

IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE U.S. EXCEPT TO "QUALIFIED INSTITUTIONAL BUYERS" (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED).

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

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SECURITIES OF DELAMARE CARDS MTN ISSUER PLC IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE FOLLOWING BASE PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**), OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND THE NOTES MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR THE BENEFIT OF, U.S. PERSONS (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ALL APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE SECURITIES ISSUED UNDER THE PROGRAMME MAY BE OFFERED ONLY (A) TO, OR FOR THE ACCOUNT OR BENEFIT OF, PERSONS THAT ARE "QUALIFIED INSTITUTIONAL BUYERS" WITHIN THE MEANING OF RULE 144A (AS DEFINED BELOW) (**QUALIFIED INSTITUTIONAL BUYERS OR QIBs**) IN RELIANCE UPON RULE 144A UNDER THE SECURITIES ACT (**RULE 144A**) PURCHASING FOR THEIR OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A OR (B) IN OFFSHORE TRANSACTIONS TO NON-U.S. PERSONS IN RELIANCE UPON REGULATION S UNDER THE SECURITIES ACT (**REGULATION S**). THE SECURITIES ARE NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN UNDER "*PURCHASE AND TRANSFER RESTRICTIONS*".

THE FOLLOWING BASE PROSPECTUS AND ITS CONTENTS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. THIS DOCUMENT MAY ONLY BE DISTRIBUTED IN "OFFSHORE TRANSACTIONS" AS DEFINED IN, AND AS PERMITTED BY, REGULATION S UNDER THE SECURITIES ACT, OR WITHIN THE UNITED STATES TO QUALIFIED INSTITUTIONAL BUYERS IN ACCORDANCE WITH RULE 144A. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

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

materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the dealers or any affiliate of the dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the dealers or such affiliate on behalf of the issuer in such jurisdiction. By accessing the Base Prospectus, you shall be deemed to have confirmed and represented to us that (a) you have understood and agree to the terms set out herein, (b) you consent to delivery of the Base Prospectus by electronic transmission, (c) you are either (i) not a U.S. Person (within the meaning of Regulation S under the Securities Act) or acting for the account or benefit of a U.S. Person and the electronic mail address that you have given to us and to which this e-mail has been delivered is not located in the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands) or the District of Columbia or (ii) a Qualified Institutional Buyer in each case acting for your own account or for the account of one or more Qualified Institutional Buyers, and (d) if you are a person in the United Kingdom, then you are a person who (i) is an investment professional within the meaning of Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the **FPO**) or (ii) is a high net worth entity falling within Article 49(2)(a) to (d) of the FPO.

This Base Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither Delamare Cards MTN Issuer PLC or Tesco Personal Finance PLC (**TPF**) nor any person who controls it, nor any director, officer, employee or agent of Delamare Cards MTN Issuer PLC or TPF nor any affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Base Prospectus distributed to you in electronic format and the hard copy version available to you on request from The Bank of New York Mellon, London Branch as Principal Paying Agent.

PROHIBITION OF SALES TO UK RETAIL INVESTORS

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

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

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

UK MIFIR PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms/Pricing Supplement/Drawdown Prospectus in respect of any notes will include a legend entitled “UK MiFIR product governance / Professional investors and ECPs only target market” which will outline the target market assessment in respect of the notes and which channels for distribution of the notes are appropriate. Any person subsequently offering, selling or recommending the notes (a **UK distributor**) should take into consideration the target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issuance of notes under this base prospectus about whether, for the purpose of the UK MiFIR Product Governance Rules, any dealer subscribing for any notes is a manufacturer in respect of such notes, but otherwise neither the Arranger nor the dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

MIFID II PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms/Pricing Supplement/Drawdown Prospectus in respect of any notes will include a legend entitled "MiFID II product governance / Professional investors and ECPs only target market " which will outline the target market assessment in respect of the notes and which channels for distribution of the notes are appropriate. Any person subsequently offering, selling or recommending the notes (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, **MiFID II**) is responsible for undertaking its own target market assessment in respect of the notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the **MiFID Product Governance Rules**), any dealer subscribing for any notes is a manufacturer in respect of such notes, but otherwise neither the Arranger nor the dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

BASE PROSPECTUS DATED 11 MAY 2022

DELAMARE CARDS MTN ISSUER PLC

(incorporated in England and Wales with limited liability under registered number 6652499)

(the **Issuer**)

Issuer legal entity identifier: 635400IAJKM25WRCSE95

TPF legal entity identifier: 213800J17G8WI3MJ5660

Securitisation transaction unique identifier: 213800J17G8WI3MJ5660N200801

Medium Term Note Programme

(ultimately backed by trust property in the Delamare Cards Receivables Trust)

DELAMARE CARDS FUNDING 1 LIMITED

(the **Loan Note Issuer**)

Programme	<p>The Issuer established this medium term note programme (the Programme) on 31 October 2008.</p> <p>Notes issued under the Programme have been and will be issued in series (each a Note Series). Each Note Series will normally: (a) be issued on a single date; (b) be subject to the Terms and Conditions and (c) consist of one class or sub-class of Notes. Notes of the same class rank <i>pari passu</i> and <i>pro rata</i> among themselves. Each Note Series of the same class may not, however, be subject to identical terms in all respects (for example, interest rates, interest calculations, expected maturity and final redemption dates will differ). Some Note Series will be redeemed ahead of others, regardless of the priority of the relevant class of Notes. Each class of Notes may consist of one or more sub-classes of notes. One or more Note Series and class of Notes may be issued and outstanding at any one time.</p>
Final Terms/Pricing Supplement/Drawdown Prospectus	<p>Each Note Series will be the subject of a Final Terms, Pricing Supplement or Drawdown Prospectus which, for the purposes of that Note Series only, completes (in the case of Final Terms or Pricing Supplement, as the case may be) or supplements (in the case of a Drawdown Prospectus) the Terms and Conditions of the Notes and this Base Prospectus, and must be read in conjunction with this Base Prospectus. The Terms and Conditions applicable to any particular Note Series are the terms and conditions of the notes as completed or supplemented, as applicable, by the relevant Final Terms/Pricing Supplement/Drawdown Prospectus.</p> <p>The Final Terms and Drawdown Prospectus for listed Notes will be submitted to the Financial Conduct Authority (the FCA) for filing and made available to the public in accordance with Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 as amended, varied, superseded or substituted from time to time (the EUWA) (the UK Prospectus Regulation).</p>
Underlying Assets	<p>The Issuer's primary source of funds to make payments on a Note Series will be derived from, among other things, payments made by the Loan Note Issuer to the Issuer under a corresponding tranche of a Global Loan Note (a Loan Note). The ultimate source of payment on the notes will be collections on consumer credit card accounts originated (or acquired) in the United Kingdom by TPF. The Receivables arising on these consumer credit card</p>

