

IRISH STOCK EXCHANGE ANNOUNCEMENT

For immediate release

GLOBALDRIVE (UK) VARIABLE FUNDING II PLC

NOTICE OF AMENDMENTS TO TRANSACTION DOCUMENTS

From: Globaldrive (UK) Variable Funding II plc
Winchester House
Mailstop 429
1 Great Winchester Street
London
EC2N 2DB (the "**Issuer**")

To: The holders (the "**Noteholders**") of:

£450,000,000 (originally £500,000,000) Class A1 Floating Rate Notes (previously referred to as the Class A Notes) due 2022 (originally due 2016)
(the "**Class A1 Notes**")

Date: 27 October 2015

Dear Noteholders

Words and expressions not defined herein will have the meanings set out in the Prospectus dated 26 June 2009 in relation to the issue and offering of the Class A1 Notes.

The Issuer (in its capacities as the Issuer and Party B under the Swap Agreement), FCE Bank plc (in its capacities as the Seller, the Servicer, the Class B1 Noteholder, the Class A2 Noteholder, the Class B2 Noteholder, the lender under the Subordinated Loan Agreement and Party A under the Back Swap Agreement (as defined in the Deed of Amendment, as defined below)) ("**FCE**"), Deutsche Trustee Company Limited (in its capacities as the Security Trustee and the Trustee), Royal Bank of Canada (in its capacities as Conduit Agent, the Committed Purchaser, the Liquidity Funder, the Swap Counterparty and Party B under the Back Swap Agreement), Deutsche Bank Luxembourg S.A. (in its capacities as the Data Agent and the Registrar), Irish Ring Receivables Purchaser Limited (in its capacities as the Class A1 Noteholder and the Conduit Purchaser), Deutsche Bank AG, London Branch (in its capacities as Issuer Corporate Services Provider, Principal Paying Agent, Calculation Agent and Cash Manager) and JPMorgan Chase Bank, N.A., London Branch (as Account Bank) have agreed to make certain amendments to the Terms and Conditions of the Notes and the Transaction Documents by way of a deed of amendment dated 22 October 2015 (the "**Deed of Amendment**"), such amendments becoming effective on 27 October 2015 (the "**Effective Date**").

The Deed of Amendment contemplates, amongst other matters, the following modifications to the Transaction Documents.

RECEIVABLES SALE AGREEMENT

The Receivables Sale Agreement (including Schedule 1 (*Definitions Schedule*) thereto) is amended with effect on and from the Effective Date so as to incorporate the following matters:

- Amendment of the definition of Revolving Period to extend the transaction's revolving period from 27 October 2015 to the Interest Payment Date falling in October 2016 (assuming there is no Early Amortisation Event or Event of Default).
- Amendment of the definition of Final Legal Maturity Date to extend the final legal maturity date of the Notes from the Interest Payment Date falling in November 2021 to the Interest Payment Date falling in November 2022 (and amendment of other provisions throughout the Transaction Documents as necessary).
- Repetition by the Seller of various representations and warranties relating to the Seller set out in the Receivables Sale Agreement and originally given at the Closing Date.

OTHER AMENDMENTS

In addition to the amendments described above, the swap agreements have been amended to adjust the fixed rates and amendments have been made to all relevant Transaction Documents to reflect the extension of the Revolving Period.

A copy of the Terms and Condition of the Notes, as amended, is appended to this notice. Copies of the Deed of Amendment will be available for inspection, in printed or electronic form, at the office of the Principal Paying Agent during usual business hours on any weekday (public holidays excepted) at the following address:

Deutsche Bank AG, London Branch

Acting through its offices at
Winchester House
1 Great Winchester Street
London
EC2N 2DB
United Kingdom

The Issuer accepts responsibility for the information contained in this notice.



Sunil Masson
Director

For and on behalf of
GLOBALDRIVE (UK) VARIABLE FUNDING II PLC
as Issuer

CC:

Deutsche Bank AG, London Branch

Acting through its offices at
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

Terms and Conditions of the Notes

The following is the text of the terms and conditions which, subject to completion and amendment, will be applicable to any notes represented by a note in global form and the notes in definitive form (if any) issued in exchange for the notes in global form and which will be endorsed on such notes.

The £450,000,000 (originally £500,000,000) Class A1 Floating Rate Asset Backed Notes due 2022 (the "**Class A1 Notes**"), the £450,000,000 (originally £400,000,000) Class A2 Fixed Rate Asset Backed Notes due 2022 (the "**Class A2 Notes**" and, together with the Class A1 Notes, the "**Class A Notes**"), the £325,000,000 (originally £400,000,000) Class B1 Fixed Rate Asset Backed Notes due 2022 (the "**Class B1 Notes**") and the £325,000,000 (originally £250,000,000) Class B2 Fixed Rate Asset Backed Notes due 2022 (the "**Class B2 Notes**" and, together with the Class B1 Notes, the "**Class B Notes**") (the Class A Notes and the Class B Notes being the "**Notes**") are constituted by a trust deed (the "**Trust Deed**") dated 29 June 2009, as amended or amended and restated from time to time, between Globaldrive (UK) Variable Funding II plc (the "**Issuer**") and Deutsche Trustee Company Limited (the "**Trustee**", which expression will include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for, *inter alios*, the Noteholders (as defined in Condition 1 (*Form, denomination and title*)).

The Notes are secured pursuant to and on the terms set out in a deed of charge (the "**Deed of Charge**") dated 29 June 2009 between the Issuer and Deutsche Trustee Company Limited (in this capacity, the "**Security Trustee**") on certain assets of the Issuer (the "**Charged Property**") including, without limitation, the Issuer's rights, title, interest and benefit, present and future, in, under and to all its assets including the Issuer's rights, title, interest and benefit, present and future, in, under and to an agency agreement (the "**Agency Agreement**") dated 29 June 2009 between the Issuer, the Trustee, Deutsche Bank AG, London Branch as principal paying agent (in such capacity, the "**Principal Paying Agent**", which expression will include its permitted successors and assigns and, together with any other paying agent appointed, the "**Paying Agents**") and Deutsche Bank AG, London Branch as calculation agent (the "**Calculation Agent**", which expression will include its permitted successors and assignees) and Deutsche Bank Luxembourg S.A. as registrar (the "**Registrar**", which expression will include its permitted successor and assigns).

The security created under the Deed of Charge, and all further security created thereunder is together referred to as the "**Security**".

Payments under the Notes will be made pursuant to the Agency Agreement and the Cash Management Agreement (as defined below).

References to each of the Transaction Documents are to it as from time to time modified in accordance with its provisions and any deed or other document expressed to be supplemental to it, as from time to time so modified.

Statements in these terms and conditions (the "**Conditions**") are subject to the detailed provisions of the Trust Deed, the Deed of Charge, the Agency Agreement and the other Transaction Documents, copies of which (other than copies of the Note Purchase Agreements) are available for inspection at the specified office for the time being of the Principal Paying Agent. The holders of the Notes are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions contained in the Trust Deed, the Deed of Charge, and those applicable to them in the Agency Agreement and the other Transaction Documents.

References to "Conditions" are, unless the context otherwise reprises, to the numbered paragraphs of these Conditions. Words and expressions used in the Conditions without definitions will have the meanings given to them in Condition 18 (*Definitions*).

The issue of the Class A1 Notes and the Class B1 Notes was authorised by a resolution of the board of directors of the Issuer passed on 24 June 2009 and the issue of the Class A2 Notes and the Class B2 Notes was authorised by a resolution of the board of directors of the Issuer passed on 17 November 2010.

1. *Form, denomination and title*

The maximum principal amount for each Class of Notes will be as follows (each being the "**Maximum Principal Amount**" in respect to such Notes):

- (a) the Class A1 Notes are issued in registered definitive form in a minimum denomination of £100,000 and in a maximum aggregate principal amount equal to £450,000,000 (originally £500,000,000);
- (b) the Class A2 Notes will be issued in registered definitive form in a minimum denomination of £100,000 and in a maximum aggregate principal amount equal to £450,000,000 (originally £400,000,000);
- (c) the Class B1 Notes will be issued in registered definitive form in a minimum denomination of £100,000 and in a maximum aggregate principal amount equal to £325,000,000 (originally £400,000,000); and
- (d) the Class B2 Notes will be issued in registered definitive form in a minimum denomination of £100,000 and in a maximum aggregate principal amount equal to £325,000,000 (originally £250,000,000).

The Issuer will cause to be kept at the specified office of the Registrar a register (the "**Register**") on which will be entered the names and addresses of the Holders of the Notes and the particulars of such Notes held by them and all transfers, advances, repayments and redemptions of such Notes. In these Conditions, "**Noteholder**" or "**Holder**" (in relation to a Note) at any time means the person in whose name (or, in the case of a joint holding, the first named person) such Note is registered at that time in the Register (which will be conclusive evidence thereof in the absence of manifest error, fraud or wilful default). Except as ordered by a court of competent jurisdiction or as required by law, the Holder of any Note will be deemed to be and may be treated by the Issuer, the Trustee and the Paying Agents as the absolute owner of such Note for the purpose of receiving payment thereon or on account thereof and for all other purposes, whether or not such Note will be overdue and notwithstanding any notice of ownership, theft or loss thereof and the Issuer, the Trustee, the Registrar and the Paying Agents will not be required to obtain any proof as to the identity of such holder.

No transfer of a Note will be valid unless and until entered on the Register.

In these Conditions, "**Class A Noteholder**" means the Holder of a Class A Note, "**Class A1 Noteholder**" means the Holder of a Class A1 Note, "**Class A2 Noteholder**" means the Holder of a Class A2 Note, "**Class B Noteholder**" means the Holder of a Class B Note, "**Class B1 Noteholder**" means the Holder of a Class B1 Note and "**Class B2 Noteholder**" means the Holder of a Class B2 Note.

2. *Status and Security*

(a) **Status**

The Notes constitute secured, unconditional, limited recourse obligations of the Issuer, ranking, as between each Class, *pro rata* and *pari passu* without any preference among themselves (subject as provided herein).

(b) **Security**

As security for the Secured Obligations, the Issuer has entered into the Deed of Charge as described above creating the Security as described above in favour of the Security Trustee for itself and on trust for the Secured Parties.

(c) **Application of proceeds**

The Issuer will use the net proceeds of the issue of the Notes (and any Advances) to finance the purchase from FCE Bank plc (the "**Seller**") of English, Scottish and Northern Irish law governed retail auto receivables (all such purchased receivables, the "**Assigned Receivables**") and all Ancillary Rights further to sale notices (each a "**Sale Notice**") delivered by the Seller pursuant to an agreement for the sale and purchase of retail auto receivables dated 26 June 2009, as amended or amended and restated from time to time between the Seller, the Issuer, the Security Trustee, the Trustee and Deutsche Bank Luxembourg S.A as data agent (the "**Data Agent**") (the "**Receivables Sale Agreement**"). The first Sale Notice will be effective on the Closing Date. The Seller will continue to administer and collect the Assigned Receivables as agent for the Issuer in its capacity as servicer ("**Servicer**") under a receivables servicing agreement dated 29 June 2009, as amended or amended and restated from time to time between the Servicer, the Issuer and the Security Trustee (the "**Receivables Servicing Agreement**").

The Issuer has entered into the Swap Agreement with the Swap Counterparty through a novation agreement with, among others, the Swap Counterparty under which the Issuer will pay to the Swap Counterparty on each Interest Payment Date, on a net basis certain amounts calculated by reference to a fixed rate of interest and the Swap Counterparty will pay to the Issuer on each Interest Payment Date on a net basis certain amounts calculated by reference to LIBOR, in each case on a notional amount equal to the aggregate principal amount outstanding of the Class A1 Notes.

If the Swap Agreement is terminated prior to the scheduled date of redemption of the Notes in full, a termination payment may be due between the parties in accordance therewith.

(d) **Interest Priority of Payments and Principal Priority of Payments**

On each Interest Payment Date prior to the service of an Enforcement Notice, the Available Interest Collections, the Swap Counterparty Receipts deposited in the Distribution Account (other than any Swap Replacement Premium) will be applied towards the relevant payments in the following order of priority (the "**Interest Priority of Payments**"):

- (a) payment of any arrears of Issuer Expenses on the previous Interest Payment Dates and remaining unpaid on such Interest Payment Date within the limit set out in (b) below;
- (b) payment of the Issuer Expenses up to maximum amount of £175,000 per annum;
- (c) to the Servicer, payment of any arrears of Servicing Fee from the previous Interest Payment Dates and remaining unpaid on such Interest Payment Date on a *pro rata* basis;
- (d) to the Servicer, payment of the Servicing Fee;

- (e) to the Swap Counterparty, net amounts due to the Swap Counterparty under the Swap Agreement (including any termination payments under the Swap Agreement but excluding any Swap Subordinated Amounts);
- (f) to the Class A Noteholders, payment of any Class A Interest Shortfall (to be paid to each Class A Noteholder), on a *pro rata* and *pari passu* basis;
- (g) to the Class A Noteholders, payment of the Class A Interest Amount due or overdue (to be paid to each Class A Noteholder), on a *pro rata* and *pari passu* basis;
- (h) to the Class A1 Noteholders, payment of the Class A1 Additional Capped Return Amount due or overdue (to be paid to each Class A1 Noteholder), on a *pro rata* and *pari passu* basis;
- (i) to the Issuer, amounts necessary to maintain the Reserve Account (and any ledger thereof) to its required level;
- (j) to the Issuer, payment of Reimbursed Losses and Principal Deficiencies;
- (k) to the Class A1 Noteholders, payment of the Class A1 Additional Uncapped Return Amount due or overdue (to be paid to each Class A1 Noteholder), on a *pro rata* and *pari passu* basis;
- (l) to the Swap Counterparty, amounts due in respect of any Swap Subordinated Amounts;
- (m) in satisfaction of or towards, on a *pari passu* and *pro rata* basis, (i) any fees, costs, indemnity claims or other expenses then due or overdue by the Issuer to each Finance Party under the Note Purchase Agreements (including any breakage costs under foreign exchange hedging entered into by the parties thereto) (other than any Class A1 Additional Return Amount) and (ii) any amounts due under Condition 8 (*Taxation*);
- (n) payment of Issuer Expenses to the extent that such Issuer Expenses have not been paid under (a) or (b) above;
- (o) to the Class B Noteholders, payment of any Class B Interest Shortfall (to be paid to each Class B Noteholder), on a *pro rata* and *pari passu* basis;
- (p) to the Class B Noteholders, payment of the Class B Interest Amount (to be paid to each Class B Noteholder), on a *pro rata* and *pari passu* basis;
- (q) to the Subordinated Loan Provider, repayment of principal on the Subordinated Loan (to the extent such amount has not or will not be paid under the Principal Priority of Payments on such Interest Payment Date);
- (r) to the Subordinated Loan Provider, payment of the interest on the Subordinated Loan;
- (s) to the Seller, payment of any amount remaining as part of the Deferred Purchase Price Component.

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

On each Interest Payment Date prior to the service of an Enforcement Notice, the Available Principal Collections, any Advances made on such Interest Payment Date and the proceeds of any issue of Further Notes will be applied towards the relevant payments in the following order of priority (the "**Principal Priority of Payments**"):

- (a) to the Class A Noteholders, on a *pro rata* and *pari passu* basis the aggregate of the Principal Repayment Due in respect of the Class A Notes in accordance with Condition 5 (*Redemption*);
- (b) to the Class B Noteholders, on a *pro rata* and *pari passu* basis the aggregate of the Principal Repayment Due in respect of the Class B Notes in accordance with Condition 5 (*Redemption*);
- (c) provided that the aggregate Commitment Amount for all Notes is equal to or greater than the EOP Receivables Balance, in purchasing further Eligible Receivables pursuant to any Sale Notice and in accordance with the Receivables Sale Agreement;
- (d) to the Subordinated Loan Provider, payment of principal of the Subordinated Loan in full;
- (e) to the Seller, payment of any remaining credit balance to the Seller as the Deferred Purchase Price Component,

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

To the extent that the Issuer does not receive sufficient Available Interest Collections and/or Available Principal Collections from the Assigned Receivables and there is not a sufficient balance standing to the credit of the Distribution Account to meet payments due under the Notes after meeting prior ranking claims in respect of certain expenses of the transaction in accordance with the Interest Priority of Payments and/or the Principal Priority of Payments, the Issuer will be unable to the same extent to make payments under the Notes. Any shortfall will be borne first by the Class B Notes and secondly by the Class A Notes, in each case *pro rata* and *pari passu* as between the Notes of such Class.

