, which expression shall, in relation to any Notes represented by a global Note, be construed as provided below), the holders of the Receipts (the “*Receiptholders*”) and the holders of the Coupons (the “*Couponholders*”, which expression shall, unless the context otherwise requires, include the holders of the Talons (the “*Talontholders*”)), all in accordance with the provisions of the Trust Deed.

As used herein, “*Series*” means each original issue of Notes together with any further issues expressed to form a single series with the original issue and the terms of which (save for the Issue Date, the Interest Commencement Date and/or the Issue Price (as indicated in the applicable Final Terms)) are identical (including whether or not the Notes are listed and admitted to trading). As used herein, “*Tranche*” means all Notes of the same Series with the same Issue Date and Interest Commencement Date.

Copies of the Trust Deed, the Agency Agreement (which contains the form of the Final Terms), the Credit Support Agreements and (if this Note is offered to the public in a member state of the European Union, Iceland, Norway or Liechtenstein or admitted to trading on a regulated market within the meaning of the Prospectus Directive) the Final Terms applicable to this Note are available free of charge and available for inspection at the specified offices of each of the Trustee, the Agent and each of the other Paying Agents. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and the applicable Final Terms, which are binding on them.

The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed. Words and expressions defined in the Trust Deed or the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated. In the event of inconsistency between the Agency Agreement or the Trust Deed and the applicable Final Terms, the applicable Final Terms will prevail.

1. Form, Denomination and Title

The Notes may be issued in bearer form or, in respect of Notes issued by Toyota Credit Canada Inc., registered form and, in the case of definitive Notes, serially numbered, in the Specified Currency and the Specified Denomination(s) all as specified in the applicable Final Terms.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index-Linked Interest Note, an Index-Linked Redemption Note, a Dual Currency Interest Note, a Dual Currency Redemption Note, an Instalment Note or a Partly-Paid Note or a combination of any of the foregoing, depending upon the Interest Basis and Payment Basis shown in the applicable Final Terms.

Notes in definitive form are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

Subject as set out below, title to bearer Notes, Receipts and Coupons will pass by delivery. Subject as set out below, the Issuer, the Trustee, the Replacement Agent (as defined in the Trust Deed) and any Paying Agent may deem and treat the bearer of any Note, Receipt or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a global Note, each person who is for the time being shown in the records of Euroclear Bank S.A./N.V. as operator of the Euroclear System ("*Euroclear*") or of Clearstream Banking, société anonyme ("*Clearstream, Luxembourg*") as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error or proven error) shall be treated by the Issuer, the Trustee and any Paying Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose the bearer of the relevant global Note shall be treated by the Issuer, the Trustee and any Paying Agent as the holder of such Notes in accordance with and subject to the terms of the relevant global Note and the Trust Deed (and the expressions "*Noteholder*" and "*holder of Notes*" and related expressions shall be construed accordingly). Notes which are represented by a global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear or of Clearstream, Luxembourg, as the case may be.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system, in the case of Notes issued by TMF or TKG, established in an European Economic Area Member State, the United States, Japan, Australia, Canada or Switzerland in which securities can only be held through a licensed bank or securities firm and, in the case of Notes issued by TCCI or TFA, approved by the Issuer, the Trustee, the Agent and, in the case of Notes admitted to the Official List and admitted to trading on the London Stock Exchange's Gilt Edged and Fixed Interest Market, the UK Listing Authority.

Title to Registered Notes issued by Toyota Credit Canada Inc. passes on due endorsement in the relevant register all as more fully described in the relevant Final Terms.

2. Status of the Notes and the Credit Support Agreements

The Notes and any relevant Receipts and Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 3) unsecured obligations of the Issuer and rank *pari passu* and rateably without any preference among themselves and (save for certain debts required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer from time to time outstanding. The Issuer has the benefit of a Credit Support Agreement (as defined in the Trust Deed) between

it and TFS. TFS, in turn, has the benefit of a Credit Support Agreement (as defined in the Trust Deed) and Supplemental Credit Support Agreements (as defined in the Trust Deed) between it and the Parent.