	<p>accounts have been and will be purchased by the Receivables Trustee, subject to certain criteria being satisfied (please see "<i>The Receivables</i>" for further details of these criteria), and are and will be held on trust for certain beneficiaries (including the Loan Note Issuer).</p>
<p>Credit Enhancement and Liquidity Support</p>	<p>Credit enhancement and liquidity support consists of:</p> <ul style="list-style-type: none"> • subordination of more junior ranking Loan Notes and notes (please see "<i>The Loan Notes</i>" and "<i>Issuer Cashflows</i>" for further details); • use of principal to cover certain finance charge shortfalls (please see "<i>Sources of Funds to Pay the Loan Notes – Distributions of Principal Collections to the Loan Note Issuer</i>" for further details); • use of Targeted Pre-Funding Amounts to reduce Subordinated Loan Note extension risk (please see "<i>The Loan Notes - Pre-funding</i>" for further details); • use of funds deposited in the Accumulation Reserve Account in respect of any individual Loan Note to assist with the payment by the Loan Note Issuer of the Monthly Distribution Amount in respect of such Loan Note (please see "<i>The Reserves and Permitted Investments — Accumulation Reserve Account and Accumulation Reserve Account Ledgers</i>" for further details); • use of funds deposited in the Programme Reserve Account to assist with the payment by the Loan Note Issuer of the Monthly Distribution Amount in respect of a Loan Note (please see "<i>The Reserves and Permitted Investments — Programme Reserve Account</i>" for further details); and • use of funds deposited in the Series Cash Reserve Account in respect of any individual Loan Note to assist with the payment by the Loan Note Issuer of amounts payable in respect of such Loan Note (please see "<i>The Reserves and Permitted Investments – Series Cash Reserve Account</i>" for further details).
<p>Redemption provisions</p>	<p>Information on any optional and mandatory redemption of the notes is summarised in "<i>Overview of the Notes – Redemption</i>" and set out in full in Condition 7 (<i>Redemption and Purchase</i>) of the terms and conditions of the notes.</p>
<p>Rating Agencies</p>	<p>S&P Global Ratings Europe Limited (S&P), Fitch Ratings Limited (Fitch) and Moody's Investors Service Limited (Moody's), each a Rating Agency and together, the Rating Agencies.</p> <p>Whether or not each credit rating applied for in relation to a relevant Note Series will be issued by a credit rating agency established in the UK and registered under Regulation (EC) No 1060/2009 (as amended) as it forms part of UK domestic law by virtue of the EUWA (the UK CRA Regulation) will be disclosed in the Final Terms/Pricing Supplement/Drawdown</p>

Prospectus.

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

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

Each of Moody's and Fitch is established in the UK and is registered under the UK CRA Regulation. As such, both Moody's and Fitch are included in the list of credit rating agencies published by the FCA on its website, <http://www.fca.org.uk>, in accordance with the UK CRA Regulation. Neither Moody's or Fitch is established in the EEA and neither has applied for registration under the EU CRA Regulation. Moody's Deutschland GmbH currently endorses credit ratings issued by Moody's and Fitch Ratings Ireland Limited currently endorses credit ratings issued by Fitch for regulatory purposes in the EEA in accordance with the EU CRA Regulation. Moody's Deutschland GmbH is established in Germany and Fitch Ratings Ireland Limited is established in Ireland and each has been registered under the EU CRA Regulation and is included in the list of credit rating agencies published by the European Securities and Markets Authority (**ESMA**) on its website, <https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>, in accordance with the EU CRA Regulation. There can be no assurance that Moody's Deutschland GmbH and Fitch Ratings Ireland Limited will continue to endorse credit ratings issued by Moody's and Fitch, respectively.

S&P is established in Ireland, registered under the EU CRA Regulation and is included in the list of credit rating agencies published by ESMA on its website in accordance with the EU CRA Regulation. S&P Global Ratings UK Limited currently endorses credit ratings issued by S&P for regulatory purposes in the UK in accordance with the UK CRA Regulation. S&P Global Ratings UK Limited is established in the UK, has been registered under the UK CRA Regulation and is included in the list of credit rating