(e) **Enforcement of the Security**

The Trustee will in accordance with Condition 10 (*Events of Default*) serve a notice (an "**Enforcement Notice**") on the Issuer, the Security Trustee, the Account Bank, the Cash Manager and each Paying Agent and the Security will thereupon become enforceable and each Note will forthwith become immediately due and payable at its principal amount outstanding together with accrued interest (if any) (notwithstanding Condition 7(e) (*Limited Recourse*) or the limited recourse provisions set out in the Transaction Documents). If the Security has become enforceable, the Trustee may at its discretion direct the Security Trustee to take action to enforce the Security, and will direct the Security Trustee to take such action to enforce the Security as directed in writing by any Noteholder or Noteholders representing a Majority of the Controlling Class or as directed by an Extraordinary Resolution of the Controlling Class and in each case subject to the Trustee and the Security Trustee having been indemnified and/or secured to their satisfaction.

To the extent that the Trustee acts in accordance with the directions of the Holders of the relevant Notes, as described above, it will have no obligation to take the interests of any other party into account or to follow any direction given by any other party. Only the Trustee and the Security Trustee may enforce the rights of the Noteholders, against the Issuer, whether the same arise under general law, the Conditions, any Transaction Document or otherwise. None of the Noteholders will be entitled to proceed directly against the Issuer unless the Trustee or the Security Trustee having become bound to proceed in accordance with the terms of the Trust Deed and/or the Deed of Charge, fails or neglects to do so within a reasonable time and such failure is continuing.

(f) **Application of proceeds**

Following the service of an Enforcement Notice, the Security Trustee is required to notify all Secured Parties (of which it has notice details in the Transaction Documents) and apply moneys available for distribution in or towards the satisfaction of the amounts and in the order of priority set out below. All amounts standing to the credit of the Distribution Account and the Reserve Account will be applied on each Accelerated Payment Date in accordance with the following order of priority (the "**Accelerated Priority of Payments**"):

- (a) payment of the Issuer Expenses;
- (b) to the Servicer, payment of any arrears of Servicing Fee on the previous Payment Dates and remaining unpaid on such Accelerated Payment Date on a *pro rata* basis;
- (c) to the Servicer, payment of the Servicing Fee;
- (d) to the Swap Counterparty, net amounts due to the Swap Counterparty under the Swap Agreement (including any swap termination payments but excluding any Swap Subordinated Amounts)
- (e) to the Class A Noteholders, payment of any Class A Interest Shortfall and Class A Interest Amount due or overdue, on a *pro rata* and *pari passu* basis;
- (f) to the Class A Noteholders, repayment of the Class A Notes on a *pro rata* and *pari passu* basis until all the Class A Notes have been paid in full;
- (g) to the Class A1 Noteholders, payment of any Class A1 Additional Return Amount due or overdue, on a *pro rata* and *pari passu* basis;
- (h) in satisfaction of or towards, on a *pari passu* and *pro rata* basis, (i) any fees, costs, indemnity claims or other expenses then due or overdue by the Issuer to each Finance Party under the relevant Note Purchase Agreement (including any breakage costs under foreign exchange hedging entered into by the parties thereto) (other than any Class A1 Additional Return Amount) and (ii) any amounts due under Condition 8 (*Taxation*);
- (i) to the Swap Counterparty, amounts due to the Swap Counterparty in respect of any Swap Subordinated Amounts;
- (j) to the Class B Noteholders, payment of any Class B Interest Shortfall and Class B Interest Amount, on a *pro rata* and *pari passu* basis;
- (k) to the Class B Noteholders, repayment of the Class B Notes until all the Class B Notes have been paid in full, on a *pro rata* and *pari passu* basis;

- (l) to the Subordinated Loan Provider, payment of the interest and principal under the Subordinated Loan in full;
- (m) to the Seller, payment of any amount remaining as part of the Deferred Purchase Price Component,

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

On enforcement of the Security constituted by the Deed of Charge, the Security Trustee also is required to apply moneys available for distribution in or towards the satisfaction of the amounts and in the order of priority set out in the Accelerated Priority of Payments.

The floating charge created by the Issuer under the Deed of Charge will automatically (so far as permitted by applicable law) (without notice to the Issuer) be converted into a fixed charge with immediate effect as regards all assets subject to the floating charge if, *inter alia*, an Enforcement Notice has been served.

(g) Shortfall after application of proceeds

If the net proceeds of the Security being enforced and liquidated in accordance with the Deed of Charge are not sufficient, after payment of all other claims ranking in priority to the Notes, to cover all payments due in respect of the Notes, the obligations of the Issuer in respect of the Notes will be limited to such net proceeds and such net proceeds will be applied in accordance with the Receivables Servicing Agreement and the Deed of Charge and no other assets of the Issuer will be available for any further payments in respect of the Notes. The right to receive any further payments in respect of any such shortfall remaining after enforcement of the Security and application of the proceeds thereof in accordance with the Accelerated Priority of Payments will be extinguished.

(h) Relationship between the Class A Notes and the Class B Notes

- (i) The Class A Notes will rank in priority to the Class B Notes.
- (ii) Payments of interest (if any) on the Class A Notes will rank *pro rata* and *pari passu* between themselves and in priority to payments of interest in respect of the Class B Notes and payments of interest (if any) on the Class B Notes will rank *pro rata* and *pari passu* between themselves. If the Issuer does not have sufficient Available Interest Collections on the relevant Interest Payment Date to meet interest payments on the Class A Notes and the Class B Notes in full, any shortfall will first be borne by the Class B Notes and, to the extent that interest due in respect of the Class B Notes on such Interest Payment Date is less than such shortfall, it will secondly be borne by the Class A Notes, in each case *pro rata* and *pari passu* between the Notes of such Class.
- (iii) Following an Event of Default, no amount of principal in respect of the Class B Notes will become due and payable until redemption and payment in full of the Class A Notes.
- (iv) The Trust Deed and the Deed of Charge contain provisions requiring the Trustee or the Security Trustee, as the case may be, (except where expressly provided otherwise) to have regard to the interests of the Class

A1 Noteholders, the Class A2 Noteholders, the Class B1 Noteholders and the Class B2 Noteholders equally as regards all powers, trusts, authorities, duties and discretions of the Trustee or the Security Trustee, as the case may be, but requiring the Trustee or the Security Trustee, as the case may be, in any such case, to (a) have regard only to the interests of the Class A1 Noteholders if, in the opinion of the Trustee or the Security Trustee, as the case may be, there is a conflict between the interests of the Class A1 Noteholders on the one hand and the Class A2 Noteholders and/or the Class B Noteholders on the other hand and (b) subject to (a) above, have regard only to the interests of the Class A2 Noteholders if in the opinion of the Trustee, there is a conflict between the interests of the Class A2 Noteholders and the Class B Noteholders. In addition, if there is a conflict between the interests of (i) the Noteholders and (ii) any of the other Secured Parties, the Security Trustee and the Trustee, as the case may be, will, to the extent permitted by applicable law, have regard only to the interests of the Noteholders.

- (v) None of the Class A2 Noteholders may request or direct the Trustee or the Issuer to take any action or pass any effective Extraordinary Resolution if the effect of the same would, in the sole opinion of the Trustee, be materially prejudicial to the interests of the Class A1 Noteholders and neither the Trustee nor the Issuer will be responsible to the Class A2 Noteholders for disregarding any such request, direction or resolution.
- (vi) None of the Class B Noteholders may request or direct the Trustee or the Issuer to take any action or pass any effective Extraordinary Resolution if the effect of the same would, in the sole opinion of the Trustee, be materially prejudicial to the interests of the Class A Noteholders (including, for the avoidance of doubt, the Class A2 Noteholders), and neither the Trustee nor the Issuer will be responsible to the Class B Noteholders for disregarding any such request, direction or resolution.

(i) **Assumption of no material prejudice**

The Trustee and the Security Trustee will be entitled to assume, for the purposes of exercising any right, power, duty or discretion under or in relation to these Conditions, the Trust Deed, the Deed of Charge or any of the other Transaction Documents or for the purposes of paragraphs (v) and (vi) of Condition 2(h) (*Relationship between the Class A Notes and the Class B Notes*), that to do so will not be materially prejudicial to the interests of the Noteholders or the relevant Class thereof (i) if it has obtained the consent of the Noteholders or the relevant Class thereof or (ii) in relation to a non-economic or non-financial matter, if the Trustee obtains an Opinion of Counsel to such effect.

3. **Covenants**

So long as any of the Notes remains outstanding, the Issuer will not, save to the extent permitted or required by the Transaction Documents entered into by the Issuer or with the prior written consent of the Security Trustee:

- (a) carry on any business other than as described in the Prospectus and in respect of that business will not engage in any activity or do anything whatsoever except:
 - (i) finance, acquire, hold and dispose of the Receivables;
 - (ii) issue, enter into, amend, exchange, repurchase or cancel the Notes;

- (iii) enter into, amend, consent to any variation of, or release any party from any obligation under, any of the Transaction Documents and agreements relating or incidental to the issue and constitution of, and the granting of security for the Notes;
 - (iv) own and exercise its rights in respect of the property charged or assigned hereunder and its interests therein and perform its obligations in respect of the security constituted hereby;
 - (v) preserve and/or exercise and/or enforce any of its rights and perform and observe its obligations under and pursuant to the Notes or the Transaction Documents, any document executed pursuant to such documents and any agreements relating to or incidental to the issue and constitution of, and granting of Security for, the Notes;
 - (vi) use, invest or dispose of any of its property or assets in the manner provided in or contemplated by the Transaction Documents; and
 - (vii) perform any act incidental to or necessary in connection with (i) to (vi) above;
- (b) incur any indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness;
- (c) create or permit to be created any Security Interest whatsoever over any of its assets, or use, invest, sell or otherwise dispose of any part of its assets (including any uncalled capital) or undertaking, present or future;
- (d) comingle its property or assets with the property or assets of any other person;
- (e) consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any person or enter into agreements with any other person;
- (f) pay any dividend or make any distribution to its shareholders in an accounting period which is greater than the amount left to the Issuer after UK corporation tax is charged on the Retained Amount;
- (g) issue any shares in the Issuer (other than such shares as are in issue as at the Closing Date);
- (h) permit the validity or effectiveness of the Trust Deed or this Deed or the priority of the security created thereby or pursuant thereto or the other Transaction Documents to be amended, terminated, postponed or discharged, or permit any person whose obligations form part of the security constituted hereby to be released from such obligations;
- (i) open any account for the purposes of depositing any monies it receives in connection with the Transaction Documents unless such account is secured in favour of the Security Trustee and/or, as the case may be, for the benefit of the Secured Parties;
- (j) have any employees or premises or have any subsidiary or subsidiary undertaking (each as defined in the Companies Act 1985);
- (k) have an "establishment" (as that expression is used in Regulation (EC) No 1346/2000) in any jurisdiction other than England and Wales;

- (l) amend the articles of association (or any other constitutional documents) of the Issuer; or
- (m) acquire obligations or securities of its partners or shareholders.

In giving consent to the foregoing, the Security Trustee may require the Issuer to amend the Transaction Documents and/or may impose such other conditions as it deems to be in the interests of the Noteholders, in accordance with Condition 2(i) (*Assumption of no material prejudice*) above.

4. *Interest*

(a) **Interest Rate and accrual**

Each Note bears interest on the principal amount outstanding of such Note at the beginning of the relevant Interest Period at the rate per annum (expressed as a percentage) equal to the Interest Rate (calculated in the manner set out in Condition 4(d) (*Calculations*)) payable in arrear on each Interest Payment Date from (and including) the Closing Date.

Interest due on an Interest Payment Date will accrue on the principal amount outstanding of each Note at the beginning of the relevant Interest Period.

Interest will cease to accrue on each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) on the due date for redemption unless any amount due remains outstanding, in which event interest will continue to accrue on the unpaid amount of principal (as well after as before judgment) until the Relevant Date at the rate determined daily by the Calculation Agent in its sole discretion to be the rate for overnight deposits in Pound Sterling. Such interest will be added annually to the overdue sum and will itself bear interest accordingly, at the rates for overnight deposits so determined.

(b) **Interest Rate**

The Interest Rate for each Interest Period will be in respect of:

- (i) each Class A1 Note on the first day of the relevant Interest Period, LIBOR plus Margin per annum, provided that if LIBOR plus Margin is less than zero, the Interest Rate will be deemed to be zero (the "**Class A1 Interest Rate**");
- (ii) each Class A2 Note on the first day of the relevant Interest Period, 1.428% per annum (the "**Class A2 Interest Rate**");
- (iii) each Class B1 Note on the first day of the relevant Interest Period, 4.00% per annum (the "**Class B1 Interest Rate**"); and
- (iv) each Class B2 Note on the first day of the relevant Interest Period, 4.00% per annum (the "**Class B2 Interest Rate**").

(c) **LIBOR determination**

LIBOR will be determined by the Calculation Agent on the Interest Determination Date in respect of each relevant Interest Period in accordance with the following:

"**LIBOR**" will be the rate for deposits in Pounds Sterling having a one month maturity which appears on the Reuters Screen LIBOR01 Page as of 11.00 am, London time (the "**Relevant Time**") on such Interest Determination Date. As used

in this Condition 4(c), "**Reuters Screen LIBOR01 Page**" means the display page so designated on the Reuters Screen LIBOR01 Page (or such other page as may replace that page on that service or such other service or services as may be nominated for the purpose of displaying London interbank offered rates for Pounds Sterling deposits).

With respect to an Interest Determination Date for which LIBOR does not appear on Reuters Screen LIBOR01 Page, LIBOR will be determined on the basis of the rates at which deposits in Pounds Sterling are offered by four major banks in the London interbank market selected by the Calculation Agent (the "**Reference Banks**") at approximately the Relevant Time on the Interest Determination Date to prime banks in the London interbank market for a period of one month commencing on such Interest Determination Date and in a principal amount equal to an amount that is representative for a single transaction in such market at such time. The Calculation Agent will request the principal London office of each such Reference Bank to provide a quotation of its rate. If at least two such quotations are provided, LIBOR on such Interest Determination Date will be the arithmetic mean (rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with five one-millionths of a percentage point rounded upwards) of such quotations. If fewer than two such quotations are provided, LIBOR on such Interest Determination Date will be the arithmetic mean (rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with five one-millionths of a percentage point rounded upwards) of the rates quoted by major banks in London selected by the Calculation Agent at approximately 11.00 am, London time, on such Interest Determination Date for loans in Pounds Sterling for a period of one month commencing on such day and in a principal amount equal to an amount that is representative for a single transaction in such market at such time to leading European banks; provided, however, that if the banks in London selected as aforesaid by the Calculation Agent are not quoting as mentioned in this sentence, the Interest Rate will be the Interest Rate in effect on the day immediately preceding such Interest Determination Date.

(d) **Calculations**

- (i) The amount of interest payable in respect of each Note for any Interest Period (the "**Interest Amount**") will be calculated by taking the aggregate of (1) the product of the relevant Interest Rate, the principal amount outstanding of such Note at the beginning of such Interest Period and the Day Count Fraction and (2) any Additional Interest in respect of such Note, and rounding the resultant figure to the nearest whole penny (half a penny being rounded upwards).
- (ii) The Interest Rate and the relevant Interest Amount to be paid on the Notes for each Interest Period will be determined by the Calculation Agent. All calculations made by the Calculation Agent will (in the absence of manifest or proven error) be conclusive for all purposes and binding on the Trustee, the Noteholders and all other parties.

(e) **Determination and notification of Interest Rates and Interest Amounts**

The Calculation Agent will determine the Interest Rate and the Interest Amount in respect of each Note for the relevant Interest Period, obtain such quote or make such determination or calculation, as the case may be, and cause the Interest Rates and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to the Trustee, the Issuer, the Paying Agents, the

Servicer, the Cash Manager and the Noteholders (in accordance with Condition 15 (*Notices*)), as soon as possible after their determination.

The Interest Amounts and Interest Rates notified in accordance with this Condition may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of any extension or shortening of the relevant Interest Period.

If the Notes become due and payable under Condition 10 (*Events of Default*), the accrued interest and the Interest Rate payable in respect of the Notes will nevertheless continue to be calculated as previously in accordance with this Condition 4 but no publication of the Interest Rate or Interest Amount so calculated need be made.