3. Negative Pledge

So long as any of the Notes remains outstanding (as defined in the Trust Deed) the Issuer will not create or permit to be outstanding any mortgage, pledge, lien, security interest or other charge (other than a lien, security interest or charge arising by operation of law) for the benefit of the holders of any Relevant Indebtedness (as defined below) on the whole or any part of its property or assets, present or future, to secure any Relevant Indebtedness issued or guaranteed by it or in respect of which it has given any indemnity without in any such case at the same time according to the Notes, to the satisfaction of the Trustee, the same security as is granted or is outstanding in respect of such Relevant Indebtedness or such guarantee or indemnity or such other security as the Trustee in its absolute discretion shall deem not materially less beneficial to the Noteholders or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders. For the purposes of this Condition, “*Relevant Indebtedness*” shall mean any indebtedness in the form of or represented by bonds, notes, debentures or other securities which:–

- (i) either (A) are expressed to be payable, or confer a right to receive payment, in any currency other than the currency of the jurisdiction in which the Issuer is incorporated or (B) are denominated in the currency of the jurisdiction in which the Issuer is incorporated and more than 50 per cent. of the aggregate nominal amount of which is initially distributed outside the jurisdiction in which the Issuer is incorporated by, or with the authorisation of, the Issuer;
- (ii) are not repayable (other than at the option or due to the default of the issuer or guarantor thereof) within 3 years from the date of their issue; and
- (iii) are listed on one or more stock exchanges other than exclusively in the jurisdiction in which the Issuer is incorporated.

4. Interest

(a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount (or, if it is a Partly-Paid Note, the amount paid up) from (and including) the Interest Commencement Date specified in the applicable Final Terms at the rate(s) per annum equal to the Fixed Rate(s) of Interest so specified payable in arrear on the Interest Payment Date(s) in each year up to (but excluding) the Maturity Date.

Except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in these Terms and Conditions, “*Fixed Interest Period*” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If interest is required to be calculated for a period other than a Fixed Interest Period, such interest shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

In these Conditions, “*Day Count Fraction*” means:–

- (i) if “*Actual/Actual (ICMA)*” is specified in the applicable Final Terms:–
 - (A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “*Accrual Period*”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
 - (B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:–
 - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
 - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (ii) if “*30/360*” is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In these Conditions:–

“*Determination Period*” means the period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

“*sub-unit*” means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

(b) *Interest on Floating Rate Notes and Index-Linked Interest Notes*

(i) *Interest Payment Dates*

Each Floating Rate Note and Index-Linked Interest Note bears interest on its outstanding nominal amount (or, if it is a Partly-Paid Note, the amount paid up) from (and including) the Interest Commencement Date specified in the applicable Final Terms and such interest will be payable in arrear on either: (1) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or (2) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an “*Interest Payment Date*”) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date. Such interest will be payable in respect of each Interest Period (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day on the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:–

- (A) in any case where Specified Periods are specified in accordance with Condition 4(b)(i)(2) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls in the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In this Condition 4, “*Business Day*” means (unless otherwise stated in the applicable Final Terms) a day which is both:–

- (1) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and any other place as specified in the applicable Final Terms (each an “*Additional Business Centre*”); and
- (2) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET System is open. In these Terms and Conditions, “*TARGET System*” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of the Floating Rate Notes and Index-Linked Interest Notes will be determined in the manner specified in the applicable Final Terms.

(iii) *ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (iii), “*ISDA Rate*” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent under an interest rate swap transaction if the Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2000 ISDA Definitions as published by the

International Swaps and Derivatives Association, Inc. and as supplemented, amended and updated as at the Issue Date of the first Tranche of the Notes, (the “ISDA Definitions”) and under which:–

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity is a period specified in the applicable Final Terms; and
- (C) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London inter-bank offered rate (“LIBOR”) or on the Euro-zone inter-bank offered rate (“EURIBOR”) for a currency, the first day of that Interest Period or (ii) in any other case, as specified in the applicable Final Terms.

For the purposes of this sub-paragraph (iii), “Floating Rate”, “Calculation Agent”, “Floating Rate Option”, “Euro-zone”, “Designated Maturity” and “Reset Date”, shall have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Final Terms the Minimum Rate of Interest shall be deemed to be zero.

(iv) *Screen Rate Determination*

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:–

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum), for deposits in the Specified Currency for that Interest Period which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Agent. If five or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest rate, one only of such rates) and the lowest (or, if there is more than one such lowest rate, one only of such rates) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of (A) above, no such offered quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph, the Agent shall request the principal London office of each of the Reference Banks as defined below, in the case of LIBOR, and in the case of a determination of EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Agent.