<p>Listing</p>	<p>agencies published by the FCA on its website in accordance with the UK CRA Regulation. There can be no assurance that S&P Global Ratings UK Limited will continue to endorse credit ratings issued by S&P.</p> <p>This Base Prospectus comprises a prospectus for the purposes of the UK Prospectus Regulation in respect of all notes other than the Exempt Notes (as defined below) issued under the Programme for the purposes of the UK Prospectus Regulation.</p> <p>This Base Prospectus has been approved by the FCA, as the UK competent authority under the UK Prospectus Regulation. The FCA only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the Loan Note Issuer or of the quality of the notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.</p> <p>An application will be made to the FCA for the Notes specified as listed Notes in the applicable Final Terms/Drawdown Prospectus and issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to listing on the Official List of the FCA (the Official List) and application will be made to the London Stock Exchange plc (the London Stock Exchange) for such Notes to be admitted to trading on the London Stock Exchange's main market. The main market of the London Stock Exchange is a regulated market in the UK for the purposes of Regulation (EU) No. 600/2014 on markets in financial instruments as it forms part of UK domestic law by virtue of the EUWA (UK MiFIR).</p> <p>References in this Base Prospectus to Exempt Notes are to notes for which no prospectus is required to be published under the UK Prospectus Regulation. The FCA has neither approved nor reviewed information contained in this Base Prospectus in connection with Exempt Notes and such Exempt Notes do not form part of this Base Prospectus.</p> <p>The Programme provides that the Issuer may issue unlisted notes and/or notes not admitted to trading on any market and/or notes which may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or market(s) as may be agreed between the Issuer and the relevant Dealer (which will be set forth in a drawdown or supplemental prospectus). Any such notes will be Exempt Notes.</p> <p>The class D VFN notes will be issued pursuant to a Pricing Supplement and will not be admitted to the Official List nor admitted to trading on any regulated market, stock exchange and/or quotation system.</p> <p>This Base Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months from its date in relation to Notes which are to be admitted to trading on a regulated market in the United Kingdom (the UK) and/or offered to the public in the UK (provided that it is completed by any supplement required pursuant to Article 23 of the UK Prospectus Regulation) other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the UK Prospectus Regulation or Section 86 of the FSMA. The obligation to supplement this Base Prospectus in the</p>
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<p>Obligations</p>	<p>event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.</p> <p>The notes offered pursuant to this Base Prospectus are obligations of the Issuer only. They will not be obligations or responsibilities of, nor will they be guaranteed by, any other party, including TPF in any of its capacities, any of the Arranger, Dealers, Delamare Cards Funding 1 Limited, Delamare Cards Receivables Trustee Limited, the Note Trustee, the Paying Agents or any of their affiliates or advisers, successors or assigns.</p>
<p>The notes</p>	<p>The notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the Securities Act), or the securities laws of any state or territory of the United States or any other relevant jurisdiction and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (within the meaning of Regulation S under the Securities Act (Regulation S)) (U.S. Persons) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, applicable U.S. state securities laws and in accordance with all applicable securities laws of any other jurisdiction.</p> <p>The notes issued under the Programme may be offered only (a) to, or for the account or benefit of, persons that are "qualified institutional buyers" within the meaning of Rule 144A (as defined below) (Qualified Institutional Buyers or QIBs) in reliance upon Rule 144A under the Securities Act (Rule 144A) purchasing for their own account or for the account of another Qualified Institutional Buyer in compliance with Rule 144A (the Rule 144A Notes) or (b) in offshore transactions to non-U.S. Persons in reliance upon Regulation S (the Regulation S Notes). The notes are not transferable except in accordance with the restrictions described herein under "<i>Purchase and Transfer Restrictions</i>". Prospective purchasers are hereby notified that sellers of the Rule 144A Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of these and certain additional transfer restrictions, see "<i>Purchase and Transfer Restrictions</i>" and "<i>Plan of Distribution</i>".</p> <p>The Issuer may agree with any Dealer that notes may be issued in a form not contemplated by the Terms and Conditions of the notes herein in which event (in the case of notes admitted to the Official List only) a Supplementary Prospectus, a Drawdown Prospectus or a further Base Prospectus will be made available which will describe the effect of the agreement reached in relation to such notes.</p> <p>Offers and sales of the notes in the United States or to U.S. Persons will be made by the Dealers through their affiliates which are registered broker-dealers under the United States Securities Exchange Act of 1934, as amended (the Exchange Act), or in accordance with Rule 15a-6 thereunder.</p>
<p>Minimum Denominations</p>	<p>No notes may be issued under the Programme which have a minimum denomination of less than €100,000 (or the equivalent in another currency as of the date of issue of those notes as specified in the relevant Final Terms/Pricing Supplement/Drawdown Prospectus).</p> <p>In the case of each Note Series denominated in a currency other than Sterling, a separate currency swap transaction will be entered into by the</p>

	<p>Issuer to (i) convert the US Dollar, Euro or such other currency (as specified in the relevant Drawdown Prospectus) received by the Issuer on the issuance date for that Note Series into Sterling amounts for payment of the subscription amount for the related Loan Note in respect of that Note Series, and (ii) convert the Sterling amounts received by the Issuer into US Dollar, Euro or such other currency (as specified in the relevant Drawdown Prospectus), as applicable amounts for payments in respect of that Note Series.</p>
<p>UK risk retention and due diligence requirements</p>	<p>The Transferor (as originator for the purposes of UK Securitisation Regulation (as defined below) will (i) retain, on an on-going basis, a material net economic interest of not less than five per cent. in the securitisation as required by the text of Article 6(1) of the UK Securitisation Regulation (the UK Risk Retention Requirements), (ii) not change the manner in which it retains such material net economic interest, except to the extent permitted by the UK Securitisation Regulation (and ensure that any such change is disclosed in the Servicer's monthly report) and (iii) agree not to hedge, sell or otherwise mitigate such risk except to the extent permitted by the UK Securitisation Regulation.</p> <p>As at the date of this Base Prospectus, such interest will be comprised of the transferor interest (the Transferor Interest) in accordance with Article 6(3)(b) of the UK Securitisation Regulation. Any change to the manner in which such interest is held will be notified to Noteholders in accordance with the conditions and the requirements of the UK Securitisation Regulation.</p> <p>UK Securitisation Regulation means Regulation (EU) 2017/2402 as it forms part of domestic law of the United Kingdom by virtue of the EUWA (as amended by the European Union (Withdrawal Agreement) Act 2020), including any relevant binding technical standards, regulations, instruments, rules, policy statements, guidance, transitional relief or other implementing measures of the Financial Conduct Authority, the Bank of England, the United Kingdom Prudential Regulation Authority, the Pensions Regulator or other relevant UK regulator (or their successor) in relation thereto, as amended, varied or substituted from time to time.</p> <p>As to the information made available to prospective investors by the Issuer, reference is made to the information set out herein and forming part of this Base Prospectus and, after the date of this Base Prospectus, to the monthly reports prepared by the Cash Manager, which will be available (i) in electronic form on the following website: https://bank.tescoplc.com/financial-information/debt-investors/securitisation/ and for inspection during normal business hours and upon reasonable notice at the registered office of the Issuer or such other location as the Issuer may notify to Noteholders from time to time <u>and (ii) the information made available on https://editor.eurodw.co.uk/esma/viewdeal?edcode=CREMUK000535100120131</u> or such other location as the Issuer may notify to Noteholders from time to time.</p> <p>See "<i>Regulatory Considerations</i>" for additional details.</p>
<p>U.S. Risk Retention</p>	<p>With respect to Notes offered and sold by the Issuer in reliance on Rule 144A and Regulation S, the Transferor, as the “sponsor” of an asset-backed</p>