If the Calculation Agent does not at any time for any reason determine the Interest Rates or Interest Amount in respect of any Note in accordance with the foregoing Conditions, the Trustee or its appointed agent will (i) determine the Interest Rate at such rate as, in its absolute discretion (having such regard as it will think fit to the procedure described above), it will deem fair and reasonable in all the circumstances and/or (as the case may be) (ii) calculate the Interest Amount for each Class in the manner specified in Condition 4(d) (*Calculations*), and any such determination and/or calculation will be deemed to have been made by the Calculation Agent and the Trustee will have no liability therefor.

5. *Redemption*

(a) **Final redemption**

Unless previously redeemed in full and cancelled as provided in this Condition 5, each Note will be redeemed by the Issuer at its principal amount outstanding together with accrued interest (if any) on the Final Legal Maturity Date.

The Issuer may not redeem the Notes in whole or in part prior to the Final Legal Maturity Date except as provided in Condition 5(b) (*Redemption for taxation and other reasons*), (c) (*Mandatory early redemption in whole or in part*), (d) (*Mandatory early redemption on retransfer of Assigned Receivables*) and (e) (*Clean up call option*) but without prejudice to Condition 10 (*Events of Default*).

(b) **Redemption for taxation and other reasons**

If (1) the Swap Counterparty is at any time required by law (but not pursuant to FATCA) to withhold or deduct amounts for or on account of tax in respect of any payments due to the Issuer in respect of the Swap Agreement or (2) if the Issuer is at any time required by law (but not pursuant to FATCA) to withhold or deduct amounts for or on account of tax in respect of any payments due to the Swap Counterparty in respect of the Swap Agreement or (3) the Issuer is, on the occasion of the next payment due in respect of the Notes, required by law (but not pursuant to FATCA) to deduct, withhold or account for tax in respect of a payment by it on the Notes or would itself suffer any tax (other than tax on the Retained Amount or any FATCA Deduction) or other similar imposition so that:

- (i) the Issuer is unable to make payment of the full amount due on the Notes or the cost to the Issuer of making payments in respect of the Notes or of complying with its obligations under or in connection with the Notes would be materially increased;

- (ii) the operating or administrative expenses of the Issuer would be materially increased; or
- (iii) the Issuer would be obliged to make any material payment on, in respect of, or calculated by reference to, its income or any sum received or receivable by or on behalf of the Issuer from the Charged Property or any of it,

the Issuer will so inform the Trustee forthwith and will use its best endeavours (which will not require it to incur any loss, excluding immaterial, incidental expenses) to determine within 20 days of such circumstance occurring whether it would be practicable to arrange the substitution of a company incorporated in another jurisdiction approved by the Trustee as the principal debtor or to change its tax residence to another jurisdiction approved by the Trustee (provided that the Issuer will only use such best endeavours to so determine if such a substitution or change could reasonably be expected to avoid such withholding or deduction or tax or other similar imposition). If the Issuer determines that any of such measures would be practicable, it will have a further period of 60 days to effect such substitution or change of tax residence. If, however, it determines within 20 days of such circumstance occurring that none of such measures would be practicable or if, having determined that any of such measures would be practicable, it is unable so to avoid such withholding or deduction or tax or imposition within such further period of 60 days, then the Issuer may, at its election, but will not be obliged to, give not more than 60 nor less than 30 days' notice to the Trustee, the Paying Agents and the Noteholders, in accordance with Condition 15 (*Notices*), of its intention to redeem and on expiry of such notice will pay in full all of the Issuer Expenses, redeem all but not some only of the Notes at their principal amounts outstanding together with accrued interest, to the date (which must be an Interest Payment Date) fixed for redemption and pay all items ranking in priority to or *pari passu* with the such Classes of Notes in accordance with the Interest Priority of Payments and the Principal Priority of Payments, provided that prior to the publication of any such notice of redemption, the Issuer will deliver to the Trustee a certificate signed by 2 directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred. The Trustee will be entitled to accept such certificate as sufficient evidence of the satisfaction of the circumstances set out above, in which event it will be conclusive and binding on the Noteholders.

(c) **Mandatory early redemption in whole or in part**

If the Revolving Period is not continuing, each Class A Note and, provided that the Class A Notes have been redeemed in full, each Class B Note, will be subject to mandatory early redemption on each Interest Payment Date in an amount equal to the sum of Available Principal Collections available on such Interest Payment Date for such purpose in accordance with the Principal Priority of Payments. Any such early redemption will be on a *pro rata* basis within each Class of Notes.

(d) **Mandatory early redemption on retransfer of Assigned Receivables**

If the Issuer desires to retransfer any or all the Assigned Receivables to FCE pursuant to the Receivables Sale Agreement then the Issuer will (unless the Trustee otherwise consents) forthwith give not more than 31 nor less than 10 days' notice to the Trustee, the Security Trustee, the Principal Paying Agent and the Noteholders in accordance with Condition 15 (*Notices*), of its intention to redeem some or all of the Notes together with accrued interest to the date of

redemption and the Break Costs in accordance with the terms and conditions thereof and provided that no Enforcement Notice has been served, and further provided that it has, prior to giving the notice referred to above, certified to the Trustee and the Security Trustee, and provided evidence acceptable to them, that it will have the necessary funds to discharge all its liabilities in respect of the Notes to be redeemed and any amounts required under the Deed of Charge to be paid in priority to or *pari passu* with such Notes, the Issuer may redeem some or all of the Notes at their principal amount outstanding together with accrued interest to (but excluding) the date of redemption and, in respect of any Class A Notes only, the Break Costs on any Interest Payment Date. The Trustee and the Security Trustee will have no duty to enquire into the Issuer's ability to discharge its obligations as aforesaid and will be entitled to accept such certificate and evidence as conclusive evidence of such ability.

(e) **Clean up call option**

The Issuer may, at its option, redeem all of the Notes at their aggregate principal amount outstanding, together with any interest accrued up to but excluding the relevant Interest Payment Date and, in respect of the Class A Notes only, Break Costs on any Interest Payment Date, if the Seller has exercised its option to purchase all of the Assigned Receivables pursuant to clause 8.1 (*Clean up call option*) of the Receivables Sale Agreement, upon giving notice no later than 30 days beforehand to the relevant Noteholders and the Trustee in accordance with Condition 15 (*Notices*).

(f) **Cancellation**

Any Notes redeemed in full by the Issuer (other than pursuant to Condition 5(g) (*Advances and repayments of principal*)) will be cancelled in full forthwith in which case they will not be resold or re-issued and the obligations of the Issuer in respect of any such Notes will be discharged.

(g) **Advances and repayments of principal**

(i) Prior to service of an Enforcement Notice, the Issuer may on any Interest Payment Date falling during the Revolving Period, by delivering a notice to such Noteholders (with a copy to the Trustee, the Registrar, the Principal Paying Agent and any other parties specified under the Servicing Agreement) by no later than 3:00 p.m. (London time) on the immediately preceding Servicing Reporting Date, in the case of the Class A Notes and the Class B Notes, as applicable, require the payment of an advance of monies by way of principal (in respect of a Class, an "**Advance**") on the Class A Notes and the Class B Notes, as applicable, from the relevant Noteholders; subject to satisfaction of the Conditions to Advance and in accordance with this Condition 5(g)(iii) and (iv). Each Advance will mature on the Maturity Date for such Class of Notes.

(ii) Prior to service of an Enforcement Notice, the Issuer will on any Interest Payment Date falling during the Revolving Period, by delivering a notice to the Noteholders (with a copy to the Trustee, the Registrar and any other parties specified under the Servicing Agreement) by no later than 3:00 p.m. (London time) on the immediately preceding Servicing Reporting Date, in the case of the Class A Notes and the Class B Notes, as applicable, repay principal on the Class A Notes and the Class B Notes, as applicable, on the relevant Interest Payment Date subject to

satisfaction of the Conditions to Repayment and in accordance with Conditions 5(g)(iii) and (v).

- (iii) All Advances to be made on an Interest Payment Date in relation to the Class A Notes and the Class B Notes, as applicable in accordance with this Condition 5(g), will be allocated between each Class for which the Revolving Period is continuing in accordance with the Principal Increase Due in respect of such Class. All repayments of principal to be made on an Interest Payment Date in relation to the Class A Notes and the Class B Notes in accordance with this Condition 5(g), will be allocated between each Class in accordance with the Principal Repayment Due in respect of such Class.
- (iv) In respect of the Class A Notes and the Class B Notes:
 - (1) the Advance allocated to such Class in accordance with Condition 5(g)(iii) will, if the Notes of such Class are registered in the name of more than one Noteholder, be made *pro rata* in relation to the then outstanding principal amount of each Note of such Class provided that the Noteholders of such Class may determine, in their absolute discretion, that the Advance allocated to such Class will be allocated between the holders of such Class on an alternative basis;
 - (2) whereupon the holders of such Class (or the related conduit agent, on behalf of the Class A Noteholders) will, prior to or immediately upon the making of such Advance, notify, by fax or electronic mail, the Issuer, the Servicer, the Principal Paying Agent and the Registrar of the percentage of the Advance to be allocated to each holder of such Class (provided that the aggregate of such percentages will equal 100%).
- (v) In respect of each Class, the amount of repayment of principal allocated to such Class in accordance with Condition 5(g)(iii) will, if the Notes of such Class are registered in the name of more than one Noteholder, be made *pro rata* in relation to the then outstanding principal amount of each Note of such Class.

6. *Additional interest and subordination*

(a) **Additional interest on the Class A Notes**

If the aggregate funds (computed in accordance with the provisions of the Cash Management Agreement) available to the Issuer on any Interest Payment Date for application in or towards the payment of interest due in relation to the Class A Notes on such Interest Payment Date pursuant to Condition 4 (*Interest*) are not sufficient to satisfy in full the aggregate amount of interest so due, the Issuer will create a provision in its accounts equal to such shortfall and such shortfall will accrue interest in accordance with Condition 4(b)(i) (*Interest*) for such time as it remains outstanding and such shortfall, together with any additional accrued interest, will be immediately due and payable.

(b) **Interest on the Class B Notes**

- (i) For so long as any Class A Note remains outstanding, if the aggregate funds (computed in accordance with the provisions of the Cash Management Agreement) available to the Issuer on any Interest Payment

Date for application in or towards the payment of interest which is, subject to this Condition, due in relation to the Class B Notes on such Interest Payment Date are not sufficient to satisfy in full the aggregate amount of interest which is, subject to this Condition, due in relation to the Class B Notes on such Interest Payment Date, there will be payable on such Interest Payment Date by way of interest in relation to each Class B Note (notwithstanding Condition 4 (*Interest*)) only a *pro rata* share of such aggregate available collections on such Interest Payment Date.

- (ii) In any such event, the Issuer will create a provision in its accounts for the shortfall equal to the amount by which the aggregate amount of interest paid in relation to the Class B Notes on any Interest Payment Date in accordance with this Condition falls short of the aggregate amount of interest payable in relation to the Class B Notes on that date pursuant to Condition 4 (*Interest*). Such shortfall will accrue interest in accordance with Condition 4 (*Interest*) during such Interest Period during which it remains outstanding and a *pro rata* share of such shortfall, together with a *pro rata* share of such accrued interest, will be aggregated with the amount of, and treated for the purpose of this Condition as if it were, interest due, subject to this Condition, on each Class B Note on the next succeeding Interest Payment Date. If, on the final Interest Payment Date (or on any earlier redemption of the Class B Notes in full), there remains such a provision, such amount will become payable subject to this Condition on that Interest Payment Date (or, in the case of an earlier redemption of the Class B Notes in full, on the date of such redemption).
- (iii) Upon redemption of the Class A Notes in full, the provisions of Condition 6(a) will apply, *mutatis mutandis*, to the Class B Notes.

(c) **Principal on the Class B Notes**

- (i) The Class B Noteholders will not be entitled to any payment of the principal in respect of the Class B Notes while any Class A Note remains outstanding.
- (ii) If on any Interest Payment Date or any other date on which a payment of principal is due on the Class B Notes falling on or after the redemption of the Class A Notes, the aggregate funds (computed in accordance with the provisions of the Cash Management Agreement) available to the Issuer on such date for application in or towards the payment of principal which is, subject to this Condition, due on the Class B Notes on such date are not sufficient to pay in full all principal due (otherwise than pursuant to this Condition 6(c)) in respect of the Class B Notes on such date, there will be payable on such date by way of principal on each Class B Note only a *pro rata* share of such aggregate available collections on such date.

7. **Payments**

(a) **Method of payment**

Except as provided below, payments in respect of the Notes will be made by transfer to a Pound Sterling account, maintained by the payee with a bank as specified by the payee and as notified by the Principal Paying Agent to the Paying Agents, at least two Business Days prior to each Interest Payment Date.

(b) **Payments subject to fiscal law, etc**

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives (including FATCA), but without prejudice to the provisions of Condition 8 (*Taxation*). No commission or expenses will be charged to the Noteholders in respect of such payments.

(c) **Appointment of Agents**

The Paying Agents, the Registrar and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed at the end of these Conditions. The Paying Agents, the Registrar and the Calculation Agent act solely as agents of the Issuer (unless an Event of Default has occurred or may with the lapse of time or the giving of notice occur, when such agents may be required to act as agents of the Trustee) and do not assume any obligation or relationship of agency or trust for or with any Noteholders. The Issuer reserves the right at any time with the prior written approval of the Trustee (such approval not to be unreasonably withheld) to vary or terminate the appointment of the Paying Agents or the Calculation Agent and to appoint additional or other Paying Agents or Calculation Agents, provided that the Issuer will at all times maintain (i) a Calculation Agent, (ii) a Paying Agent with a specified office in a European Union member state (which may be the Principal Paying Agent) that will not be obliged to withhold or deduct tax pursuant to the European Union Directive on the taxation of savings interest and (iii) a Registrar.

Notice of any such change or any change of any specified office will promptly be given to the Noteholders in accordance with Condition 15 (*Notices*).

(d) **Non-business days**

If any date for payment in respect of any Note is not a Business Day, the holder will not be entitled to payment until the next following such day nor to any interest or other sum in respect of such postponed payment.

(e) **Limited Recourse**

- (i) No sum will be due and payable by the Issuer except in accordance with the Priorities of Payments (excluding any payment or delivery to be made by the Issuer under the Credit Support Annex which will be due and payable only to the extent of the amount standing to the credit of the Counterparty Downgrade Collateral Account) and any payment obligations of the Issuer under the Transaction Documents may only be satisfied from and will only become due and payable to the extent of the amounts received by it under or pursuant to the Transaction Documents.
- (ii) If the Security constituted by the Deed of Charge is enforced, and after payment of all other claims (if any) ranking in priority to or *pari passu* with each of the claims of the Secured Parties under the Deed of Charge, the remaining proceeds of such enforcement are insufficient to pay in full all amounts whatsoever due to each of the Secured Parties and all other claims ranking *pari passu* to the claims of each such party, then the claims of each such party against the Issuer will be limited to their respective shares of such remaining proceeds (as determined in accordance with the provisions of the Deed of Charge) and, after payment to each such party of its respective share of such remaining proceeds, the obligations of the Issuer to each such party will be discharged in full.

8. *Taxation*

All payments of principal and interest in respect of the Notes by the Issuer or any Paying Agent will be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the United Kingdom or any political sub-division thereof or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law (or pursuant to FATCA). In that event, in respect of the Class A1 Notes only, the Issuer will pay such additional amounts as may be necessary in order that the amounts received by the Class A1 Noteholders or their agents after such withholding or deduction will equal the respective amounts of principal and interest which would have been receivable in respect of the Class A1 Notes in the absence of such withholding or deduction; except that no additional amounts will be payable with respect to any payment in respect of any Class A1 Note:

- (a) to, or to a third party on behalf of, a holder who is subject to such taxes, duties, assessments or governmental charges in respect of such Class A1 Note by reason of his having some connection with the United Kingdom otherwise than merely by holding the Note; or
- (b) to, or to a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party acting on their behalf complies with any statutory requirements or by making or procuring that any such third party makes a declaration of non-residence or other claim for exemption to any tax authority; or
- (c) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amount on presenting the same for payment on the thirtieth such day; or
- (d) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings income (the "Directive") or any law implementing or complying with, or introduced in order to conform to, the Directive; or
- (e) where such withholding or deduction is required pursuant to FATCA or any other Tax Information Arrangement.