If on any day when the Rate of Interest is to be determined, one only or none of the Reference Banks provides the Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Agent determines as being the arithmetic mean

(rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the rates, as communicated to (and at the request of) the Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately 11.00 a.m. (London time, in the case of LIBOR, or Brussels time in the case of EURIBOR) on the relevant Interest Determination Date, deposits in the Specified Currency for the relevant Interest Period by leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Trustee and the Issuer suitable for such purpose) informs the Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) (or, as the case may be, the quotations of such bank or banks to the Agent) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

In this Condition 4, the expression “*Reference Banks*” means four major banks in the London inter-bank market (in the case of LIBOR), and four major banks in the Euro-zone inter-bank market (in the case of EURIBOR), in the case of (A) above whose offered rates were used to determine such quotation when such quotation last appeared on the Relevant Screen Page and, in the case of (B) above, whose offered quotations last appeared on the Relevant Screen Page when no fewer than three such offered quotations appeared.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Final Terms as being other than the LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Final Terms.

(v) *Minimum and/or Maximum Rate of Interest*

If the applicable Final Terms specify a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with the above provisions is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest. If the applicable Final Terms specify a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with the above provisions is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(vi) *Determination of Rate of Interest and Calculation of Interest Amounts*

The Agent, in the case of Floating Rate Notes, and the Calculation Agent, in the case of Index-Linked Interest Notes, will, on or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant period. In the case of Index-Linked Interest Notes, the Calculation Agent will notify the Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same. The Agent will calculate the amount of interest (the “*Interest Amount*”) payable on the Floating Rate Notes and Index-Linked Interest Notes in respect of each Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to the Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure

to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

“Day Count Fraction” means, in respect of the calculation of an amount of interest for any Interest Period:–

- (A) if *“Actual/365”* or *“Actual/Actual”* is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (B) if *“Actual/365 (Fixed)”* is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (C) if *“Actual/365 Sterling”* is specified in the Final Terms, the actual number of days in the Interest Period divided by 365, in the case of an Interest Payment Date falling in a leap year, 366;
- (D) if *“Actual/360”* is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (E) if *“30/360”*, *“360/360”* or *“Bond Basis”* is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and
- (F) if *“30E/360”* or *“Eurobond Basis”* is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of the final Interest Period, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).

(vii) *Notification of Rate of Interest and Interest Amount*

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Trustee and any stock exchange or relevant authority on which the relevant Floating Rate Notes or Index-Linked Interest Notes are for the time being listed and notice thereof to be published in accordance with Condition 16 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange or relevant authority on which the relevant Floating Rate Notes or Index-Linked Interest Notes are for the time being listed and to the Noteholders in accordance with Condition 16. For the purposes of this paragraph, the expression *“London Business Day”* means a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for general business in London.

(viii) *Determination or Calculation by Trustee*

If for any reason the Agent does not at any time determine the Rate of Interest or calculate any Interest Amount in accordance with sub-paragraph (ii), (iii) or (iv), as the case may be, and, in each case, sub-paragraph (vi) above, the Trustee shall determine the Rate of Interest to be such rate as, in its absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition 4 but subject always to any minimum or maximum Rate of Interest specified in the applicable Final Terms) it shall deem fair and reasonable in all the circumstances and/or, as the case may be, the Trustee shall calculate the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Agent.

(ix) *Certificates to be Final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this paragraph (b), whether by the Agent or the Trustee, shall (in the absence of wilful default, bad faith, manifest error or proven error) be binding on the Issuer, the Agent, the Trustee, the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Agent or the Trustee in connection with the exercise or non-exercise by either of them of their powers, duties and discretions pursuant to such provisions.

(c) *Dual Currency Interest Notes*

In the case of Dual Currency Interest Notes, the rate or amount of interest payable shall be determined in the manner specified in the applicable Final Terms.

(d) *Partly-Paid Notes*

In the case of Partly-Paid Notes (other than Partly-Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid up nominal amount of such Notes and otherwise as specified in the applicable Final Terms.

(e) *Accrual of Interest*

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 (if any) from the date of its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue as provided in the Trust Deed.

5. Payments

(a) *Method of Payment*

Subject as provided below:—

- (i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or at the option of the payee by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively); and

- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but (unless otherwise specified in the applicable Final Terms) without prejudice to the provisions of Condition 7.

(b) *Presentation of Notes, Receipts and Coupons*

Payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in paragraph (a) above against surrender of definitive Notes and payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid against surrender of Coupons, in each case at the specified office of any Paying Agent outside the United States which expression, used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction).

Payments of instalments of principal (if any), other than the final instalment, will (subject as provided below) be made against presentation and surrender of the relevant Receipt. Each Receipt must be presented for payment of the relevant instalment together with the definitive Note to which it appertains. Receipts presented without the definitive Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any definitive Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes in definitive form (other than Dual Currency Interest Notes or Index-Linked Interest Notes) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of ten years after the Relevant Date (as defined in Condition 7) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8) or, if later, five years from the date on which such Coupon would otherwise have become due. Upon any Fixed Rate Note becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Dual Currency Interest Note or Index-Linked Interest Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

If the due date for redemption of any definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Note.