	<p>securitisation transaction for the purposes of Section 15G of the Exchange Act and the regulations relating to credit risk retention promulgated thereunder (the U.S. Credit Risk Retention Rules) (in such a role, the Sponsor), to the extent applicable, is generally required under the U.S. Credit Risk Retention Rules, unless an exemption exists, to ensure that it acquires and retains an economic interest in the credit risk of the assets collateralising the issuance of all 'asset-backed securities' in an amount not less than 5 percent, in one of a number of specified ways. With respect to Notes offered and sold by the Issuer in reliance on Rule 144A and Regulation S, to the extent applicable, the Transferor has elected to satisfy the U.S. Credit Risk Retention Rules by retaining a seller's interest, as defined by and calculated in accordance with the U.S. Credit Risk Retention Rules, in a minimum amount that will equal not less than five percent of the aggregate unpaid principal balance of all outstanding notes of the Issuer, other than any notes held for the life of such notes by Tesco Personal Finance PLC or one or more wholly-owned affiliates of Tesco Personal Finance PLC. The seller's interest will be in the form of Tesco Personal Finance PLC's interest as Transferor Beneficiary (the Transferor Interest). See "<i>The Delamare Cards Receivables Trust - General entitlement of beneficiaries to trust property</i>" for a description of how the Transferor Interest is computed. As provided in the STDCMA, if the thirty-day average of Tesco Personal Finance PLC's Transferor Interest falls below a value computed in accordance with the STDCMA (currently set to be at least 9% of the average outstanding face value of Eligible Principal Receivables over the same period), an Early Redemption Event occurs. In order for Tesco Personal Finance PLC to avoid the occurrence of such an Early Redemption Event, the average Transferor Interest over a thirty-day testing period must be maintained above the applicable value (currently set to be at least 9% of the average outstanding face value of Eligible Principal Receivables) (the Minimum Transferor Interest).</p> <p>See "<i>Regulatory Considerations - U.S. Credit Risk Retention</i>" for additional details.</p>
<p>Volcker Rule</p>	<p>The Issuer is not, and solely after giving effect to any offering and sale of the Notes and the application of the proceeds thereof will not be, a "covered fund" for purposes of regulations adopted under Section 13 of the United States Bank Holding Company Act of 1956, as amended (commonly known as the Volcker Rule). In reaching this conclusion, although other statutory or regulatory exclusions and/or exemptions under the United States Investment Company Act of 1940, as amended (the Investment Company Act), and under the Volcker Rule and its related regulations may be available, the Issuer has relied on the exemption from the definition of "investment company" in the Investment Company Act provided by Rule 3a-7 thereunder, and, accordingly, the Issuer is not a "covered fund" under the Volcker Rule. Any prospective investor in any Notes, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisers regarding such matters and the effects of the Volcker Rule.</p>
<p>The Regulation Benchmarks</p>	<p>Amounts payable on floating rate Notes will be calculated by reference to one of the Secured Overnight Funding Rate (SOFR), the Euro Interbank Offered Rate (EURIBOR) or the Sterling Overnight Index Average (SONIA), as specified in the relevant Final Terms or Drawdown Prospectus (as applicable).</p>

<p>Simple, Transparent and Standardised Securitisation (STS)</p>	<p>As at the date of this Base Prospectus, the administrators of SONIA (the Bank of England) and SOFR (the Federal Reserve Bank of New York) are not currently required to obtain authorisation or registration under Article 36 of Regulation (EU) 2016/1011 (the EU Benchmarks Regulation) or Article 36 of Regulation (EU) 2016/0111 as it forms part of UK domestic law by virtue of the EUWA (the UK Benchmarks Regulation) and SONIA and SOFR do not fall within the scope of the EU Benchmarks Regulation or the UK Benchmarks Regulation by virtue of Article 2 of the EU Benchmarks Regulation, as applicable. As at the date of this base prospectus, the administrators of EURIBOR are included in the register of administrators established and maintained by ESMA under the EU Benchmarks Regulation but not the register of administrators established and maintained by the FCA under the UK Benchmarks Regulation.</p> <p>As far as the Issuer is aware, the transitional provisions in Article 51 of the UK Benchmarks Regulation apply such that the administrators of EURIBOR are not currently required to obtain authorisation and/or registration (or, if located outside the UK, recognition, endorsement or equivalence) under the UK Benchmarks Regulation.</p> <p>Tesco Personal Finance plc (as originator for the purposes of the UK Securitisation Regulation) may procure a notification to be submitted to the FCA as the relevant competent authority in the UK in accordance with the UK Securitisation Regulation confirming that the requirements of Articles 19 to 22 of the UK Securitisation Regulation have been satisfied with respect to a series of notes (a UK STS designation).</p> <p>The UK STS Notification(s), once notified to the FCA, will be available for download on the FCA Register of Securitisation STS Notifications at https://data.fca.org.uk/#/sts/stssecuritisations (or its successor website) (the FCA STS Register website). For the avoidance of doubt, the FCA STS Register website and the contents thereof do not form part of this Base Prospectus.</p> <p>The UK STS status of the notes is not static and investors should verify the current status on the FCA STS Register website, which will be updated where a series of notes are no longer considered to meet UK STS requirements following a decision of the FCA, of another relevant UK regulator or a notification by the Transferor.</p> <p>In relation to such UK STS Notification, the Transferor has been designated as the first contact point for investors and the FCA.</p> <p>However, no assurance is given that Tesco Personal Finance plc (as originator for the purposes of the UK Securitisation Regulation) will seek a UK STS designation with respect to any series of notes issued under this Base Prospectus and/or the relevant Drawdown Prospectus/Final Terms. Tesco Personal Finance plc may decide at its discretion whether a UK STS Notification will be submitted in respect of an issuance of a series of notes at the time of such issuance. Accordingly, notes may, and are capable of, being issued under this Base Prospectus without them being compliant with the UK STS Requirements or any UK STS notification being submitted to the FCA.</p> <p>As of the date of this Base Prospectus, the notes are not capable of qualifying as an STS securitisation within the meaning of Regulation (EU) 2017/2402</p>
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	as amended (the EU Securitisation Regulation), primarily because they do not meet the jurisdictional requirements of Article 18 of the EU Securitisation Regulation. For further information, please refer to the risk factor entitled " <i>Simple, Transparent and Standardised (STS) Securitisations</i> ".
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PLEASE REVIEW AND CONSIDER THE RISK FACTORS BEGINNING ON PAGE 13 IN THIS BASE PROSPECTUS CAREFULLY BEFORE INVESTING IN ANY NOTE SERIES.