For the purposes of this Condition 8, the "**Relevant Date**" in relation to such payment means: (i) the date on which such payment first becomes due; or (ii) (if the full amount of the moneys payable on such date has not been received by the Principal Paying Agent or any other Paying Agent on or prior to such date) such later date on which notice is given to the Noteholders in accordance with Condition 15 (*Notices*) that payment will be made.

9. *Prescription*

The Notes will become void unless claims for payment of principal or interest are made within ten years of the Relevant Date in respect thereof. After the date on which a Note becomes void, no claim may be made in respect thereof.

10. *Events of Default*

Subject to the last paragraph of Condition 2(e), if any of the following events (each an "**Event of Default**") occurs, the Trustee at its absolute discretion may, and if so requested in writing by any Noteholder or Noteholders representing a Majority of the Controlling Class or if so directed by an Extraordinary Resolution of the Controlling Class), will

(subject, in each case, to being indemnified and/or secured to its satisfaction) give an Enforcement Notice to the Issuer, the Security Trustee, the Account Bank, the Cash Manager and each Paying Agent declaring the Notes due and payable and each Note will accordingly forthwith become immediately due and payable at its principal amount outstanding together with accrued interest (if any) (notwithstanding Condition 7(e) (*Limited Recourse*) or the limited recourse provisions set out in the Transaction Documents):

(a) **Non-payment**

subject to Condition 8 (*Taxation*), (i) default in the payment of interest due under Condition 4 (*Interest*) on any Note of the Controlling Class when the same becomes due and payable on each Interest Payment Date and such default continues for a period of five Business Days or more or (ii) default in the payment of principal due on the Notes or any of them when the same becomes due and payable on its final maturity, in each case notwithstanding Condition 7(e) (*Limited Recourse*) or the limited recourse provisions set out in the Transaction Documents;

(b) **Breach of other obligations or misrepresentations**

- (i) the Issuer fails to perform or comply with any one or more of its other obligations (other than a failure to perform or comply with obligations which failure, in the opinion of the Trustee, is not materially prejudicial to the interests of the Noteholders) under the Notes, the Trust Deed, the Deed of Charge or any other Transaction Documents and (except where such failure is not capable of remedy when no such notice as is hereinafter referred to will be required) such failure will continue for more than 30 days (or such longer period as the Trustee may permit) next following the service by the Trustee on the Issuer of notice requiring the same to be remedied; or
- (ii) any representation or warranty made by the Issuer under the Notes, the Trust Deed or the Deed of Charge proves to have been false or misleading in any material respect as of the time made or deemed made (other than a false or misleading representation or warranty which, in the opinion of the Trustee, is not materially prejudicial to the interests of the Noteholders) and (except where the consequence of such representation or warranty being incorrect is not capable of remedy when no such notice as is hereinafter referred to will be required) the consequence of such representation or warranty being incorrect is not remedied in all material respects within 30 days (or such longer period as the Trustee may permit) next following the service by the Trustee on the Issuer of notice requiring the same to be remedied;

(c) **Winding-up**

an order is made or an effective resolution is passed for the winding-up of the Issuer except a winding-up for the purposes of or pursuant to a merger, reconstruction or amalgamation, the terms of which have previously been approved by an Extraordinary Resolution of the Noteholders;

(d) **Insolvency proceedings**

proceedings will be initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws including, for the avoidance of doubt, presentation to the court of an application for the appointment

of an administrator, or notice of appointment or intention to appoint an administrator, or an administrative receiver or other receiver, administrator or other similar official will be appointed in relation to the Issuer or in relation to the whole or any substantial part of the undertaking or assets of the Issuer or an encumbrancer will take possession of the whole or any substantial part of the undertaking or assets of the Issuer or a distress, execution or diligence or other process will be levied or enforced upon or sued out against the whole or any substantial part of the undertaking or assets of the Issuer and in any of the foregoing cases it will not be discharged, stayed, withdrawn or contested in good faith within 14 days, or if the Issuer will initiate or consent to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or will make conveyance or assignment for the benefit of its creditors generally;

(e) Insolvency

the Issuer ceases or threatens to cease to carry on its business or a substantial part of its business or the Issuer is deemed unable to pay its debts within the meaning of s123(1)(b), (c) or (d) Insolvency Act 1986 (as that section may be amended) or becomes unable to pay its debts as they fall due or the value of either the Issuer's assets is less than the amount of its liabilities (taking into account for both these purposes its contingent and prospective liabilities) or the Issuer otherwise becomes insolvent; or

(f) Swap Agreement

the Swap Agreement is terminated by the Swap Counterparty in accordance with its terms by reason of default on the part of the Issuer.

If, having become bound so to do, the Trustee fails to deliver an Enforcement Notice pursuant to this Condition 10 within a reasonable time and such failure is continuing then any Noteholder or Noteholders representing the Controlling Class may deliver to the Issuer, the Noteholders, the Security Trustee and the Paying Agents an Enforcement Notice pursuant to this Condition 10. Upon any Enforcement Notice being given by the Trustee in accordance with the terms of this Condition 10, notice to that effect will be duly given by the Trustee to all Noteholders in accordance with Condition 15 (*Notices*).

11. *Enforcement and non-petition*

Only the Trustee may pursue the remedies available under the Trust Deed and only the Security Trustee under the Deed of Charge may enforce the rights of the Noteholders. No Noteholder is entitled to proceed against the Issuer unless the Trustee or the Security Trustee, having become bound so to do, fails to take action against the Issuer or to enforce any of the Security within a reasonable time and such failure is continuing. None of the Trustee, the Security Trustee or any Noteholder may take any action or has any rights against the Issuer to recover any sum still unpaid once the Security is enforced and the net proceeds thereof distributed in accordance with Condition 2 (*Status and Security*), and any such liability will be extinguished.

None of the Trustee, the Security Trustee and any Secured Party will be entitled, until the expiry of two years and one day after the payment of all sums outstanding under the Notes, to petition or take any other step for the winding-up of the Issuer provided that the Trustee and the Security Trustee may prove or lodge a claim in the liquidation of the Issuer initiated by another party and provided further that the Trustee and the Security Trustee may take proceedings to obtain a declaration or similar judgment or order as to the obligations and liabilities of the Issuer.

Subject to Condition 10 (*Events of Default*), the Trustee and, as the case may be, subject to clause 10.3 (*Post-Enforcement*) of the Deed of Charge, the Security Trustee, will, save as otherwise requested in writing by any Noteholder or Noteholders representing a Majority of the Controlling Class or directed by an Extraordinary Resolution of the Controlling Class, have absolute and uncontrolled discretion as to the exercise and non exercise of all trusts, powers, authorities and discretions vested in them by or pursuant to the Trust Deed, the Deed of Charge or any Transaction Document to which they are a party or conferred upon them by operation of law.

12. *Meetings of Noteholders, modifications, waiver, substitution and exchange*

(a) **Meetings of Noteholders**

- (i) The Trust Deed contains provisions for convening separate meetings of each of the Class A1 Noteholders, the Class A2 Noteholders, the Class B1 Noteholders and the Class B2 Noteholders to consider any matter affecting their interests, including the sanctioning by a resolution passed at a meeting duly convened and held in accordance with the Trust Deed by more than 75% of votes cast (an "**Extraordinary Resolution**") of a modification of any of the provisions of the Trust Deed, the Deed of Charge, any other Transaction Document or these Conditions.
- (ii) In respect of the Class A Notes, the Class B Notes and the Controlling Class the quorum at any such meeting for passing an Extraordinary Resolution not related to a Reserved Matter will be one or more persons holding or representing a clear majority in principal amount of the relevant Class for the time being outstanding or, at any adjourned meeting, one or more persons holding or representing Noteholders of the relevant Class, whatever the principal amount of the Notes of the relevant Class so held or represented. In relation to Reserved Matters, the quorum for passing an Extraordinary Resolution will be one or more persons holding or representing 75%, or at any adjourned such meeting at least one-third, of the principal amount of the Controlling Class for the time being outstanding.
- (iii) An Extraordinary Resolution passed at any meeting of Class A1 Noteholders, Class A2 Noteholders, Class B1 Noteholders or Class B2 Noteholders will be binding on, respectively, all Class A1 Noteholders, Class A2 Noteholders, Class B1 Noteholders, or Class B2 Noteholders whether or not they were present at such meeting provided that any Extraordinary Resolution relating to a Reserved Matter must also be approved by the Controlling Class in accordance with Condition 12(a)(ii) and provided further that no resolution of the Controlling Class which would have the effect of one of the following will be effective unless sanctioned by an Extraordinary Resolution of holders of each other Class of Notes:
 - (1) changing any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest due on any date in respect of the Notes;
 - (2) increasing the amount required to redeem the Notes, or the amount of interest payable on the Notes;
 - (3) changing the method of calculating the amount of any payment in respect of the Notes of any class on redemption or maturity or to alter the method of calculating any Advance;

- (4) releasing or substituting the Security or any part thereof;
- (5) (except in accordance with Condition 12(c) (*Substitution and exchange*) and Clause 9.6 of the Trust Deed) effecting 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;
- (6) changing the currency in which amounts due in respect of the Notes are payable;
- (7) altering the priority of payment of interest or principal in respect of the Notes;
- (8) amending the maximum aggregate commitment amount of the Note; or
- (9) altering this proviso.

(b) **Modifications and waiver**

The Trustee may without any consent or sanction of the Noteholders (other than (in the case of (i) below) in respect of a Reserved Matter for which an Extraordinary Resolution of the Controlling Class approving such modification will be required) or any of the other Secured Parties at any time and from time to time concur with the Issuer in making any modification to the Trust Deed, Deed of Charge or any other Transaction Document to which it is a party or in relation to which it holds security if the Trustee is of the opinion that (i) such modification will not be materially prejudicial to the interests of the Noteholders or (ii) such modification is of a formal, minor or technical nature or is made to correct a manifest error or to comply with the mandatory provisions of law. Any such modification will as soon as practicable thereafter be notified to the Noteholders in accordance with Condition 15 (*Notices*) and will be binding upon the Noteholders.

Any other modifications will require the consent of the Noteholders, affected by such modifications, in accordance with these Conditions. All modifications will be notified by the Issuer to the Noteholders in accordance with Condition 15 (*Notices*) as soon as practicable thereafter.

Notwithstanding anything else stated in this Condition 12(b), no such modification may increase or reduce in any manner the amount of, or accelerate or delay the timing of, or change the allocation or priority of, collections or distributions that are required to be made for the benefit of the Secured Parties without the consent of all of the affected Secured Parties.

(c) **Substitution and exchange**

- (i) Subject to such amendment of the Trust Deed, the Deed of Charge and any other Transaction Document and such other conditions as the Trustee may require, including as to satisfaction that the interests of the Noteholders will not be materially prejudiced by the substitution and as to the transfer of the Security, the Trustee may or will (provided that the Trustee is indemnified and/or secured to its satisfaction) with the consent of any Noteholder or Noteholders representing a Majority of the Controlling Class (save in respect of substitution due to the Issuer having become subject to any form of tax contemplated in Condition 8 (*Taxation*) in which

case the Trustee shall not be obliged to obtain such consent) but without the consent of any other Noteholders or any other Secured Parties, agree to (i) the substitution of any other company or other entity in place of the Issuer as principal debtor under the Trust Deed and the Notes and replacement for it under the Deed of Charge and any other Transaction Document, or (ii) the exchange of the Notes, in whole but not in part only, for other securities or instruments having substantially the same rights and benefits as the Notes. Such substitution or exchange will be subject to the relevant provisions of the Trust Deed and the other Transaction Documents and to such amendments thereof as the Trustee may deem appropriate. In the case of such a substitution or exchange the Trustee may agree, with the prior written consent of any Noteholder or Noteholders representing a Majority of the Controlling Class, but without the consent of any other Noteholders or any of the other Secured Parties, to a change of the law governing the Notes, the Trust Deed and/or the Deed of Charge and/or any other Transaction Document provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of any Class of Noteholders. Under the Trust Deed, the Issuer is required to use its best endeavours to procure the substitution as principal debtor under the Trust Deed and the Deed of Charge of a company or other entity incorporated in some other jurisdiction (approved by the Trustee) in the event of the Issuer becoming subject to any form of tax on its income or payments in respect of the Notes. Any such substitution will be binding on the Noteholders.

- (ii) The Trustee may, without the consent of the Noteholders or any of the other Secured Parties, agree to a change in the place of residence of the Issuer for taxation purposes provided the Issuer does all such things as the Trustee may require in order that such change in the place of residence of the Issuer for taxation purposes is fully effective and complies with such other requirements in the interests of the Noteholders as it may direct.

(d) **Entitlement of the Trustee**

In connection with the exercise of its powers, trusts, authorities or discretions (including, without limitation those in relation to any proposed modification, waiver, authorisation or substitution as aforesaid) the Trustee will have regard to the interests of the Noteholders as a Class and, without prejudice to the generality of the foregoing, will not have regard to the consequences of such exercise for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and the Trustee will not be entitled to require, nor will any Noteholders be entitled to claim, from the Issuer or any other person any indemnification or payment in respect of any tax consequence of any exercise for individual Noteholders.

13. *Indemnification of the Trustee*

The Trust Deed, the Deed of Charge and certain other of the Transaction Documents contain provisions for the indemnification of the Trustee and the Security Trustee and for their relief from responsibility including for the exercise of any rights in respect of the Trust Deed and the other Transaction Documents (including, but without limitation, in respect of the Security), for the sufficiency and enforceability thereof (which the Trustee has not investigated) and the validity, sufficiency and enforceability of the Deed of Charge and for taking proceedings to enforce payment unless, in each case, indemnified and/or secured

to its satisfaction. The Trustee and the Security Trustee and any of their affiliates are entitled to enter into business transactions with the Issuer, any subsidiary or other affiliate of the Issuer or any other party to the Transaction Documents or any obligor in respect of any of the Security or any of their subsidiary, holding or associated companies and to act as Trustee or Security Trustee for the holders of any securities issued by any of them without, in any such case, accounting to the Noteholders for any profit resulting therefrom.

The Trustee and the Security Trustee are exempted from liability with respect to any loss or theft or reduction in value of the Security and from any obligation to insure or to procure the insuring of the Security.

The Trust Deed and the Deed of Charge provide that the Trustee and/or the Security Trustee will be obliged to take action on behalf of the Noteholders and the Secured Parties in certain circumstances, provided always that the Trustee and/or the Security Trustee is indemnified and/or secured to its satisfaction. Further, the Trustee will not be obliged to act on behalf of the Noteholders or any other Secured Parties where it would not have the power to do so by virtue of any applicable law or where such action would be illegal in any applicable jurisdiction.

14. *Replacement of Notes*

If a Note is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws and regulations, at the specified office of the Principal Paying Agent on payment by the claimant of the taxes, fees and costs properly incurred in connection therewith and on such terms as to evidence, security and indemnity as the Issuer, Trustee or the Principal Paying Agent may require and otherwise as the Issuer may require. Mutilated or defaced Notes must be surrendered before replacements will be issued.

15. *Notices*

- (a) Any notice to the Noteholders will be validly given if delivered to the Trustee and the Noteholders by hand or sent by prepaid registered post or facsimile transmission to such address, in the case of the Trustee, as is from time to time notified by the Trustee to the Issuer and, in the case of the Noteholders, as appears in the Register in respect of such Noteholder. Any such notice will be deemed to have been given (in the case of (b)) on the date of such publication or, (in the case of (a)), (if delivered by facsimile transmission or by hand) upon receipt or (if delivered by post) when it would be received in the ordinary course of the post. If such publication or delivery is not practicable, notice will be valid if given in such other manner, and will be deemed to have been given on such date, as the Trustee will determine.
- (b) For so long as the Class A1 Notes are listed on the Irish Stock Exchange's official list, copies of all notices given in accordance with these provisions will be sent to the Irish Stock Exchange.

16. *Further Notes*

(a) **Further Notes**

The Issuer may, with the prior written consent of the Noteholders but subject always to the provisions of these Conditions and the Trust Deed, raise further funds, from time to time by the creation and issue of further Class A Notes (the "**Further Class A Notes**") and further Class B Notes (the "**Further Class B Notes**") and, together with the Further Class A Notes, the "**Further Notes**"), in each case in registered form ranking *pari passu* with the existing Class A Notes or Class B Notes (as applicable), sharing the same security and having the same

terms and conditions as the existing Class of Notes then outstanding (other than as to the issue date, the first Interest Period, the first Payment Date and the Interest Rate) and so that the same will form a separate series of the relevant Class of Notes.