Payments of principal and interest (if any) in respect of Notes represented by any global Note will (subject as provided below) be made in the manner specified above in relation to definitive Notes and otherwise in the manner specified in the relevant global Note against presentation or surrender, as the case may be, of such global Note at the specified office of the Agent. A record of each payment made against presentation or surrender of such global Note, distinguishing between any payment of principal and any payment of interest, will be made on such global Note by the Agent and such record shall be *prima facie* evidence that the payment in question has been made.

The holder of a global Note (or, as provided in the Trust Deed, the Trustee) shall be the only person entitled to receive payments in respect of Notes represented by such global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such global Note (or the Trustee, as the case may be) in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of Notes represented by such global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such global Note (or the Trustee, as the case may be). No person other than the holder of such global Note (or, as provided in the Trust Deed, the Trustee) shall have any claim against the Issuer in respect of any payments due on the global Note.

Notwithstanding the foregoing, payments of interest in respect of the Notes will be made at the specified office of a Paying Agent in the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)) if:–

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment at such specified offices outside the United States of the full amount of interest on the Notes in the manner provided above when due;
- (ii) payment of the full amount of such interest at such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(c) *Payment Day*

If the due date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, unless otherwise specified in the applicable Final Terms, “*Payment Day*” means any day which is both:–

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:–
 - (A) the relevant place of presentation;
 - (B) London;
 - (C) any Additional Financial Centre specified in the applicable Final Terms; and
- (ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation, London and any Additional Financial Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET System is open.

(d) *Interpretation of Principal and Interest*

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:–

- (i) any additional amounts which may be payable with respect to principal under Condition 7 or pursuant to any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Notes redeemable in instalments, the Instalment Amounts;
- (vi) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6); and
- (vii) any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7 or pursuant to any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

6. Redemption and Purchase

(a) *At Maturity*

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

(b) *Redemption for Tax Reasons*

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (in the case of the Notes other than Floating Rate Notes, Index-Linked Interest Notes and Dual Currency Interest Notes) or on any Interest Payment Date (in the case of Floating Rate Notes, Index-Linked Interest Notes and Dual Currency Interest Notes), on giving not less than 30 nor more than 60 days' notice to the Trustee, the Agent and, in accordance with Condition 16, the Noteholders (which notice shall be irrevocable), if:–

- (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 as a result of any change in, or amendment to, the laws or regulations of the jurisdiction in which the Issuer is incorporated or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the Notes; and
- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(b), the Issuer shall deliver to the Trustee a certificate signed by two Managing Directors of the Issuer, where the Issuer is Toyota Motor Finance (Netherlands) B.V., by an authorised officer of the Issuer, where the Issuer is Toyota Credit Canada Inc., by two Directors, a Director and secretary, or an authorised officer of the Issuer, where the Issuer is Toyota Finance Australia Limited or by two authorised officers, where the Issuer is Toyota Kreditbank GmbH, stating that the obligation referred to in (i) above cannot be avoided by the Issuer taking reasonable measures available

to it and the Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the condition precedent set out in (ii) above in which event it shall be conclusive and binding on the Noteholders, the Receipholders and the Couponholders.

Notes redeemed pursuant to this Condition 6(b) will be redeemed at their Early Redemption Amount referred to in paragraph (f) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(c) *Final Terms*

The Final Terms applicable to the Notes indicates either:–

- (i) that the Notes cannot be redeemed prior to their Maturity Date (in each case except as otherwise provided in paragraph (b) above and in Condition 9); or
- (ii) that such Notes will be redeemable at the option of the Issuer and/or the holders of the Notes prior to such Maturity Date in accordance with the provisions of paragraphs (d) and/or (e) below on the date or dates and at the amount or amounts indicated in the applicable Final Terms.

(d) *Redemption at the Option of the Issuer (Issuer Call)*

If the Issuer is specified in the applicable Final Terms as having an option to redeem, the Issuer may, having (unless otherwise specified in the applicable Final Terms) given not less than 30 nor more than 60 days' notice to the Trustee, the Agent and, in accordance with Condition 16, the Noteholders (which notice shall be irrevocable), redeem all or some only of the Notes then outstanding on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s). Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount or not more than the Maximum Redemption Amount, both as indicated in the applicable Final Terms. In the case of a partial redemption of Notes, the Notes to be redeemed ("*Redeemed Notes*") will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, in the case of Redeemed Notes represented by a global Note, not more than 60 days prior to the date fixed for redemption (such date of selection being hereinafter called the "*Selection Date*"). In the case of Redeemed Notes represented by definitive Notes, a list of such Redeemed Notes will be published in accordance with Condition 16 not less than 30 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a global Note shall be equal to the balance of the Redeemed Notes. No exchange of the relevant global Note will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this paragraph (d) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 16 at least 10 days prior to the Selection Date.