Arranger

Citigroup

Dealer

Citigroup

IMPORTANT NOTICES

With the exception of the class D VFN notes, Regulation S Notes of each class will be represented on issue by beneficial interests in one or more permanent global note certificates (each a **Regulation S Global Note Certificate**), in fully registered form, without interest coupons attached, which will be deposited with a common depository (the **Common Depository**) (or, with respect to notes held pursuant to the New Safekeeping Structure for global notes which are intended to constitute eligible collateral for Eurosystem monetary policy operations (the **NSS**), a common safekeeper (the **Common Safekeeper**)) and registered in the name of a nominee of Euroclear Bank S.A./N.V. (**Euroclear**) and Clearstream Banking, *société anonyme* (**Clearstream**) (or, with respect to notes in NSS form in the name of a nominee of a Common Safekeeper for Euroclear and Clearstream, Luxembourg). With the exception of the class D VFN notes, Rule 144A Notes (as defined herein) of each class will be represented on issue by beneficial interests in one or more permanent global note certificates (each a **Rule 144A Global Note Certificate**), in fully registered form, without interest coupons attached, which will be deposited with a custodian specified as such in the relevant Final Terms/Pricing Supplement/Drawdown Prospectus in respect of such Rule 144A Notes (the **DTC Custodian**) for, and registered in the name of Cede & Co. (**Cede**) as nominee of, The Depository Trust Company (**DTC**), and/or registered in the name of a nominee of, and deposited with, a Common Depository or, in the case of Rule 144A Notes in NSS form, a Common Safekeeper for Euroclear and Clearstream.

With the exception of the class D VFN notes, ownership interests in the Regulation S Global Note Certificates and in the Rule 144A Global Note Certificates (together, the **Global Note Certificates**) will be shown on, and transfers thereof will only be effected through, records maintained by Euroclear, Clearstream and DTC (as relevant), and their respective participants. Notes in definitive certificated, fully registered form (**Individual Note Certificates**) will be issued only in the limited circumstances as described in the Note Trust Deed. In each case, purchasers and transferees of notes will be deemed to have made certain representations and agreements. See "*Forms of the Notes*" and "*Plan of Distribution*" below.

If issued under the relevant Final Terms/Pricing Supplement/Drawdown Prospectus, Rule 144A Global Note Certificates will bear a legend to the effect that such Rule 144A Global Note Certificates and any interest therein may not be transferred except to persons that are Qualified Institutional Buyers purchasing for its own account or for the account of another Qualified Institutional Buyer in compliance with Rule 144A under the Securities Act and only in compliance with the transfer restrictions set out in such legend. No beneficial interest in a Rule 144A Global Note Certificate may be transferred to a person that takes delivery in the form of a beneficial interest in a Regulation S Global Note Certificate unless the transfer is to a non-U.S. Person in an offshore transaction in reliance on Regulation S under the Securities Act and the transferor provides the relevant Registrar with a written certification substantially in the form set out in the Paying Agency Agreement. No beneficial interest in a Regulation S Global Note Certificate may be transferred to a person that takes delivery in the form of a beneficial interest in a Rule 144A Global Note Certificate unless the transfer is to a person that is a Qualified Institutional Buyer purchasing for its own account or for the account of another Qualified Institutional Buyer in compliance with Rule 144A and the Transferor provides the relevant Registrar with a written certification substantially in the form set out in the Paying Agency Agreement. See "*Forms of the Notes*".

The class D VFN notes will be in dematerialised registered form. A register will be maintained by the relevant Registrar, on the Issuer's behalf, in which each Series of class D VFN notes will be registered in the name of the holder of such Series of class D VFN note. The class D VFN notes will be issued pursuant to a Pricing Supplement and will not be listed or admitted to trading on any regulated market, stock exchange and/or quotation system. Transfers of all or any portion of the interest in the class D VFN notes may be made only through the register maintained by the relevant Registrar.

Governing Law

- The Programme documents are governed by (variously) the laws of England and Wales, Scotland and Northern Ireland.
- The **United Kingdom** and **UK** are abbreviated references to the United Kingdom of Great Britain and Northern Ireland. The UK comprises three distinct legal systems, namely those of England (which includes Wales), Scotland and Northern Ireland, each with its own judicial process. However, leaving aside devolution of certain powers to Scottish and Northern Irish legislative bodies, the legislative body for each of these three jurisdictions is the UK Parliament. Accordingly, references to UK law are to laws promulgated by the UK Parliament but which are binding on the United Kingdom.
- The sale of Receivables where the relevant cardholder is resident in Scotland is governed by Scots law. The consequences of this Scots law sale are discussed under the caption "*Risk Factors — Transfer of benefit of Receivables*".
- The **United States**, **US** and **U.S.** are abbreviated references to the United States of America.

Notes not part of a re-securitisation

The notes are not part of a securitisation of one or more exposures where at least one of these exposures is a securitisation.

IMPORTANT NOTICES

This document (which includes the appendices herein) constitutes a **Base Prospectus** in respect of all Notes other than Exempt Notes issued under the Programme for the purposes of the UK Prospectus Regulation.

Application will be made to the London Stock Exchange plc for Notes which are specified as listed Notes in the applicable Final Terms/Drawdown Prospectus and issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to trading on the London Stock Exchange's main market.

This Base Prospectus should be read and construed together with any supplements hereto and, in relation to any Note Series, should be read and construed together with the relevant Final Terms/Pricing Supplement/Drawdown Prospectus.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer, TPF, the Arranger or any Dealer.