(b) **Supplemental Trust Deeds and Security**

Any such Further Notes will be constituted by a further deed or deeds supplemental to the Trust Deed and have the benefit of the security pursuant to the Deed of Charge.

17. *Governing law and jurisdiction*

- (a) The Notes and all non-contractual obligations arising out of or in connection with them are governed by, and will be construed in accordance with, English law.
- (b) In relation to any disputes arising out of or in connection with the Notes ("**Proceedings**"), the Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of the courts of England and waived any objections to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. Such submission is made for the benefit of the Trustee and will not limit the right of the Trustee to take Proceedings in any other court of competent jurisdiction nor will the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).
- (c) No person will have any right to enforce any term or condition of this Note by virtue of the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

18. *Definitions*

In these Conditions, the following words and expressions will, except where the context otherwise requires, have the meanings set out below:

"Accelerated Payment Date" means, in respect of any principal and/or interest payment in respect of the Notes, each Interest Payment Date after the occurrence of an Event of Default.

"Accelerated Priority of Payments" will have the meaning given to it in Condition 2(f) (*Application of proceeds*).

"Account Bank" means JPMorgan Chase Bank, N.A.

"Additional Assigned Receivables" means all Receivables under the Receivables Agreements identified in the Sale Notices (other than the first Sale Notice) and, in respect of a particular Sale Notice, those Receivables under the Receivables Agreements identified in such Sale Notice, in each case, to the extent they have not been repurchased by the Seller for any reason.

"Additional Interest" means any additional interest payable in accordance with Condition 6 (*Additional interest and subordination*).

"Additional Funding Amounts" means, in respect of the Class A1 Notes, the Additional Class A1 Funding Amounts as defined in clause 10 (*Additional Class A1 Funding Amounts*) of the Note Purchase Agreement in relation to the Class A1 Notes.

"Additional Principal Payment" means (a) in respect of a Collection Period and a Receivable (other than a PCP Contract), (i) Total Collections, plus (ii) the Closing Receivables Balance, less (iii) the Interest Collections, less (iv) the Opening Receivables Balance, subject to a minimum of zero and (b) in respect of a Collection Period and a PCP Contract in respect of which payment of the Minimum Guaranteed Future Value has been discharged by redelivery of the Related Vehicle to the Seller (i) Total Collections, plus (ii) the PCP Contract Vehicle Sale Expected Proceeds of such Vehicle, less (iii) the Opening Receivables Balance, less (iv) Interest Collections, subject to a minimum of zero.

"Additional Reserve Fund Amount Tranche" has the meaning given to it in the Subordinated Loan Agreement.

"Agents" means the Paying Agents, the Calculation Agent and the Registrar and **"Agent"** means any one of these.

"Aggregate Closing Receivables Balance" means, as at any date of determination and any Collection Period, the aggregate of all Closing Receivables Balances.

"Ancillary Rights" means the ancillary rights associated with each Assigned Receivable (excluding the Excluded Rights), other than ownership and rights associated with ownership of the Vehicle to which such Assigned Receivable relates and will include (but is not limited to) the following (in each case without prejudice to the foregoing):

- (a) in addition to all sums and amounts paid or to be paid, the right to demand, sue for, recover, receive and give receipts for all amounts due (whether or not from Customers) in respect of such Assigned Receivable under or relating to the relevant Assigned Receivables Agreement;
- (b) the benefit of all covenants and undertakings from Customers and from guarantors in respect of such Assigned Receivable under or relating to or in connection with the relevant Assigned Receivables Agreement;
- (c) the benefit of all causes and rights of action against Customers and guarantors in respect of such Assigned Receivable under or relating to or in connection with the relevant Assigned Receivables Agreement;
- (d) all rights, title, interest and benefit, present and future, of the Seller in any Payment Protection Policy and GAP Policy relating to such Assigned Receivable (including, without limitation, such right as the Seller has to receive and retain all amounts payable thereunder, other than premiums and commissions received from Customers) insofar as such relate to such Assigned Receivable;
- (e) all rights, title, interest, powers and benefit, present and future, of the Seller in any motor vehicle insurance policy relating to the Vehicle to which such Assigned Receivable relates and proceeds relating thereto;
- (f) all rights, title, interest and benefit, present and future, of the Seller to any Vehicle Proceeds or under any Vehicle Sale Contract relating to the Vehicle relating to such Assigned Receivable (including, the rights with respect to repossessed Vehicles as described in clauses 2.6 (*Vehicle Proceeds*) of the Receivables Sale Agreement and all causes or rights of action against any other party thereto and otherwise arising therefrom);
- (g) [Not used].
- (h) the benefit of any other rights, title, interests, powers or benefits of FCE in relation to such Assigned Receivable; and

- (i) the purchase price paid or to be paid, the right to demand, sue for, recover, receive and give receipts for all amounts due in respect of such Assigned Receivable from a Collection Agent upon such Assigned Receivables becoming a Written-Off Receivable.

"April 2011 Deed of Amendment" means the deed of amendment dated on or about the April 2011 Effective Date between, *inter alios*, the Issuer, FCE and the Noteholders.

"April 2011 Effective Date" means 15 April 2011.

"Assigned Receivables" means the Initial Assigned Receivables and the Additional Assigned Receivables which have not been repurchased by the Seller for any reason.

"Assigned Receivables Agreement" means any Receivables Agreement from which an Assigned Receivable is derived.

"Available Interest Collections" means, with respect to each Collection Period, an amount equal to the sum of:

- (a) the aggregate Interest Collections in respect of Assigned Receivables during such Collection Period;
- (b) the aggregate Recoveries for all Assigned Receivables;
- (c) the Positive Adjustments received by the Servicer during such Collection Period in respect of all Redelivered Vehicles;
- (d) the aggregate Repurchased Interest for all Assigned Receivables that became Repurchased Receivables during such Collection Period;
- (e) the aggregate Additional Principal Payments in respect of all Assigned Receivables during such Collection Period;
- (f) Vehicle Surrender Fees in respect of all Redelivery PCP Contracts for that Collection Period;
- (g) Distribution Account Interest Earned;
- (h) Reserve Account Interest Earned which is not required to maintain the Reserve Amount in accordance with clause 9 (*Reserve Amount*) of the Receivables Sale Agreement and all other amounts standing to the credit of the Reserve Account in excess of the Reserve Fund Required Amount; and
- (i) any Reserve Amount allocated to Available Interest Collections in accordance with clause 9 (*Reserve Amount*) of the Receivables Sale Agreement.

"Available Principal Amount" means, on any date of determination:

- (a) with respect to a Class of Notes (other than the Class A1 Notes), the Commitment Amount of such Class, less the principal amount outstanding of such Class on such date; or
- (b) with respect to the Class A1 Notes, the Commitment Amount of the Class A1 Notes, less the principal amount outstanding of such Class on such date, less the principal amount outstanding of the Class A2 Notes on such date (taking into account any Advance or repayment to be made on the Class A2 Notes on such date).

"Available Principal Collections" means, with respect to each Collection Period, an amount equal to the sum of:

- (a) the aggregate Principal Collections in respect of all Assigned Receivables during such Collection Period;
- (b) in respect of a Redelivered Vehicle and a Collection Period, any sale proceeds received by the Servicer during such Collection Period in respect of all Redelivered Vehicles up to an amount equal to the PCP Contract Vehicle Sale Expected Proceeds of all such Redelivered Vehicles;
- (c) the Liquidation Proceeds in the relevant Collection Period;
- (d) Reimbursed Losses and Principal Deficiencies;
- (e) Repurchased Principal for all Repurchased Receivables; and
- (f) any Reserve Amount allocated to Available Principal Collections in accordance with clause 9.4 (*Reserve Amount*) of the Receivables Sale Agreement.

"Balloon Retail Contract" means a Receivables Agreement (other than a PCP Contract) under which the amount of the final Periodic Payment is greater than the amount of any Periodic Payment preceding it, disregarding any option to purchase fees.

"Balloon Retail Credit Loss Enhancement Percentage" means, in respect of Balloon Retail Contracts which were entered into in order to finance New Vehicles, 31.16% and in respect of all other Balloon Retail Contracts, 63.00%.

"Bank Account Operation Agreement" means the bank account operation agreement dated on or about the Closing Date between the Issuer, the Servicer, the Security Trustee, the Account Bank and the Cash Manager.

"BOP Principal Amount" means on the first Interest Payment Date, an amount equal to the Advance made on the Closing Date in respect of a Class of Notes, and in respect of such Class of Notes on any subsequent Interest Payment Date, the aggregate principal amount outstanding of such Class of Notes on the immediately preceding Interest Payment Date taking into account any Advances or repayments of principal made on that immediately preceding Interest Payment Date.

"BOP Receivables Balance" means on any Interest Payment Date, the aggregate Opening Receivables Balance with respect to the prior Collection Period.

"Break Costs" in respect of Condition 5 and each Noteholder, means (1) the amount (if any) of interest due or which will become due on any Funding Arrangement issued or entered into to maintain or fund the purchase of the relevant Notes for the period from the redemption of the Notes under Condition 5(d) or (e) (or the repayment of principal in respect of the Class A1 Notes under Condition 5(g), as the case may be) to the earliest date upon which such Funding Arrangement may be redeemed or repaid (without penalty) pursuant to its terms and (2) such other amounts as may be required to redeem or repay the amount of such Funding Arrangements issued or entered into to maintain or fund the purchase of the relevant Notes in full on such date (taking into account any other amounts received or to be received by such Noteholder under Condition 5(d) or (e)).

"Business Day" means a TARGET Settlement Day and a day (other than Saturday, Sunday or public holidays) on which the banks are open in London, Delaware, New York and Dublin for the settlement of interbank operations and the setting of market indices.

"Cash Management Agreement" means the agreement dated on or about the Closing Date between, *inter alios*, the Issuer and the Cash Manager.

"Cash Management Fee" means the fee (which will be inclusive of VAT, if applicable) charged by the Cash Manager for the performance of its duties as Cash Manager under the relevant Transaction Documents.

"Cash Manager" means Deutsche Bank AG, London Branch.

"Class" means, in respect of the Class A Notes, the Class A1 Notes or the Class A2 Notes and, in respect of the Class B Notes, the Class B1 Notes or the Class B2 Notes.

"Class A Credit Loss Enhancement Amount" means, in respect of an Interest Payment Date:

- (a) the PCP Credit Loss Enhancement Percentage multiplied by (a) during the Revolving Period, the EOP Receivables Balance for all Assigned Receivables arising under PCP Contracts, or (b) after the Revolving Period has ended, the EOP Receivables Balance for all Assigned Receivables arising under PCP Contracts as at the last Interest Payment Date of the Revolving Period, plus
- (b) the Standard Credit Loss Enhancement Percentage multiplied by (a) during the Revolving Period, the EOP Receivables Balance for all Assigned Receivables arising under Assigned Receivables Agreements other than PCP Contracts and Balloon Retail Contracts, or (b) after the Revolving Period has ended, the EOP Receivables Balance for all Assigned Receivables arising under Assigned Receivables Agreements other than PCP Contracts and Balloon Retail Contracts as at the last Interest Payment Date of the Revolving Period, plus
- (c) the Balloon Retail Credit Loss Enhancement Percentage multiplied by (a) during the Revolving Period, the EOP Receivables Balance for all Assigned Receivables arising under Balloon Retail Contracts, or (b) after the Revolving Period has ended, the EOP Receivables Balance for all Assigned Receivables arising under Balloon Retail Contracts as at the last Interest Payment Date of the Revolving Period, plus
- (d) (i) during the Revolving Period, the Loss Rate Credit Enhancement Addition multiplied by the EOP Receivables Balance, or (ii) after the Revolving Period has terminated, the Loss Rate Credit Enhancement Addition as at the last Interest Payment Date prior to the termination of the Revolving Period multiplied by the EOP Receivables Balance as at the last day of the Revolving Period.

"Class A Interest Amount" means the Interest Amount payable in respect of each Class A Note for any Interest Period calculated in accordance with Condition 4(d) (*Calculations*) subject, in respect of the Class A1 Notes only and for the purposes of the Interest Priority of Payments, to reduction (if any) by operation of clause 10 of the Note Purchase Agreement in relation to the Class A1 Notes in respect of any negative Additional Class A1 Funding Amount for such Interest Period notified by the Conduit Agent to the Calculation Agent.

"Class A Interest Rate" means the Class A1 Interest Rate or the Class A2 Interest Rate, as applicable.

"Class A Interest Shortfall" means arrears of interest (together with interest thereon) owed by the Issuer to Class A Noteholders pursuant to Condition 6(a) (*Additional interest on the Class A Notes*).

"Class A Residual Value Credit Enhancement Amount" means, in respect of an Interest Payment Date the Ford Brand RV Loss Enhancement Percentage multiplied by (a) during the Revolving Period, the aggregate Minimum Guaranteed Future Value on the last Business Day of the prior Collection Period of all Assigned Receivables arising from Receivables Agreements entered into to finance Ford brand Vehicles, or (b) following the Revolving Period, the aggregate Minimum Guaranteed Future Value on the last Business Day of the Revolving Period of all Assigned Receivables arising from Receivables Agreements entered into to finance Ford brand Vehicles.

"Class A1 Additional Capped Return Amount" means for the Class A1 Notes and for any Interest Period, subject to a minimum of zero, the Class A1 Additional Return Amount less the Class A1 Additional Uncapped Return Amount.

"Class A1 Additional Return Amount" means for the Class A1 Notes and for any Interest Period the aggregate of (a) any Additional Funding Amounts and (b) any Break Costs under the Class A1 Note Purchase Agreement.

"Class A1 Additional Uncapped Return Amount" means for the Class A1 Notes and for any Interest Period, subject to a minimum of zero, the excess of (a) the aggregate of the Class A1 Additional Return Amount and the Class A1 Interest Amount for all Class A1 Notes for such Interest Period, over (b) the product of LIBOR plus 2.20%, the aggregate Principal Amount Outstanding of the Class A1 Notes and the Day Count Fraction.

"Class A1 Interest Amount" means the Interest Amount payable in respect of each Class A1 Note for any Interest Period calculated in accordance with Condition 4(d) (*Calculations*) subject, for the purposes of the Interest Priority of Payments, to reduction (if any) by operation of clause 10 of the Note Purchase Agreement in relation to the Class A1 Notes in respect of any negative Additional Class A1 Funding Amount for such Interest Period notified by the Conduit Agent to the Calculation Agent.

"Class A1 Interest Rate" has the meaning given to it in Condition 4(b) (*Interest Rate*).

"Class A1 Interest Shortfall" means arrears of interest (together with interest thereon) owed by the Issuer to Class A1 Noteholders pursuant to Condition 6(a) (*Additional interest on the Class A Notes*) of the Notes.

"Class A2 Interest Amount" means the Interest Amount payable in respect of each Class A2 Note for any Interest Period calculated in accordance with Condition 4(d) (*Calculations*).

"Class A2 Interest Rate" has the meaning given to it in Condition 4(b) (*Interest Rate*).

"Class A2 Interest Shortfall" means arrears of interest (together with interest thereon) owed by the Issuer to Class A2 Noteholders pursuant to Condition 6(a) (*Additional interest on the Class A Notes*) of the Notes.

"Class B Interest Amount" means the Interest Amount payable in respect of each Class B Note for any Interest Period calculated in accordance with Condition 4(d) (*Calculations*).

"Class B Interest Rate" means the Class B1 Interest Rate or the Class B2 Interest Rate, as applicable.

"Class B Interest Shortfall" means arrears of interest (together with interest thereon) owed by the Issuer to Class B Noteholders pursuant to Condition 6(b) (*Interest on the Class B Notes*).

"Class B1 Interest Amount" means the Interest Amount payable in respect of each Class B1 Note for any Interest Period calculated in accordance with Condition 4(d) (*Calculations*).

"Class B1 Interest Rate" has the meaning given to it in Condition 4(b) (*Interest Rate*).

"Class B1 Interest Shortfall" means arrears of interest (together with interest thereon) owed by the Issuer to Class B1 Noteholders pursuant to Condition 6(b) (*Interest on the Class B Notes*).

"Class B2 Interest Amount" means the Interest Amount payable in respect of each Class B2 Note for any Interest Period calculated in accordance with Condition 4(d) (*Calculations*).