(e) *Redemption at the Option of the Noteholders (Investor Put)*

If the Noteholders are specified in the applicable Final Terms as having an option to redeem, upon the holder of any Note giving to the Issuer in accordance with Condition 16 not less than 30 nor more than 60 days' notice or such other period of notice as is specified in the applicable Final Terms (which notice shall be irrevocable) the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Note on the Optional Redemption Date

and at the Optional Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. Unless otherwise specified in the applicable Final Terms, Notes issued by Toyota Credit Canada Inc. may not be redeemable at the option of the Noteholders prior to five years from the relevant Issue Date.

If a Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, to exercise the right to require redemption of the Note the holder of the Note must deliver such Note at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, accompanied by a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a "*Put Notice*") and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition.

If a Note is represented by a global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of the Note must, within the notice period, give notice to the Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary for them to the Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if the Note is represented by a global Note, at the same time present or procure the presentation of the relevant global Note to the Agent for notation accordingly.

(f) *Early Redemption Amounts*

For the purpose of paragraph (b) above and Condition 9, the Notes will be redeemed at the Early Redemption Amount calculated as follows:—

- (i) in the case of Notes with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof; or
- (ii) in the case of Notes (other than Zero Coupon Notes) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Notes are denominated, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the Final Terms, at their nominal amount; or
- (iii) in the case of Zero Coupon Notes, at an amount (the "*Amortised Face Amount*") equal to the sum of:—
 - (A) the Reference Price specified in the applicable Final Terms; and
 - (B) the product of the Accrual Yield specified in the applicable Final Terms (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable.

Where such calculation is to be made for a period of less than a full year, it shall be made on the basis of a 360-day year consisting of 12 months of 30 days each or on such other calculation as may be specified in applicable Final Terms.

(g) *Instalments*

If the Notes are repayable in instalments, they will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms. In the case of early redemption, the Early Redemption Amount will be determined pursuant to paragraph (f) above.

(h) *Partly-Paid Notes*

If the Notes are Partly-Paid Notes, they will be redeemed, whether at maturity, early redemption or otherwise in accordance with the provisions of this Condition 6 and the applicable Final Terms.

(i) *Purchases*

The Issuer or any of its subsidiaries may at any time purchase Notes (provided that, in the case of definitive Notes, all unmatured Receipts and Coupons appertaining thereto are purchased therewith) at any price in the open market or otherwise. If purchases are made by tender, tenders must be available to all Noteholders alike. Where the Issuer is Toyota Credit Canada Inc. or Toyota Kreditbank GmbH, such Notes shall be surrendered to any Paying Agent for cancellation and, where the Issuer is Toyota Finance Australia Limited or Toyota Motor Finance (Netherlands) B.V., such Notes may, at the option of the Issuer, be held, resold or surrendered to any Paying Agent for cancellation.

(j) *Cancellation*

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Receipts and Coupons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any of the Notes purchased and cancelled pursuant to paragraph (i) above (together with all unmatured Receipts and Coupons cancelled therewith) shall be forwarded to the Agent and cannot be reissued or resold. If any Note is purchased and cancelled without all unmatured Coupons appertaining thereto, the Issuer shall make payment in respect of any such missing Coupon in accordance with Condition 5 as if the relevant Note had remained outstanding for the period to which such Coupon relates.

(k) *Late Payment on Zero Coupon Notes*

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (d) or (e) above or upon its becoming due and repayable as provided in Condition 9 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (f)(iii) above as though the references therein to the date fixed for the redemption or the date upon which the Zero Coupon Note becomes due and repayable were replaced by references to the date which is the earlier of:—

- (i) the date on which all amounts due in respect of the Zero Coupon Note have been paid; and
- (ii) the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given in accordance with Condition 16.