No representation or warranty is made or implied by the Arranger, the Dealers, the Note Trustee, the Security Trustee, the Paying Agents, the Transferor or any of their respective affiliates, and neither the Arranger, the Dealers, the Note Trustee, the Security Trustee, the Paying Agents, the Transferor nor any of their respective affiliates makes any representation or warranty or, save as otherwise provided in this Base Prospectus or any Final Terms/Pricing Supplement/Drawdown Prospectus, accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus. None of the Arranger or the Dealers accept any responsibility for any other person's acts or omissions (including without limitation the Note Trustee, the Security Trustee, the Paying Agents, the Transferor or any of their respective affiliates). Neither the delivery of this Base Prospectus or any Final Terms/Pricing Supplement/Drawdown Prospectus nor the offering, sale or delivery of any note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true after the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer since the date thereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time after the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus and any Final Terms/Pricing Supplement/Drawdown Prospectus and the offering, sale and delivery of the notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms/Pricing Supplement/Drawdown Prospectus comes are required by the Issuer, the Arranger and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of notes and on the distribution of this Base Prospectus or any Final Terms/Pricing Supplement/Drawdown Prospectus and other offering material relating to the notes, see "*Plan of Distribution*".

Neither this Base Prospectus nor any Final Terms/Pricing Supplement/Drawdown Prospectus constitutes an offer or an invitation to subscribe for or purchase any notes and should not be considered as a recommendation by the Issuer, the Arranger, the Dealers, the Transferor or any of them that any recipient of this Base Prospectus or any Final Terms/Pricing Supplement/Drawdown Prospectus should subscribe for or purchase any notes. Each recipient of this Base Prospectus or any Final Terms/Pricing Supplement/Drawdown Prospectus shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

None of the Arranger, the Lead Managers (in the case of syndicated issues), the Dealers, the Receivables Trustee, Funding 1, the Security Trustee, the Issuer or the Note Trustee has undertaken or will undertake any investigations, searches or other actions to verify the details of the Receivables arising under Designated Accounts (other than, in the case of the Issuer, steps to verify the details of the Receivables which are presented in this Base Prospectus and in any Drawdown Prospectus/Final Terms/Pricing Supplement, as applicable) or to establish the creditworthiness of any cardholder on the Designated Accounts. Each of the Arranger, the Lead Managers (in the case of syndicated issues), the Dealers, the Receivables Trustee, the Security Trustee, the Note Trustee, the Issuer and Funding 1 relies solely on representations given by the Transferor to the Receivables Trustee in respect of the cardholders, the Designated Accounts, the Receivables arising under Designated Accounts, and the effect of the assignment or holding on trust of such Receivables.

THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND THE NOTES MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR THE BENEFIT OF, U.S. PERSONS (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ALL APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE SECURITIES ISSUED UNDER THE PROGRAMME MAY BE OFFERED ONLY (A) TO, OR FOR THE ACCOUNT OR BENEFIT OF, PERSONS THAT ARE "QUALIFIED INSTITUTIONAL BUYERS" WITHIN THE MEANING OF RULE 144A IN RELIANCE UPON RULE 144A PURCHASING FOR THEIR OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A OR (B) IN OFFSHORE TRANSACTIONS TO NON-U.S. PERSONS IN RELIANCE UPON REGULATION S.

THE SECURITIES ARE NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN UNDER "*PURCHASE AND TRANSFER RESTRICTIONS*". EACH INITIAL PURCHASER AND SUBSEQUENT TRANSFEREE OF THE NOTES WILL BE DEEMED, BY ITS ACQUISITION OR HOLDING OF SUCH NOTES, TO HAVE MADE THE REPRESENTATIONS SET FORTH IN THIS BASE PROSPECTUS (IN THE SECTION ENTITLED "*PURCHASE AND TRANSFER RESTRICTIONS*"). ANY RESALE OR OTHER TRANSFER, OR ATTEMPTED RESALE OR OTHER ATTEMPTED TRANSFER, OF NOTES WHICH IS NOT MADE IN COMPLIANCE WITH THE APPLICABLE TRANSFER RESTRICTIONS WILL BE VOID. THE NOTES WILL ALSO BEAR RESTRICTIVE LEGENDS.

AN INVESTMENT IN THE NOTES IS ONLY SUITABLE FOR FINANCIALLY SOPHISTICATED INVESTORS WHO ARE CAPABLE OF EVALUATING THE MERITS AND RISKS OF SUCH INVESTMENT AND WHO HAVE SUFFICIENT RESOURCES TO BE ABLE TO BEAR ANY LOSSES WHICH MAY RESULT FROM SUCH INVESTMENT. IF PROSPECTIVE INVESTORS ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS BASE PROSPECTUS THEY SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER FINANCIAL ADVISER.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS BASE PROSPECTUS, ALL PERSONS MAY DISCLOSE TO ANY AND ALL PERSONS, WITHOUT LIMITATION OF ANY KIND, THE US FEDERAL, STATE AND LOCAL TAX TREATMENT OF THE NOTES AND THE ISSUER, ANY FACT THAT MAY BE RELEVANT TO UNDERSTANDING THE US FEDERAL, STATE AND LOCAL TAX TREATMENT OF THE NOTES AND THE ISSUER AND ALL MATERIALS OF ANY KIND (INCLUDING OPINIONS OR OTHER TAX ANALYSES) RELATING TO SUCH US FEDERAL, STATE AND LOCAL TAX TREATMENT AND THAT MAY BE RELEVANT TO UNDERSTANDING SUCH TAX TREATMENT.

THIS BASE PROSPECTUS IS NOT INTENDED AND WAS NOT WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING US FEDERAL, STATE OR LOCAL TAX PENALTIES. THIS BASE PROSPECTUS WAS WRITTEN IN CONNECTION WITH THE PROMOTION OR MARKETING OF THE TRANSACTION. EACH PROSPECTIVE NOTEHOLDER SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

In the event that any withholding or deduction for any taxes, duties, assessments or government charges of whatever nature is imposed, levied, collected, withheld or assessed on payments of principal or interest in respect of the notes by the United Kingdom, or any other jurisdiction or political subdivision or any authority in or of such jurisdiction having power to tax, neither the Issuer nor the Paying Agents will be required to make any additional payments to Noteholders or, if Individual Note Certificates are issued, coupons, in respect of such withholding or deduction.