"Class B2 Interest Rate" has the meaning given to it in Condition 4(b) (*Interest Rate*).

"Class B2 Interest Shortfall" means arrears of interest (together with interest thereon) owed by the Issuer to Class B2 Noteholders pursuant to Condition 6(b) (*Interest on the Class B Notes*).

"Closing Date" means 29 June 2009.

"Closing Disc" means the disc or discs or electronic file to be provided by FCE to the Issuer, in respect of the first Sale Notice, on the Closing Date and, in respect of any further Sale Notice, on the relevant Servicing Reporting Date, signed for identification purposes by FCE and the Issuer, containing in respect of each Assigned Receivable assigned to the Issuer on the Closing Date or the relevant Purchase Date the information set out in Schedule 2 (*Information to be given regarding Receivables to be assigned and Vehicles to be transferred*) to the Receivables Sale Agreement.

"Closing Receivables Balance" means, in respect of an Assigned Receivable and a Collection Period, subject to a minimum of zero, the Net Present Value of such Receivable as at the close of business London time on the Cut-Off Date less the sum of:

- (a) Principal Collections;
- (b) in respect of a Repurchased Receivable that became a Repurchased Receivable during such Collection Period, the Repurchased Principal;
- (c) in respect of an Assigned Receivable which becomes a Written-Off Receivable during such Collection Period, the Losses and, if any, the Liquidation Proceeds for such Written-Off Receivables;
- (d) in respect of a Redelivered Vehicle, any sale proceeds received by the Servicer during such Collection Period in respect of such Redelivered Vehicle up to an amount equal to the PCP Contract Vehicle Sale Expected Proceeds of such Redelivered Vehicle,

in respect of such Receivable, received from the close of business on the relevant Cut-Off Date to and including the last day of that Collection Period.

"Collateral Losses" means in respect of an Assigned Receivable which becomes a Written-Off Receivable during a Collection Period, the Opening Receivables Balance of such Assigned Receivable less the Liquidation Proceeds (if any) in respect of such Assigned Receivables.

"Collection Accounts Trust" means the FCE Collection Accounts Trust.

"Collection Agent" means an entity appointed by the Servicer to, among other things, purchase the Written-Off Receivables.

"Collection Period" means in relation to each Interest Payment Date, the calendar month ending on the last day of the month preceding such Interest Payment Date (ignoring adjustments to Interest Payment Dates for non-Business Days).

"Committed Purchaser" means Royal Bank of Canada.

"Commitment Amount" means, in respect of a Class of Notes: (a) on each Interest Payment Date falling otherwise than in the Early Amortisation Period and prior to the date on which the Revolving Period ends (i) the amount specified in Condition 1 in respect of such Class of such Notes as the Maximum Principal Amount or (ii) such other amount (being equal to or less than the Maximum Principal Amount of such Class) as agreed between the holders of such Class of Notes and the other parties to the relevant Note Purchase Agreement in respect of such Notes pursuant to such agreement; and (b) on each Interest Payment Date falling in the Early Amortisation Period or on or after the date on which the Revolving Period ends, zero.

"Conditions" means the terms and conditions of the Notes and **"Condition"** means any one of them.

"Conditions to Advance" means, in relation to each Advance in respect of a Class of Notes:

- (a) the amount of such Advance does not exceed the Available Principal Amount of such Class of Notes;
- (b) the aggregate amount of any Advances to be made in relation to the Class A Notes and the Class B Notes, is allocated between each Class of Notes in accordance with the Principal Increase Due in respect of such Class of Notes;
- (c) the amount of any Advance allocated to such Class of Notes in accordance with Condition 5(g)(iii) will be made *pro rata* in relation to the then outstanding principal amount of each Note of such Class of Notes as provided pursuant to Condition 5(g)(iv);
- (d) an Enforcement Notice has not been served;
- (e) the Revolving Period is continuing;
- (f) each of the representations and warranties to be repeated on the Interest Payment Date by the Issuer or any other party (other than a Finance Party) set out in the Note Purchase Agreement relating to such Class of Notes will be true and correct in all material respects on such date; and
- (g) any Reserve Fund Additional Amount (taking into account the EOP Receivables Balance as at the immediate preceding Cut-Off Date and any Assigned Receivables purchased or to be purchased on the date of such Advance) has been credited to the Reserve Account.

"Conditions to Repayment" means in relation to each repayment of principal pursuant to the Conditions:

- (a) in relation to each Note, such repayment will be equal to or less than the principal amount outstanding of such Note immediately prior to the relevant Interest Payment Date;

- (b) any repayment of principal to be made in relation to the Class A Notes and the Class B Notes, is allocated between each Class of Notes in accordance with the Principal Repayment Due in respect of such Class of Notes;
- (c) the amount of any repayment allocated to such Class of Notes in accordance with Condition 5(g)(iii) will be made *pro rata* in relation to the then outstanding principal amount of each Note of such Class of Notes;
- (d) an Enforcement Notice has not been served; and
- (e) the Revolving Period is continuing.

"Conduit Agent" means Royal Bank of Canada.

"Conduit Purchaser" means Irish Ring Receivables Purchaser Limited.

"Controlling Class" means:

- (a) the Class A1 Notes; or
- (b) if the Class A1 Notes have been redeemed in full and cancelled, the Class A2 Notes; or
- (c) if the Class A1 Notes and the Class A2 Notes have been redeemed in full and cancelled, the Class B Notes,

in each case excluding any Notes held by, or on behalf of, the Issuer from time to time;

"Counterparty Downgrade Collateral Account" has the meaning given to it in the Swap Agreement.

"CRD" means the EU Capital Requirements Directive 2006/48/EC (as amended).

"Credit Support Annex" means a 1995 ISDA credit support annex between the Issuer and the Swap Counterparty constituted by a 1995 ISDA Credit Support Annex (English law) dated the Closing Date as amended and supplemented from time to time.

"Customer" means the debtor under a Receivables Agreement.

"Cut-Off Date" means in respect of the Closing Date, any Purchase Date and any Collection Period, the last day of the immediately preceding calendar month.

"Day Count Fraction" means in respect of the calculation of an amount of interest on the Notes, for any period of time, the actual number of days in such period divided by 365.

"Deferred Purchase Price Component" has the meaning given to it in clause 2.4(c) (*Deferred Purchase Price Component*) of the Receivables Sale Agreement.

"Discount Rate" means, in respect of a Receivable, the greater of (i) the interest rate applicable for such Receivable and (ii) 7.85 per cent (in respect of any sale of Receivables on an Interest Payment Date to and including the Interest Payment Date falling in September 2012) and 7.14 per cent (in respect of any sale of Receivables on an Interest Payment Date from and including the Interest Payment Date falling in October 2012).

"Distribution Account" means the account maintained at the Account Bank (or any successor thereof) in the name of the Issuer with IBAN code GB52CHAS60924240290201, bank code 609242 and account number 40290201 or any

other bank account specified as such in compliance with the terms of the Bank Account Operation Agreement.

"Distribution Account Interest Earned" means, in respect of a Payment Date, the interest credited to the Distribution Account during the relevant Collection Period.

"Early Amortisation Event" means the occurrence of any of the following events:

- (a) any of the events set out in Condition 10 (*Events of Default*);
- (b) on any Interest Payment Date, if (i) the sum of (1) the aggregate EOP Principal Amount of the Class B Notes plus (2) the balance standing to the credit of the Reserve Fund on such Interest Payment Date less (3) any Unreimbursed Losses and Principal Deficiencies, is less than (ii) the Required Class A Credit Enhancement, unless within 5 Business Days of such Interest Payment Date (A) an Advance is made under the Class B Notes and/or (B) a Further Tranche is advanced under the Subordinated Loan Agreement which in aggregate are in an amount not less than such shortfall;
- (c) on any Interest Payment Date, the Three Month Average Loss Rate is greater than 3.5%;
- (d) the occurrence of a Servicer Termination Event;
- (e) on any Interest Payment Date on which the Unreimbursed Losses and Principal Deficiencies are greater than zero and a Further Tranche is advanced by FCE under the Subordinated Loan Agreement but a solvency certificate is not delivered by FCE in accordance with clause 2.2 of the Subordinated Loan Agreement;
- (f) the occurrence of an Insolvency Event in respect of the Seller, Ford, Ford Motor Credit Company LLC;
- (g) there is a change of control with respect to any of FCE, Ford or Ford Motor Credit Company LLC where such entity will be treated as being controlled by any person or persons if such person or persons are able to direct the affairs of such an entity and/or control the composition of its board or equivalent body; or
- (h) on any Interest Payment Date, the Three Month Average Net Loss Rate is greater than 0.2%.

"Early Amortisation Period" means the period commencing on and including the day following the occurrence of an Early Amortisation Event and ending on the earlier to occur of (a) the date on which all Notes have been repaid in full and (b) the date on which the Trustee (as directed in writing by the holders of each Class of Notes) gives notice to the Issuer that the circumstances giving rise to an Early Amortisation Event have ceased to exist.

"Eligibility Criteria" means the criteria listed in schedule 9 (*Eligibility Criteria*) of the Receivables Sale Agreement.

"Eligible Receivables" means those Receivables that meet the Eligibility Criteria.

"Enforcement Notice" means, upon the occurrence of an Event of Default, the notice served by the Trustee on, *inter alios*, the Issuer, the Cash Manager, the Security Trustee and the Agent substantially in the same form as set out in Schedule 3 of the Bank Account Operation Agreement declaring the Notes due and payable, whereupon the Security will become enforceable.

"EOP Principal Amount" means, in respect of a Class of Notes and an Interest Payment Date, the BOP Principal Amount (as at such Interest Payment Date), minus all principal payments in respect of such Class of Notes made on such Interest Payment Date, plus an amount equal to any Advance made on such Interest Payment Date in respect of such Class of Notes.

"EOP Receivables Balance" means on any Interest Payment Date the sum of (a) the Aggregate Closing Receivables Balance with respect to the prior Collection Period and (b) the aggregate Net Present Value, as at the Cut-Off Date of Additional Assigned Receivables (if any) with a Purchase Date after the end of the prior Collection Period to and including such Interest Payment Date.

"Excess Mileage Fee" means, in respect of a Collection Period and a Redelivery PCP Contract, any fee paid by the relevant Customer in respect of such Redelivery PCP Contract during such Collection Period on account of the number of miles on the odometer of the applicable Vehicle at the time of its redelivery exceeding the maximum distance specified in the relevant Receivables Agreement.

"Excluded Rights" means that portion of the amount outstanding under any Assigned Receivables Agreement which relates to:

- (a) default interest and fees for, and expenses, charges and costs, if any, arising as a consequence of, late payment, administrative fees or charges or any fee payable upon purchase or return of a Vehicle (but, for the avoidance of doubt, not the Vehicle Proceeds or the Vehicle Surrender Fee) and any interest accruing thereon;
- (b) any Periodic Payments to the extent that such relate thereto or to the payment of premiums to insurers or commission to the Seller in respect of Payment Protection Policies and GAP Policies; or
- (c) any amount paid by a Customer and applied on or before the Cut-Off Date.

"Extraordinary Resolution" has the meaning given to it in Condition 12 (*Meetings of Noteholders, modifications, waiver, substitution and exchange*).

"FATCA" means:

- (a) sections 1471 to 1474 of the U.S. Internal Revenue Code and the Treasury regulations and official guidance issued thereunder, as amended from time to time ("**US FATCA**");
- (b) any inter-governmental agreement between the United States and any other jurisdiction entered into in connection with US FATCA (an "**IGA**");
- (c) any treaty, law, regulation or official guidance enacted, issued or amended in any jurisdiction which facilitates the implementation of US FATCA or an IGA ("**Implementing Law**"); and
- (d) any agreement entered into with the U.S. Internal Revenue Service, the U.S. government or any governmental or tax authority in any other jurisdiction in connection with US FATCA, an IGA or any Implementing Law.

"FATCA Deduction" means a deduction or withholding from a payment under a Transaction Document required by FATCA.

"FCE" means FCE Bank plc, a company incorporated in England and Wales under number 772784, having its registered office at Central Office, Eagle Way, Brentwood, Essex CM13 3AR, England.

"FCE Bank Working Instructions" means the credit and collection policies and procedures of FCE relating to automotive receivables comparable to the Assigned Receivables, as they may be amended from time to time.

"FCE Collection Accounts" means account numbers 49846027 (sort code 60-03-25), 49841785 (sort code 60-03-25), 27586898 (sort code 57-97-51) and 27586898 (sort code 60-03-25) in the name of FCE to which monies due from the Customer under their Receivables Agreements are paid.

"FCE Collection Accounts Trust" means, together, the supplemental declaration of trust dated on or about the Closing Date made by FCE in favour of the Issuer, the supplemental declarations of trust dated, 19 April 2007, 15 December 2006, and 13 April 2006 and the declaration of trust dated 18 December 2002 over the aggregate amount standing to the credit of the FCE Collection Accounts and all further supplements thereto.

"FCE Funded Amount" means, in respect of a Class of the FCE Series on an Interest Payment Date, (a) an amount designated by the Servicer (or, where the Servicer is not FCE, by FCE in its capacity as holder of those Notes) and notified to the Issuer on the Servicing Reporting Date or (b) in the absence of any such notification on such Distribution Date, the FCE Funded Amount most recently notified to the Issuer on a preceding Servicing Reporting Date (and for the avoidance of doubt the FCE Funded Amount for a Class of the FCE Series shall not exceed the Commitment Amount in respect of such Class of the FCE Series), provided that, in either case, (i) for the purposes of the Interest Payment Date falling in April 2011 only the FCE Funded Amount will be deemed to be increased by an amount equal to the amount by which the principal amount outstanding under the Class A1 Notes would, but for this proviso, exceed the Commitment Amount in respect of the Class A1 Notes (taking into account any repayments or Advances to be made on such Interest Payment Date) and (ii) the FCE Funded Amount for the Class B2 Notes will not be less than the aggregate of the Target Principal Amounts for all Classes of the FCE Series multiplied by the Required Class B Note Percentage.

"FCE Series" means the Class A2 Notes and the Class B2 Notes for so long as such Notes are held by FCE.

"Final Legal Maturity Date" means the Interest Payment Date falling in November 2022.

"Finance Party" means the Conduit Purchaser, the Liquidity Funder, the Conduit Agent, the Committed Purchaser and any Funding Source.

"Ford" means Ford Motor Company, a company incorporated in the State of Delaware, USA, whose principal executive office is located at One American Road, Dearborn, Michigan 48126, USA.

"Ford Brand RV Loss Enhancement Percentage" means, in respect of PCP Contracts which were entered into in order to finance Ford brand New Vehicles, 22.32% and, in respect of all other PCP Contracts entered into in order to finance Ford brand Vehicles, 16.69%.

"Funding Arrangement" means any relevant funding agreement or other arrangement established by the relevant Noteholder to raise, through the issue of commercial paper or medium term notes or otherwise, the necessary funds to purchase and pay for the Notes and to obtain liquidity or credit enhancement.

"Funding Source" has the meaning given to it in the Note Purchase Agreement in respect of the Class A1 Notes.

"Further Tranche" means a further advance made by FCE to the Issuer under the Subordinated Loan Agreement which is not an Additional Reserve Fund Amount Tranche.

"GAP Policy" means an optional insurance policy against total loss of a Vehicle for insurance purposes and the amount recovered under the Customer's motor vehicle insurance policy being insufficient to meet the amount payable under the relevant Receivables Agreement or, at the Customer's option, the greater of the amount payable under the relevant Receivables Agreement and the original purchase price for the Vehicle, taken out by a Customer.

"Initial Assigned Receivables" means Receivables under the Receivables Agreements identified in the first Sale Notice to the extent they have not been repurchased by the Seller for any reason.

"Insolvency Event" means, for a person, (a) the making of a general assignment for the benefit of creditors, (b) the filing of a voluntary petition in bankruptcy, (c) being adjudged bankrupt or insolvent, or having had an order entered against such person for relief in any bankruptcy or insolvency proceeding, (d) the filing by such person of a petition or answer seeking reorganisation, liquidation, dissolution or similar relief under any statute, law or regulation, (e) seeking, consenting to or acquiescing in the appointment of a trustee, liquidator, receiver, administrator or similar official of such person or of all or any substantial part of such person's assets, (f) the failure to obtain dismissal or a stay within 60 days of the commencement of or the filing by such person of an answer or other pleading admitting or failing to contest the material allegations of a petition filed against such person in any proceeding against such person seeking (i) reorganisation, liquidation, dissolution or similar relief under any statute, law or regulation or (ii) the appointment of a trustee, liquidator, receiver or similar official of such person or of all or any substantial part of such person's assets, (g) the failure by such person generally to pay its debts as such debts become due, or (h) the value of the assets of such entity is less than the amount of its liabilities taking into account its contingent and prospective liabilities.