7. Taxation

Unless otherwise specified in the applicable Final Terms, all payments of principal and interest in respect of the Notes by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the jurisdiction in which the Issuer is incorporated or any province, territory or other political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts receivable by the holders of the Notes,

Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon presented for payment:–

- (i) where the Issuer is Toyota Credit Canada Inc.:–
 - (A) by or on behalf of a holder who is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with Canada other than the mere holding of such Note, Receipt or Coupon or the receipt of principal or interest in respect thereof; or
 - (B) by or on behalf of a holder with whom the Issuer is not dealing at arm's length (within the meaning of the Income Tax Act (Canada)); or
- (ii) where the Issuer is Toyota Finance Australia Limited, by or on behalf of a holder who is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of:–
 - (A) his having some connection with the Commonwealth of Australia other than the mere holding of such Note, Receipt or Coupon or the receipt of principal or interest in respect thereof, or
 - (B) his being a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non residence or other similar claim for exemption to any tax authority in the place where the relevant Note, Receipt or Coupon is presented for payment; or
 - (C) his being an Offshore Associate of the Issuer acting other than in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act 2001 of Australia. "*Offshore Associate*" means an associate (as defined in section 128F(9) of the Income Tax Assessment Act 1936 of Australia) of the Issuer that is either:
 - (a) a non-resident of Australia which does not acquire the Notes in carrying on a business at or through a permanent establishment in Australia; or
 - (b) a resident of Australia that acquires the Notes in carrying on a business at or through a permanent establishment outside Australia; or
- (iii) where the Issuer is Toyota Motor Finance (Netherlands) B.V., by a Noteholder, Receiptholder or Couponholder who (a) is able to avoid such withholding or deduction or is liable to such withholding or deduction at a reduced rate by making a declaration of non-residence or producing other evidence establishing that such payment may be made without withholding or deduction or with such deduction or withholding at a reduced rate to the Issuer or the relevant tax authority; or (b) is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with The Netherlands other than the mere holding of such Note, Receipt or Coupon; or
- (iv) where the Issuer is Toyota Kreditbank GmbH, by or on behalf of a holder who (a) is subject to such withholding or deduction by reason of his having, or having had, some personal or business connection with the Federal Republic of Germany and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in the Federal Republic of Germany; or (b) is subject to such withholding

or deduction and no such withholding or deduction would have been made if the Notes were credited at the time of payment to a security deposit account with a bank outside of the Federal Republic of Germany; or (c) is able to avoid such withholding or deduction by making a declaration of non-residence or other similar claim for exemption to the relevant tax authorities or by complying with any reasonable certification documentation, information or other reporting requirement; or

- (v) in such other circumstances as may be specified in the Final Terms; or
- (vi) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 5); or
- (vii) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to any European Council Directive 2003/48 or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (viii) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

As used herein, the “*Relevant Date*” means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent or the Trustee on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 16.

8. Prescription

The Notes, Receipts and Coupons will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 7) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 8 or Condition 5(b) or any Talon which would be void pursuant to Condition 5(b).

9. Events of Default

The Trustee at its discretion may, and if so requested in writing by the holders of not less than 25 per cent. in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (subject to its rights under the Trust Deed to be indemnified), give notice to the Issuer that the Notes are immediately due and repayable if:—

- (i) a default is made by the Issuer for more than seven days in the payment of principal or interest in respect of any Note when and as the same ought to be paid in accordance with these Terms and Conditions; or
- (ii) a default is made by the Issuer in the performance or observance of any covenant, condition or provision contained in the Trust Deed or in the Notes and on its part to be performed or observed (other than the covenant to pay the principal and interest in respect of the Notes) and (except where the Trustee determines that, in its opinion, such default is not capable of remedy, when no such notice as is mentioned below shall be required) such default continues for the period of 30 days

next following the service by the Trustee on the Issuer of notice requiring such default to be remedied; or