PROHIBITION OF SALES TO UK RETAIL INVESTORS

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

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

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

UK MIFIR PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms/Pricing Supplement/Drawdown Prospectus in respect of any notes will include a legend entitled “UK MiFIR product governance / Professional investors and ECPs only target market” which will outline the target market assessment in respect of the notes and which channels for distribution of the notes are appropriate. Any person subsequently offering, selling or recommending the notes (a **UK distributor**) should take into consideration the target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issuance of notes under this base prospectus about whether, for the purpose of the UK MiFIR Product Governance Rules, any dealer subscribing for any notes is a manufacturer in respect of such notes, but otherwise neither the Arranger nor the dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

MIFID II PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms/Pricing Supplement/Drawdown Prospectus in respect of any notes will include a legend entitled "MiFID II product governance / Professional investors and ECPs only target market " which will outline the target market assessment in respect of the notes and which channels for distribution of the notes are appropriate. Any person subsequently offering, selling or recommending the notes (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, **MiFID II**) is responsible for undertaking its own target market assessment in respect of the notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the **MiFID Product Governance Rules**), any dealer subscribing for any notes is a manufacturer in respect of such notes, but otherwise neither the Arranger nor the dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

Interpretation

References in this document to **£, Pounds Sterling** or **Sterling** are to the lawful currency of the United Kingdom of Great Britain and Northern Ireland. References in this document to **Euro, Euros** or **€** are to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Communities, as amended by the Treaty on European Union. References in this document to **\$, U.S. Dollars** or **Dollars** are to the lawful currency of the United States of America.

Any reference in this Base Prospectus to a "weighted average" shall mean, where the context so admits, in relation to any defined variable with respect to any period, an amount equal to the sum of the amounts of that variable as of the close of business on each day during the relevant period divided by the actual number of days in such period.

Any reference in this Base Prospectus to a percentage equivalent of a fraction shall be such percentage equivalent as rounded to five decimal places.

Any reference in this Base Prospectus and the Transaction Documents to a Rating Agency shall be deemed to include only those Rating Agencies that rate any Associated Debt that is outstanding.

In connection with the issue of any Note Series, the Dealer or Dealers (if any) named as the stabilising manager(s) (or persons acting on behalf of any stabilising manager(s)) in the applicable Final Terms/Pricing Supplement/Drawdown Prospectus may over allot notes or effect transactions with a view to supporting the market price of the notes at a level higher than that which might otherwise prevail. However, there is no assurance that the stabilising manager(s) (or persons acting on behalf of a stabilising manager(s)) will undertake such stabilisation action. Any stabilisation action may begin at any time after the adequate public disclosure of the terms of the offer of the relevant Note Series and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the Issue Date of the relevant Note Series and 60 days after the date of the allotment of the relevant Note Series. Any stabilisation action or over-allotment must be conducted by the relevant stabilising manager(s) (or persons acting on behalf of any stabilising manager(s)) in accordance with all applicable laws and rules.

NOTICE TO U.S. INVESTORS

Prospective investors are hereby notified that the sellers of the notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers, sales and transfers of the notes and the distribution of this Base Prospectus, see "*Plan of Distribution*".

With respect to the issue and sale of the notes in the United States, this Base Prospectus has been prepared by the Issuer solely for use in connection with the issue of the notes. In the United States, this Base Prospectus is personal to each person or entity to whom it has been delivered by the Issuer or a Dealer or an affiliate of such Dealer. Distribution in the United States or to U.S. Persons of this Base Prospectus to any person other than prospective purchasers who are Qualified Institutional Buyers or such persons or entities and those persons or entities, if any, retained to advise such persons or entities is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited. Each prospective purchaser in the United States or who is a U.S. Person, by accepting delivery of this Base Prospectus, agrees to the foregoing and agrees not to reproduce all or any part of this Base Prospectus.

Additionally, each purchaser of any of the notes will be deemed to have made the representations, warranties and acknowledgements that are described in the applicable Final Terms/Pricing Supplement/Drawdown Prospectus. If any Rule 144A Notes are issued, prospective investors are hereby notified that the seller of any note may be relying upon the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of certain further restrictions on resale or transfer of the notes, see the applicable Final Terms/Pricing Supplement/Drawdown Prospectus.

Offers and sales of the notes in the United States or to U.S. Persons will be made by the Dealers through their affiliates which are registered broker-dealers under the United States Securities Exchange Act of 1934, as amended (the **Exchange Act**), or in accordance with Rule 15a-6 thereunder.

Neither the United States Securities and Exchange Commission (the **SEC**), any other securities commission, any state securities commission in the United States nor any other regulatory authority in the United States has approved or disapproved the notes or determined if this Base Prospectus is truthful or complete. Any representation to the contrary is a criminal offence in the United States.

SERVICE OF PROCESS AND ENFORCEMENT OF JUDGMENTS OF US COURTS

The Issuer is a public limited company incorporated under the laws of England and Wales and the notes will be governed by English law. All of the officers and directors named herein reside outside the United States and all or a substantial portion of the assets of the Issuer and its officers and directors are located outside the United States. As a result, it may not be possible for prospective investors to effect service of process in the United States upon the Issuer or such persons in connection with any lawsuits related to the notes (including actions arising under federal securities laws of the United States) or enforcing judgments of courts of the United States predicated upon the civil liability provisions of such securities laws. There is doubt as to the enforceability in England and Wales, in original actions or in actions for the enforcement of judgment of US courts, of civil liabilities predicated solely upon the federal securities laws of the United States.

AVAILABLE INFORMATION

If any Rule 144A Notes are issued, the Issuer will agree, for so long as any of such notes are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, that it will, during any period in which it is not subject to and in compliance with the reporting requirements of Section 13 or 15(d) of the Exchange Act, or is exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, make available the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act to any holder or beneficial owner of such restricted securities or, in the case of Rule 144A Notes, to any

prospective purchaser designated by such holder or beneficial owner of such restricted securities in order to permit compliance by such holder or beneficial owner with Rule 144A in connection with the resale of such restricted securities or any interest therein, in each case at the request of such holder, beneficial owner or prospective purchaser.