"Interest Amount" means the amount of interest payable in respect of each Note for any Interest Period calculated in accordance with Condition 4(d) (*Calculations*).

"Interest Collections" means, in respect of a Receivable and a Collection Period, the lesser of (subject to a minimum of zero):

- (a) Total Collections; and
- (b) the sum of:
 - (i) the Opening Receivables Balance multiplied by the Discount Rate divided by 12; and
 - (ii) Overdue Interest.

"Interest Determination Date" means, with respect to any Interest Period, five Business Days prior to each Interest Payment Date or in the case of the first Interest Period, the Closing Date.

"Interest Payment Date" means, in respect of any Interest Period, the 20th day in each month from and including July 2009 to and including 20 September 2012, and then the 25th day in each month from and including 25 October 2012, or, if such day is not a Business Day, the next following Business Day.

"Interest Period" means the period beginning on (and including) each Interest Payment Date and ending on (but excluding) the next following Interest Payment Date, provided that the first Interest Period will commence on and include the Closing Date.

"Interest Priority of Payments" will have the meaning given to it in Condition 2(d) (*Interest Priority of Payments and Principal Priority of Payments*).

"Interest Rate" means the rate of interest payable from time to time by the Issuer in relation to each Class A Note or each Class B Note, as applicable, as set out in Condition 4(b) (*Interest Rate*).

"Irish Stock Exchange" means the Irish Stock Exchange Limited.

"Issuer Corporate Services Agreement" means the agreement dated on or about the Closing Date between, *inter alios*, the Issuer and the Issuer Corporate Services Provider.

"Issuer Corporate Services Provider" means Deutsche Bank AG, London Branch.

"Issuer Expenses" means in the following order of priority: in respect of a Collection Period and insofar as such relate to the Notes (as determined by the Issuer Corporate Services Provider), the liabilities and expenses due to:

- (a) the Issuer in respect of the Retained Amount from which the Issuer will discharge its liability to corporate tax, the Issuer Corporate Services Provider under the Issuer Corporate Services Agreement, and any arrears, as the case may be, remaining unpaid in respect of any such liabilities or expenses, *pari passu* and *pro rata* amongst themselves; then to
- (b) the Trustee under the Trust Deed, the Security Trustee and the Receiver under the Deed of Charge, and any arrears, as the case may be, remaining unpaid in respect of any such liabilities or expenses, *pari passu* and *pro rata* amongst themselves; then to
- (c) the Cash Manager in respect of the Cash Management Fee and under the Cash Management Agreement, and any arrears, as the case may be, remaining unpaid in respect of any such liabilities or expenses; then to
- (d) the Agents under the Agency Agreement, the Issuer's auditors, the Data Agent and the Account Bank under the Bank Account Operation Agreement, and any arrears, as the case may be, remaining unpaid in respect of any such liabilities or expenses, *pari passu* and *pro rata* amongst themselves; and then to
- (e) any third parties for any amounts that the Issuer is liable to pay except those otherwise specifically referred to in the Priorities of Payments.

"Liquidation Proceeds" means, in respect of a Collection Period, for each Assigned Receivable that becomes a Written-Off Receivable during such Collection Period the aggregate of the Principal Collections received in relation to that Assigned Receivable during such Collection Period.

"Liquidity Funder" means Royal Bank of Canada and any institution who provides liquidity funding in respect of any Finance Party.

"Loss Rate" means in relation to a Collection Period, the percentage equivalent of (a) the sum of (i) the aggregate Collateral Losses, (ii) aggregate Negative Adjustments and (iii) aggregate Principal Deficiencies, in each case for that Collection Period, multiplied by (b) 12, divided by (c) the BOP Receivables Balance.

"Loss Rate Credit Enhancement Addition" means, on an Interest Payment Date, either:

- (a) 0.0% if the Three Month Average Loss Rate is less than 2.5%, or
- (b) 2.0% if the Three Month Average Loss Rate is equal to or greater than 2.5% and less than 3.0%, or
- (c) 4.0% if the Three Month Average Loss Rate is equal to or greater than 3.0% and less than 3.5%.

"Losses" means, (i) in respect of an Assigned Receivable which became a Written-Off Receivable during a Collection Period, the Opening Receivables Balance for such Collection Period less the Liquidation Proceeds (if any) and, (ii) in respect of a Receivable which is a Redelivery PCP Contract, the Negative Adjustment (if any).

"Majority" means 66 $\frac{2}{3}$ % of the principal amount outstanding of the Controlling Class.

"March 2015 Deed of Amendment" means the deed of amendment dated 19 March 2015 between, *inter alios*, the Issuer, FCE and the Noteholders.

"March 2015 Effective Date" means 25 March 2015.

"Margin" means:

- (a) subject to paragraph (b), 0.65% per annum; or
- (b) for so long as an Event of Default is occurring, 3.25% per annum.

"Minimum Guaranteed Future Value" means, in respect of a PCP Contract, the residual value ascribed by FCE to the Vehicle in respect of such PCP Contract.

"Negative Adjustment" means, in respect of an Assigned Receivable that is a Redelivery PCP Contract and a Collection Period, an amount equal to the amount by which the PCP Contract Vehicle Sale Actual Proceeds in respect of such Redelivery PCP Contract received by the Servicer fall short of the PCP Contract Vehicle Sale Expected Proceeds in respect of such Redelivery PCP Contract.

"Net Loss Rate" means, in relation to a Collection Period, the percentage equivalent of a fraction, the numerator of which is equal to (a) the sum of (i) the aggregate Collateral Losses, (ii) aggregate Negative Adjustments and (iii) aggregate Principal Deficiencies, in each case for that Collection Period, less (b) the sum of (i) the aggregate Recoveries, (ii) aggregate Positive Adjustments and (iii) aggregate Vehicle Surrender Fees, in each case for that Collection Period, and the denominator is equal to (c) the BOP Receivables Balance.

"Net Present Value" means, as at the Cut-Off Date:

$$\sum_{t=1}^n \text{Cash flows}_t \left(1 + \frac{i}{12}\right)^{-t}$$

where Cash flows = the aggregate remaining scheduled instalments due from the Customer and the Minimum Guaranteed Future Value under the Receivables Agreement less collections in relation to Excluded Rights, n = the remaining number of Collection Periods scheduled for that Receivables Agreement and i = the Discount Rate at the Cut-Off Date.

"New Vehicle" means a Vehicle designated as a new vehicle in accordance with the FCE Bank Working Instructions.

"Note Purchase Agreement" means (i) in respect of the Class A1 Notes, the note purchase agreement dated on or about the Signing Date between, among others, the Issuer and Irish Ring Receivables Purchaser Limited as Conduit Purchaser, (ii) in respect of the Class A2 Notes, the note purchase agreement dated on or about the November 2010 Effective Date between the Issuer and FCE as purchaser of the Class A2 Notes, (iii) in respect of the Class B1 Notes, the note purchase agreement dated on or about the Signing Date between the Issuer and FCE as purchaser of the Notes and (iv) in respect of the Class B2 Notes, the note purchase agreement dated on or about the November 2010 Effective Date between the Issuer and FCE as purchaser of the Class B2 Notes, each as amended and restated on the October 2015 Effective Date.

"November 2010 Deed of Amendment" means the deed of amendment dated 19 November 2010 between, *inter alios*, the Issuer, FCE and the Noteholders.

"November 2010 Effective Date" means 22 November 2010.

"October 2014 Deed of Amendment" means the deed of amendment and restatement dated on or about 28 October 2014 between, *inter alios*, the Issuer, FCE and the Noteholders.

"October 2014 Effective Date" means 28 October 2014.

"October 2014 Supplement to the Deed of Charge" means the supplement to the Deed of Charge dated on or about 28 October 2014 between, *inter alios*, the Issuer and the Security Trustee

"October 2015 Deed of Amendment" means the deed of amendment and restatement dated on or about 27 October 2015 between, *inter alios*, the Issuer, FCE and the Noteholders.

"October 2015 Effective Date" means 27 October 2015.

"Opening Receivables Balance" means, in respect of an Assigned Receivable and a Collection Period:

- (a) in respect of the first Collection Period after the Closing Date, the Net Present Value as at the Cut-Off Date for that Assigned Receivable; and
- (b) in respect of all subsequent Collection Periods, the Closing Receivables Balance for the immediately preceding Collection Period.

"Opinion of Counsel" means a written opinion of counsel, which counsel will be reasonably acceptable to the Trustee, the Security Trustee and the Issuer and be of international standing recognised in the field of securitisation, and which opinion will be addressed to the Issuer, the Trustee and the Security Trustee.

"outstanding" means, in relation to any Class, all the Notes of that Class issued other than:

- (a) those which have been redeemed in accordance with their Conditions;
- (b) those in respect of which the due date for redemption has occurred in accordance with their Conditions and the redemption moneys and interest accrued thereon to the due date of such redemption and any interest payable after such date have been duly paid to the Trustee or to the Principal Paying Agent in the manner provided in the Agency Agreement and remain available for payment against presentation and surrender of the relevant Notes;

- (c) those in respect of which claims have become void pursuant to their Conditions;
- (d) those mutilated or defaced Notes which have been surrendered and cancelled and in respect of which replacements have been issued pursuant to their Conditions;
- (e) (for the purpose only of ascertaining the amount of a Class that is outstanding and without prejudice to their status for any other purpose) those Notes which are alleged to have been lost, stolen or destroyed and in respect of which replacements have been issued pursuant to their Conditions; and

provided that for each of the following purposes, namely:

- (i) the determination of how many of which Notes of a Class are for the time being outstanding for the purposes of any provisions of their Conditions and the Trust Deed requiring calculation of the proportion of Noteholders of such Class requesting or directing the Trustee to enforce the security for such Class, or the provisions for meetings of the Noteholders of such Class as set out in the Trust Deed;
- (ii) any discretion, power or authority which the Trustee is required or permitted, expressly or impliedly, to exercise in or by reference to the interests of the Noteholders of such Class or any of them; and
- (iii) the determination by the Trustee whether, in its opinion, any event, circumstance, matter or thing is or would be materially prejudicial to the interests of the Noteholders or any of them,

those Notes of the relevant Class, if any, which are beneficially held by or for the account of the Issuer will be deemed not to remain outstanding.

"Overdue Interest" means, in respect of a Receivable and a Collection Period, for each previous Collection Period in which:

- (a) the Opening Receivables Balance multiplied by the Discount Rate divided by 12 exceeded
- (b) Total Collections,

the aggregate of such excess

less

for each previous Collection Period in which:

- (i) Interest Collections exceeded
- (ii) the Opening Receivables Balance multiplied by the Discount Rate divided by 12,

the aggregate of such excess.

"Payment Date" means any Interest Payment Date or any Accelerated Payment Date.

"Payment Protection Policy" means any payment protection policy taken out by a Customer to cover the risk of non-payment by the Customer in the case of death or inability to work due to illness, injury or disability.

"PCP Contract" means a Receivables Agreement under which payment of the Minimum Guaranteed Future Value may be required to be discharged either by way of payment by the relevant Customer or by redelivery of the Related Vehicle to the dealer from whom such Vehicle was purchased or such other dealer specified by the Servicer.

"PCP Contract Vehicle Sale Actual Proceeds" means, in respect of a Collection Period and a Redelivery PCP Contract that is an Assigned Receivable, the proceeds realised by the Servicer from the sale of the relevant Vehicle during such Collection Period net of the Returned Vehicle Fee and any costs incurred by the Servicer in connection with such sale.

"PCP Contract Vehicle Sale Expected Proceeds" means, in respect of a Redelivery PCP Contract that is an Assigned Receivable, the amount of the final Instalment of such Redelivery PCP Contract that would have been payable by the relevant Customer(s) had such PCP Contract not become a Redelivery PCP Contract.

"PCP Credit Loss Enhancement Percentage" means, in respect of PCP Contracts which were entered into in order to finance New Vehicles, 7.4% and, in respect of all other PCP Contracts, 16.55%.

"Periodic Payment" means in respect of any Receivable, each of the scheduled periodic instalment payments payable by the relevant Customer(s) pursuant to the related Receivables Agreement (excluding, for the avoidance of doubt, any payment discharged by redelivery of a Vehicle).

"Positive Adjustment" means, in respect of a Redelivery PCP Contract that is an Assigned Receivable, the amount (if any) by which the PCP Contract Vehicle Sale Actual Proceeds in respect of such Redelivery PCP Contract received by the Servicer exceeds the PCP Contract Vehicle Sale Expected Proceeds in respect of such Redelivery PCP Contract.

"Principal Collections" means, in respect of an Assigned Receivable (other than a Written-Off Receivable or a Repurchased Receivable) and a Collection Period, Total Collections less Interest Collections, subject to a maximum of the Opening Receivables Balance.

"Principal Deficiency" means:

- (a) in respect of an Assigned Receivable which is not a PCP Contract (where all scheduled payments have been paid in full) and a Collection Period:
 - (i) the Opening Receivables Balance for such Collection Period less;
 - (ii) Principal Collections for such Collection Period less;
 - (iii) the Closing Receivables Balance for such Collection Period, subject to a minimum of zero; and
- (b) in respect of a Collection Period and a PCP Contract in respect of which payment of the Minimum Guaranteed Future Value has been discharged by redelivery of the Related Vehicle to the Seller:
 - (i) the Opening Receivables Balance for such Collection Period less;
 - (ii) Principal Collections for such Collection Period less;
 - (iii) the PCP Contract Vehicle Sale Expected Proceeds of the Related Vehicle subject to a minimum of zero.

"Principal Due" means, in respect of a Class of Notes, on an Interest Payment Date, subject to a minimum of zero, the BOP Principal Amount in respect of such Class of Notes less the Target Principal Amount of such Class of Notes.

"Principal Increase Due" means, in respect of a Class of Notes, on an Interest Payment Date subject to a minimum of zero, the Target Principal Amount of such Class, less the BOP Principal Amount in respect of such Class.

"Principal Priority of Payments" has the meaning given to it in Condition 2(d) (*Interest Priority of Payments and Principal Priority of Payments*).

"Principal Repayment Due" means, in respect of a Class of Notes, on an Interest Payment Date (a) unless paragraph (b) applies, the Principal Due in respect of such Class of Notes, provided that if the aggregate of all Principal Due in respect of all the Notes exceeds the sum of the Principal Collections and any Advances available on such Interest Payment Date for such purpose in accordance with the Principal Priority of Payments, then the Principal Due for each Note will be reduced *pro rata* based on the ratio that is equal to the ratio of the Principal Due on such Notes held by such Noteholder to the aggregate Principal Due of all Notes but immediately prior to the making of any Advances or repayments of principal scheduled for such Interest Payment Date; and (b) upon redemption of all or any Notes of such Class pursuant to Condition 5(b) (*Redemption for taxation and other reasons*) or 5(c) (*Mandatory early redemption in whole or in part*), an amount equal to the amount of such redemption.

"Priorities of Payments" means, together, the Interest Priority of Payments, the Principal Priority of Payments and the Accelerated Priority of Payments.

"Prospectus" means the prospectus dated on or about the Closing Date describing the Notes and the Transaction Documents.

"Purchase Date" means, in respect of the first Sale Notice, the Closing Date and, in respect of any subsequent Sale Notice, the Interest Payment Date on which the Seller sells and assigns Assigned Receivables to the Issuer, pursuant to a Sale Notice and subject to the terms of the Receivables Sale Agreement.

"Receivables" means all claims, present and future, absolute or contingent, due now or in the future arising out of a Receivables Agreement for the repayment of a Receivable and will, unless the context requires otherwise, include Ancillary Rights, but excludes the Excluded Rights, and **"Receivable"** will mean each individual claim.

"Receivables Agreement" means an agreement between FCE and a Customer for the conditional sale of a Vehicle under which FCE advances a sum of money which the Customer repays by making Periodic Payments and under which the title to the Vehicle remains with FCE until the final Periodic Payment has been made by the Customer or an agreement between FCE and a Customer for the hire purchase of a Vehicle under which the Customer makes Periodic Payments to FCE in respect of its use of the Vehicle and under which title to the Vehicle remains with FCE until the final Periodic Payment has been made by the Customer.