- (iii) any other bonds, debentures, notes or other indebtedness for money borrowed having an aggregate outstanding amount of at least U.S.\$10,000,000 (or its equivalent in any other currency or currencies) (hereinafter collectively called “*Indebtedness*”) of the Issuer become or becomes prematurely repayable following a default which (if, in the opinion of the Trustee, it is capable of remedy) shall not have been remedied, or steps are taken to enforce any security therefor, or the Issuer defaults in the repayment of any such Indebtedness at the maturity thereof or at the expiration of any applicable grace period therefor or any guarantee of or indemnity in respect of any Indebtedness of others given by the Issuer shall not be honoured when due and called upon; or
- (iv) an administrator is appointed or a resolution is passed or an order of a court of competent jurisdiction is made that the Issuer be wound up or dissolved otherwise than for the purposes of or pursuant to and followed by a consolidation, amalgamation, merger, reconstruction or reorganisation in which a continuing corporation effectively assumes all obligations of the Issuer under the Notes or the terms of which have previously been approved in writing by the Trustee or by an Extraordinary Resolution; or
- (v) an encumbrancer takes possession or a receiver is appointed of the whole or (in the opinion of the Trustee) a material part of the assets or undertaking of the Issuer; or
- (vi) the Issuer stops payment (within the meaning of the bankruptcy law of the jurisdiction in which the Issuer is incorporated or any other applicable bankruptcy law) or is unable (in the opinion of the Trustee) to pay its debts as and when they fall due or (otherwise than for the purposes of such a consolidation, amalgamation, merger, reconstruction or reorganisation as is referred to in paragraph (iv)) ceases or through an official action of the Board of Directors or the Board of Management (as the case may be) of the Issuer threatens to cease to carry on business; or
- (vii) proceedings shall have been initiated against the Issuer under any applicable bankruptcy, reorganisation or insolvency law and such proceedings have not been discharged or stayed within a period of 60 days (or such longer period as the Trustee may consider appropriate in relation to the jurisdiction concerned); or
- (viii) *an executoriaal beslag* (executory attachment) is made on any substantial part of the assets of TMF or a *conservatoir beslag* (interlocutory attachment) is made thereon and is not cancelled or withdrawn within 30 days after the making thereof or TMF is wound up, or TMF offers a compromise to its creditors or negotiates with all its creditors another agreement relating to its payment difficulties, or such measures are officially decreed or if TMF applies for a *surséance van betaling* (within the meaning of the Statute of Bankruptcy of The Netherlands) or files a petition in its own bankruptcy (*faillissement*) or if an effective order is made to declare TMF bankrupt (*failliet*) or to adjudge that TMF is in a situation requiring special measures (*bijzondere voorzieningen*) in the interests of all of its creditors as referred to in Chapter X of the Act on the Supervision of Credit Institutions 1992 (*Wet toezicht kredietwezen 1992*) and such order shall have continued undischarged and unstayed for a period of 60 days; or
- (ix) the Issuer ceases to be a subsidiary wholly-owned and controlled, directly or indirectly, by the Parent or TFS; or
- (x) the Credit Support Agreement and/or the Supplemental Credit Support Agreements between the Parent and TFS is terminated or any provision thereof is amended or waived, in each case in a

manner adverse to the interests of the Noteholders or not enforced in a timely manner by TFS or is breached by the Parent; or

- (xi) the Credit Support Agreement between TFS and the relevant Issuer is terminated or any provision thereof is amended or waived, in each case in a manner adverse to the interests of the holders of Notes issued by that Issuer or not enforced in a timely manner by the relevant Issuer or any of the Credit Support Agreements is breached by TFS,

and, in the case of any of the events described in paragraphs (ii), (iii), (v), (vi), (viii) and (in the case of amendment to, or waiver of, a provision of the Credit Support Agreement and/or the Supplemental Credit Support Agreements) (x) and (xi), the Trustee shall have certified in writing to the Issuer that the event is, in its opinion, materially prejudicial to the interests of the Noteholders.

For the purposes of paragraph (iii), any Indebtedness which is in a currency other than U.S. dollars may be translated into U.S. dollars at the spot rate for the sale of U.S. dollars against the purchase of the relevant currency quoted by any leading bank selected by the Trustee on any day when the Trustee requests such a quotation for such purposes.

Upon any such notice being given to the Issuer, all the Notes shall immediately become due and repayable at their Early Redemption Amount (as defined in Condition 6(f)), together, if appropriate, with interest accrued as provided in the Trust Deed.

10. Enforcement

No Noteholder, Receiptholder or Couponholder shall be entitled to proceed directly against the Issuer and/or, as the case may be, the Parent and/or, as the case may be, TFS unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing. At any time after the Notes shall have become due and repayable, the Trustee may, at its discretion and without further notice, take such proceedings against the Issuer, and/or, as the case may be, the Parent and/or, as the case may be, TFS as it may think fit to enforce repayment of the Notes together with accrued interest and to enforce the provisions of the Trust Deed and/or, as the case may be, the Credit Support Agreements and/or the Supplemental Credit Support Agreement, but it shall not be bound to take any such proceedings unless:–

- (i) it shall have been so requested in writing by the holders of not less than 25 per cent. in nominal amount of the Notes then outstanding or so directed by an Extraordinary Resolution of the Noteholders; and
- (ii) it shall have been indemnified to its satisfaction.

11. Replacement of Notes, Receipts, Coupons and Talons

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Replacement Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

12. Agent and Paying Agents

The names of the initial Agent and the other initial Paying Agents and their initial specified offices are set out below.

The Issuer is entitled (with the prior written approval of the Trustee) to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:–

- (i) so long as the Notes are listed on any stock exchange or other relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority;
- (ii) there will at all times be a Paying Agent with a specified office in a city approved by the Trustee in continental Europe;
- (iii) there will at all times be an Agent;
- (iv) it will ensure that it maintains a Paying Agent in a Member State of European Union that it is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to such Directive.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in the United States in the circumstances described in the final paragraph of Condition 5(b). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 or more than 45 days' prior notice thereof shall have been given to the Trustee and the Noteholders in accordance with Condition 16.

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and (to the extent provided therein) the Trustee and do not assume any obligation to, or relationship of agency or trust with, any Noteholders, Receiptholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

13. Exchange of Talons

On and after the Interest Payment Date, on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 8. Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

14. Substitution

The Trustee may, without the consent of the Noteholders, Receiptholders or Couponholders, agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute under this Condition) as the principal debtor under the Notes, the Receipts, the Coupons and the Trust Deed, of the Parent, TFS or its Successor in Business (as defined in the Trust Deed) or any subsidiary of the Parent (including TFS); subject (in the case of the substitution of a subsidiary of the Parent (other than TFS) in place of the Issuer) to a Credit Support Agreement between such subsidiary and either of the Credit Support Providers (as defined in the Trust Deed) or its Successor in Business being entered into *mutatis mutandis* on the terms of the Credit Support Agreements and (in every case) to the Trustee being satisfied that the interests of the Noteholders will not be materially prejudiced thereby and certain other conditions set out in the Trust Deed being complied with.

15. Indemnification of Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from any obligation to take proceedings to enforce repayment unless indemnified to its satisfaction.

16. Notices

All notices regarding the Notes shall be published in a leading English language daily newspaper of general circulation in London approved by the Trustee.

It is expected that such publication will be made in the *Financial Times* in London. Any such notices will be deemed to have been given on the date of the first publication. If publication as aforesaid is not practicable, notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee may approve.

Until such time as any definitive Notes are issued, there may, so long as the global Note(s) is or are held in its or their entirety on behalf of Euroclear and Clearstream, Luxembourg, be substituted for such publication in such newspaper the delivery of the relevant notice to Euroclear and Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the third day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any holder of the Notes shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Agent. Whilst any of the Notes are represented by a global Note, such notice may be given by any holder of a Note to the Agent via Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

17. Meetings of Noteholders, Modification and Waiver

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or certain provisions of the Trust Deed (certain provisions of which may not, under existing law, be materially altered). Such a meeting may be convened by the Issuer or Noteholders holding not less than five per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is two or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes, Receipts or Coupons or of the Trust Deed (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes, Receipts or Coupons), the necessary quorum for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 75 per cent., or at any adjourned such meeting not less than a clear majority, in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Receiptholders and Couponholders.

The Trustee may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to:–

- (i) any modification (except as provided in the Trust Deed) of, or the waiver or authorisation of any breach or proposed breach of the Notes, the Receipts, the Coupons or the Trust Deed which, in the opinion of the Trustee, is not materially prejudicial to the interests of the Noteholders; or
- (ii) any modification (except as provided in the Trust Deed) of the Notes, the Receipts, the Coupons or the Trust Deed which, in the Trustee's opinion is of a formal, minor or technical nature or is made, to correct a manifest error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated.

Any such modification, waiver or authorisation shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall (unless the Trustee agrees otherwise) be notified to the Noteholders in accordance with Condition 16 as soon as practicable thereafter.

18. Further Issues

The Issuer shall be at liberty from time to time without the consent of the Noteholders, Receiptholders or Couponholders to create and issue further notes ranking *pari passu* in all respects (or in all respects save for the Issue Date, the first payment of interest thereon and/or the Issue Price) and so that the same shall be consolidated and form a single series with the outstanding Notes.

19. Disapplication

The Notes confer no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

20. Governing Law and Submission to Jurisdiction

The Trust Deed, the Notes, the Receipts and the Coupons are governed by, and shall be construed in accordance with, English law.

The Issuer has in the Trust Deed submitted, for the exclusive benefit of the Trustee, the Noteholders, the Receiptholders and the Couponholders, to the jurisdiction of the English courts for all purposes in connection with the Trust Deed, the Notes, the Receipts and the Coupons and in relation thereto each of the Issuers has appointed Toyota Financial Services (UK) PLC, as its agent for service of process on its behalf and has agreed that in the event of Toyota Financial Services (UK) PLC, ceasing so to act or ceasing to be registered in England for the purposes of Part XXIII of the Companies Act 1985 (as modified or re-enacted from time to time) it will appoint another person, as the Trustee may approve, as its agent for service of process. Without prejudice to the foregoing, the Issuer has further irrevocably agreed in the Trust Deed that any suit, action or proceedings arising out of or in connection with the Trust Deed, the Notes, the Receipts and the Coupons may be brought in any other court of competent jurisdiction.