"Receiver" means an administrative receiver or similar officer falling within the definition of "administrative receiver" under section 29(2) of the Insolvency Act 1986.

"Recoveries" means, in respect of a Written-Off Receivable and a Collection Period, (i) in respect of a Written-Off Receivable sold to a Collection Agent, all sums received by the Servicer in respect of that Written-Off Receivable prior to the sale to the Collection Agent plus the purchase price paid by the Collection Agent and received by the Issuer or the Servicer on its behalf in respect of that Written-Off Receivable, or (ii) in respect of a

Written-Off Receivable not sold to a Collection Agent, all sums received by the Servicer in respect of that Written-Off Receivable during such Collection Period and (iii) the consideration and any other amounts that the Issuer or the Servicer on its behalf is entitled to receive in accordance with clause 8.3 (Written-Off Receivables) of the Receivables Sale Agreement in respect of that Written-Off Receivable, as applicable.

"Redelivery PCP Contract" means a PCP Contract under which payment of the Minimum Guaranteed Future Value is discharged by redelivery to the Servicer of the Vehicle financed by such PCP Contract.

"Redelivered Vehicle" means, if a PCP Contract is a Redelivery PCP Contract, the relevant Vehicle returned by a dealer (or by a third party on a dealer's behalf) to the Servicer.

"Reimbursed Losses and Principal Deficiencies" means, in respect of a Collection Period, the amounts of Available Interest Collections and the Swap Counterparty Receipts in order to reimburse aggregate Losses and Principal Deficiencies and Unreimbursed Losses and Principal Deficiencies.

"Related Vehicle" means the Vehicle related to an Assigned Receivable.

"Relevant Date" means, in respect of any Note, the date on which payment in respect thereof first becomes due or, if any amount of the money payable is improperly withheld or refused, the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after the date on which notice is duly given to the Noteholders in accordance with Condition 15 (*Notices*) that, upon further presentation, if applicable, of the Note being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation, if applicable.

"Repurchased Interest" means, as at any Interest Payment Date, the sum of (i) in respect of a Repurchased Receivable, the Overdue Interest in respect of such Repurchased Receivable as at the end of the preceding Collection Period and (ii) an amount equal to the product of the Discount Rate of such Repurchased Receivable and the Closing Receivables Balance of such Repurchased Receivable divided by 12.

"Repurchased Principal" means, in respect of a Repurchased Receivable and a Collection Period, the Opening Receivables Balance.

"Repurchased Receivables" means, in respect of a Collection Period, Assigned Receivables being repurchased by the Seller pursuant to the Receivables Sale Agreement on the Interest Payment Date next following that Collection Period.

"Required Class A Credit Enhancement" means the sum of (a) the Class A Credit Loss Enhancement Amount, plus (b) the Class A Residual Value Credit Enhancement Amount.

"Required Class A Note Percentage" means on any Interest Payment Date in respect of the Class A Note, the percentage equivalent of (a) 1 (one), minus (b) the Required Class A Credit Enhancement divided by the EOP Receivables Balance plus (c) the Reserve Fund Required Amount divided by the EOP Receivables Balance.

"Required Class B Note Percentage" means on any Interest Payment Date in respect of the Class B Notes, the percentage equivalent of 1(one) minus the Required Class A Note Percentage.

"Required Reserve Account Percentage" means 2.0%.

"Reserve Account" means the account maintained at the Account Bank (or any successor thereof) in the name of the Issuer with IBAN code

GB25CHAS60924240290202, bank code 609242 and account number 40290202 or any other bank account specified as such in compliance with the terms of the Bank Account Operation Agreement."

"Reserve Account Interest Earned" means, in respect of a Payment Date, the interest credited to the Reserve Account during the relevant Collection Period.

"Reserve Amount" means the balance standing to the credit of the Reserve Account as the same may be increased or decreased in accordance with clause 9 (*Reserve Amount*) of the Receivables Sale Agreement.

"Reserve Fund Additional Amount" means, on any Interest Payment Date on which Additional Assigned Receivables are to be purchased pursuant to a Sale Notice (other than the first Sale Notice), an amount equal to the increase in the Reserve Fund Required Amount in respect of such Additional Assigned Receivables.

"Reserve Fund Required Amount" means:

- (a) prior to the occurrence of a Servicer Termination Event and during the Revolving Period, the Required Reserve Account Percentage multiplied by the EOP Receivables Balance;
- (b) prior to the occurrence of a Servicer Termination Event and provided that the Revolving Period has terminated, the greater of:
 - (i) the Required Reserve Account Percentage multiplied by the EOP Receivables Balance; and
 - (ii) £1,000,000; and
- (c) on each Interest Payment Date on or following the occurrence of a Servicer Termination Event, an amount equal to the balance standing to the credit of the Reserve Account at the Interest Payment Date immediately preceding the occurrence of such Servicer Termination Event.

"Reserved Matter" has the meaning given to it in schedule 2 (*Provisions for meetings of Noteholders*) of the Trust Deed.

"Responsible Person" means, with respect to the Servicer and the Seller, any officer of the Servicer or the Seller (as applicable) or other person who is authorised to act for the Servicer or the Seller (as applicable), the positions or job titles of such officers and other persons being named in an officer's certificate delivered by the Servicer or the Seller (as applicable) to the Issuer, the Security Trustee, the Trustee and the Noteholders, provided that each Responsible Person will be the person who holds a position or job title referred to in the most recent officer's certificate received by the Issuer, the Security Trustee, the Trustee and the Noteholders.

"Retained Amount" means £5,000 per annum for the first two years following the Closing Date and £1,250 per annum thereafter.

"Returned Vehicle Fee" means, the fee that a dealer pays to the Servicer in order to return to the Servicer a Vehicle related to a PCP Contract.

"Revolving Period" means the period from the Closing Date up to the earlier of (i) the Interest Payment Date falling in October 2016, (ii) the date upon which an Early Amortisation Event has occurred, and (iii) the date upon which an Event of Default has occurred. If neither an Early Amortisation Event nor an Event of Default has occurred, the Revolving Period may be extended for a period of 12 months or more with the agreement

of the Noteholders and the Seller, provided that the extension will be subject to such conditions precedents as may be agreed between the Noteholders and the Seller.

"S&P" means Standard & Poor's Ratings Service, a division of The McGraw-Hill Companies, Inc. or any of its respective successors or assignees.

"Sale Notice" means any notice of sale of Receivables substantially in the form of Appendix 1 delivered by the Seller in accordance with clause 2.1 (*Sale and transfer of the Receivables and Ancillary Rights*) of the Receivables Sale Agreement.

"Secured Obligations" means the aggregate of all moneys and other liabilities for the time being due or owing by the Issuer to the Secured Parties.

"Secured Parties" means the Trustee, the Security Trustee, the Swap Counterparty, any Receiver, the Noteholders, the Issuer Corporate Services Provider, the Cash Manager, FCE (in its capacities as the Seller, the Servicer and the lender under the Subordinated Loan Agreement), the Agents, the Conduit Purchaser, the Conduit Agent and the Liquidity Funder and each other person designated as a secured party by the Deed of Charge for the period of such designation.

"Security Interests" means the security and other rights and interests created or granted by the Issuer under the Trust Deed and the Deed of Charge, including those which arise by operation of law and Security Interest will mean any one of them.

"September 2012 Deed of Amendment" means the deed of amendment and restatement dated on or about 17 September 2012 between, *inter alios*, the Issuer, FCE and the Noteholders.

"September 2013 Deed of Amendment" means the deed of amendment and restatement dated on or about 25 September 2013 between, *inter alios*, the Issuer, FCE and the Noteholders.

"September 2012 Effective Date" means 20 September 2012.

"September 2013 Effective Date" means 25 September 2013.

"September 2014 Extension Letter" means the letter dated on or about 22 September 2014 between, *inter alios*, the Issuer, FCE and the Noteholders.

"Servicer Termination Event" means the events specified in clause 12.1 (*Termination and appointment of replacement Servicer*) of the Receivables Servicing Agreement.

"Servicing Fee" means for each Collection Period, the fee payable to the Servicer for services rendered for such Collection Period in an amount equal to the product of:

$A \times B \times C$

where:

"A" = 0.02 per cent. per annum, or as may be otherwise agreed between the Servicer, the Issuer and the Security Trustee;

"B" = 1/12; and

"C" = the Aggregate Opening Receivables Balance as at the beginning of the Collection Period ending immediately before the relevant Payment Date, except for the first Collection Period, where C is the Aggregate Closing Receivables Balance on the Cut-Off Date,

inclusive of VAT if applicable;

provided that, in the event FCE Bank plc's appointment as Servicer is terminated in accordance with the provisions of the Receivables Servicing Agreement, the Servicing Fee will be such fee as may be negotiated with any replacement servicer, as contemplated in the Receivables Servicing Agreement.

"Servicing Reporting Date" means, from the Closing Date to and including September 2012, the 10th day of each calendar month and, from and including October 2012, the 15th day of each calendar month, provided that if such date is not a Business Day then the following Business Day.

"Signing Date" means 26 June 2009.

"Standard Credit Loss Enhancement Percentage" means, in respect of Receivables, other than PCP Contracts which were entered into in order to finance New Vehicles, 7.91% and, in respect of all other Assigned Receivables Agreements, 21.49%.

"Subordinated Loan" means the outstanding aggregate principal amount from time to time owing by the Issuer to FCE under the Subordinated Loan Agreement.

"Subordinated Loan Agreement" means the subordinated loan agreement relating to the Reserve Amount dated the Closing Date between the Issuer, FCE and the Security Trustee.

"Subordinated Loan Provider" means FCE.

"Supplemental Collection Accounts Trust Property" means, in respect of the FCE Collection Accounts Trust, the interest of the Issuer under the FCE Collection Account Trust.

"Swap Agreement" means the interest rate exchange agreement between the Issuer and the Swap Counterparty, constituted by a 1992 (Multi-Currency Cross-border) ISDA Master Agreement and schedule thereto and a confirmation dated the Closing Date.

"Swap Counterparty" means Royal Bank of Canada or any successor entity appointed in accordance with the Swap Agreement.

"Swap Counterparty Receipts" means, in respect of an Interest Payment Date, amounts actually received by the Issuer from the Swap Counterparty pursuant to the Swap Agreement (other than any amount received in respect of swap collateral and any swap replacement premium) on that Interest Payment Date.

"Swap Replacement Premium" means (i) any premium or upfront payment received by the Issuer from a replacement swap counterparty in connection with a replacement swap agreement entered into with the Issuer to the extent of any termination payment due to the Swap Counterparty under the Swap Agreement and (ii) any termination payment received by the Issuer from the Swap Counterparty to the extent required to fund a premium or upfront payment by the Issuer to a replacement swap counterparty in connection with a replacement swap agreement entered into with the Issuer.

"Swap Subordinated Amounts" means any amounts due from the Issuer to the Swap Counterparty upon termination of the Swap Agreement:

- (a) where the Swap Counterparty is the Defaulting Party, as defined in the Swap Agreement; or

- (b) due to the occurrence of an Additional Termination Event (as defined in the Swap Agreement) resulting from a failure by the Swap Counterparty to comply with the rating downgrade provisions in Part 6 of the ISDA Schedule to the Swap Agreement.

"TARGET2" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

"TARGET Settlement Day" means any day on which TARGET2 is open for the settlement of payments in Euro.

"Target Principal Amount" means on an Interest Payment Date:

- (a) in respect of a Class of Notes (other than a Class of Notes of the FCE Series): the lesser of:
- (i) the Commitment Amount in respect of such Class; and
 - (ii) the lesser of:
 - (1) EOP Receivables Balance less the aggregate FCE Funded Amount in respect of all Classes of Notes of the FCE Series; and
 - (2) the aggregate Commitment Amount for the Class A Notes divided by the Required Class A Note Percentage,multiplied by
 - (1) the Required Class A Note Percentage, in the case of the Class A1 Notes; or
 - (2) the Required Class B Note Percentage, in the case of the Class B1 Notes; and
- (b) in respect of a Class of Notes of the FCE Series, the FCE Funded Amount.

"Taxes" means, in respect of a Collection Period, the amounts due to the competent tax authority in respect of tax (including tax exemption fees) from the Issuer (in whatever capacity).

"Tax Information Arrangement" means any governmental or inter-governmental arrangement, or other arrangement between competent authorities, for the cross-border exchange of tax information applicable in any jurisdiction (or any treaty, law, regulation, or official guidance enacted, issued or amended in any jurisdiction which facilitates the implementation of such arrangement) including (without limitation) FATCA, any arrangement analogous to FATCA, and any bilateral or multilateral tax information agreement between the United Kingdom and any other jurisdiction(s).

"Three Month Average Loss Rate" means on an Interest Payment Date the simple average of the Loss Rate for the three preceding Collection Periods.

"Three Month Average Net Loss Rate" means on an Interest Payment Date the simple average of the Net Loss Rate for the three preceding Collection Periods.

"Total Collections" means, in respect of an Assigned Receivable and a Collection Period, all sums received and applied by the Servicer less (i) collections in relation to Excluded Rights (ii) Recoveries, (iii) any PCP Contract Vehicle Sale Actual Proceeds and

any Vehicle Surrender Fees, (iv) all payments revoked (including payments not honoured by the Customer's paying bank) in respect of that Assigned Receivable in that Collection Period and (v) any Liquidation Proceeds.

"Transaction Documents" means:

- (a) the Prospectus;
- (b) the Notes;
- (c) the Receivables Sale Agreement;
- (d) the Vehicle Declaration of Trust;
- (e) the Receivables Servicing Agreement;
- (f) the Bank Account Operation Agreement;
- (g) the Trust Deed;
- (h) the Deed of Charge;
- (i) the Cash Management Agreement;
- (j) the Note Purchase Agreements;
- (k) the Agency Agreement;
- (l) the Subordinated Loan Agreement;
- (m) the Collection Accounts Trust;
- (n) the Swap Agreement;
- (o) the Issuer Corporate Services Agreement;
- (p) the November 2010 Deed of Amendment;
- (q) the April 2011 Deed of Amendment;
- (r) the September 2012 Deed of Amendment;
- (s) the September 2013 Deed of Amendment;
- (e) the September 2014 Extension Letter;
- (t) the October 2014 Deed of Amendment;
- (u) the March 2015 Deed of Amendment; and
- (v) the October 2015 Deed of Amendment,

each as amended and restated from time to time, together with any document entered into pursuant thereto.

"UK" means the United Kingdom of Great Britain and Northern Ireland.

"Unreimbursed Losses and Principal Deficiencies" means, in respect of a Collection Period, the amount by which Losses for all Assigned Receivables Agreements and Principal Deficiencies for all Assigned Receivables Agreements for all previous Collection

Periods exceed Reimbursed Losses and Principal Deficiencies for all previous Collection Periods.

"Used Vehicle" means a Vehicle designated as a used vehicle in accordance with the FCE Bank Working Instructions.

"Vehicle" means any New Vehicle or Used Vehicle which is the object of financing by the Seller pursuant to the Assigned Receivables Agreements and listed by its vehicle identification number in a Closing Disc.

"Vehicle Declaration of Trust" means each trust declared by the Seller dated on or about the Closing Date and on each Purchase Date thereafter substantially in the form set out in Schedule 4 (*Form of Vehicle Declaration of Trust*) of the Receivables Sale Agreement.

"Vehicle Proceeds" means the proceeds of sale of Vehicles that are the subject of Assigned Receivables Agreements including sales of relevant Vehicles arising under PCP Contracts or arising due to the return or repossession of Vehicles following a default under an Assigned Receivables Agreement or exercise by Customers of voluntary termination right.

"Vehicle Sale Contract" any contract made by FCE with a third party for sale of a Vehicle after the return or repossession of such Vehicle from the Customer.

"Vehicle Surrender Fee" means, in respect of a Collection Period and a Redelivery PCP Contract, the sum of (a) any Excess Mileage Fee and (b) any Wear and Tear Fee.

"Wear and Tear Fee" means, in respect of a Collection Period and a Redelivery PCP Contract, any fee paid by the relevant Customer in respect of such Redelivery PCP Contract during such Collection Period on account of the applicable Vehicle not being found to be in good condition at the time of its redelivery by such Customer.

"Written-Off Receivable" means an Assigned Receivable which is written-off in accordance with the FCE Bank Working Instructions.