By requesting copies of the documents referred to herein or by making any other requests for additional information relating to the issue of the notes or to the Issuer, each potential investor agrees to keep confidential the various documents and all written information which from time to time has been or will be disclosed to it, to the extent that such documents or information are not otherwise publicly available, and agrees not to disclose any portion of such information to any person except in connection with the proposed resale of the notes or as required by law.

The Issuer has agreed, for so long as any of the notes remain outstanding, to provide to the Note Trustee, among other things, audited annual financial statements of the Issuer.

The Issuer will, at the Specified Office of the Principal Paying Agent, provide, free of charge, upon oral or written request, a copy of this Base Prospectus. Written or telephone requests for such documents should be directed to the Specified Office of the Principal Paying Agent.

The Issuer intends to provide certain post-issuance transaction information regarding the notes to be admitted to trading and the performance of any underlying collateral in the form of the monthly reports to be prepared by the Servicer and the Cash Manager. Monthly reports will be available (i) in electronic form on the following website: <https://bank.tescopl.com/financial-information/debt-investors/securitisation/> and (ii) for inspection during normal business hours and upon reasonable notice at the registered office of the Issuer or such other location as the Issuer may notify to Noteholders from time to time.

When delivered in the United States or to U.S. Persons this Base Prospectus must be accompanied by a Final Terms/Pricing Supplement/Drawdown Prospectus pursuant to which the Note Series referred to therein will be offered. Such Final Terms/Pricing Supplement/Drawdown Prospectus constitute, with respect to the Note Series offered thereby, the "relevant Final Terms", the "relevant Pricing Supplement", the "relevant Drawdown Prospectus" or the "applicable Final Terms", the "applicable Pricing Supplement" or the "applicable Drawdown Prospectus" (as applicable) referred to herein.

THE NOTES MAY NOT BE A SUITABLE INVESTMENT FOR ALL INVESTORS

Each potential investor in the notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the notes, the merits and risks of investing in the notes and the information contained or incorporated by reference in this Base Prospectus or any applicable final terms, pricing supplement or drawdown prospectus;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the notes and the impact the notes will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the notes, including notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the notes and be familiar with the behaviour of any relevant indices and financial markets; and

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

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) notes are legal investments for it, (2) notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of notes under any applicable risk-based capital or similar rules.

Prospective purchasers of the notes of any Note Series should ensure that they understand the nature of such notes and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers to make their own legal, tax, accounting and financial evaluation of the merits and risks of investment in such notes and that they consider the suitability of such notes as an investment in the light of their own circumstances and financial condition.

FORWARD LOOKING STATEMENTS

This Base Prospectus contains statements which constitute forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Such statements appear in a number of places in this Base Prospectus and reflect significant assumptions and subjective judgements by the Issuer that may or may not prove to be correct. Such statements may be identified by reference to a future period or periods and the use of forward-looking terminology such as "may", "will", "could", "believes", "expects", "anticipates", "intends", or similar terms. Consequently, future results may differ from the Issuer's expectations due to a variety of factors, including (but not limited to) the economic environment in the United Kingdom. Moreover, past financial performance should not be considered a reliable indicator of future performance and prospective purchasers of the notes are cautioned that any such statements are not guarantees of performance and involve risks and uncertainties, many of which are beyond the control of the Issuer. Neither the Arranger nor any Dealer has attempted to verify such statements, nor does it make any representation, express or implied, with respect thereto. Prospective purchasers of the notes are cautioned not to place undue reliance on these forward-looking statements, which speak only as at the date of this Base Prospectus. Prospective purchasers of the notes also should realise that if underlying assumptions prove inaccurate or unknown risks or uncertainties materialise, actual results could vary materially from the Issuer's projections. The Issuer, the Arranger and the Dealers undertake no obligation to update any forward looking statements as a result of future events or developments.

SUPPLEMENTARY BASE PROSPECTUS

The Issuer has undertaken, in connection with the admission of the notes to listing on the Official List and the admission to trading on the main market of the London Stock Exchange, that if there shall occur any adverse change in the business or financial position of the Issuer or any change in the information set out under "*Terms and Conditions of the Notes*", that is material in the context of issuance of notes under the Programme, or in accordance with the requirements of the UK Prospectus Regulation, the Issuer will prepare or procure the preparation of a supplement to this Base Prospectus or, as the case may be, publish a new Base Prospectus, for use in connection with any subsequent issue by the Issuer of notes to be listed on the Official List and/or admitted to trading on the main market of the London Stock Exchange.

RESPONSIBILITY STATEMENT

The Issuer accepts responsibility for the information contained in this Base Prospectus and the Final Terms for each Note Series. The Issuer declares that the information contained in this Base Prospectus and the Final

Terms for each Note Series is, to the best of its knowledge, in accordance with the facts and this Base Prospectus and the Final Terms for each Note Series contains no omission likely to affect its import.

The information relating to Tesco Personal Finance PLC (as to which see "*Tesco Personal Finance PLC*", "*Tesco Personal Finance PLC's Credit Card Portfolio*" and the statements relating to risk retention and due diligence requirements) has been accurately reproduced from information provided by Tesco Personal Finance PLC. So far as the Issuer is aware and/or is able to ascertain from information provided by Tesco Personal Finance PLC, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The information relating to Delamare Cards Funding 1 Limited (as to which see "*Funding 1*"), Delamare Cards Funding 2 Limited and Delamare Cards Receivables Trustee Limited (as to which see "*The Receivables Trustee*") has been accurately reproduced from information provided by Delamare Cards Funding 1 Limited, Delamare Cards Funding 2 Limited and Delamare Cards Receivables Trustee Limited, respectively. So far as the Issuer is aware and/or is able to ascertain from information provided by each of Delamare Cards Funding 1 Limited, Delamare Cards Funding 2 Limited and Delamare Cards Receivables Trustee Limited, no facts have been omitted which would render the reproduced information inaccurate or misleading.

REFERENCES TO PROVISIONS OF LAW

References to a provision of law is to be construed as a reference to such provision as the same may have been amended or re-enacted.

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RISK FACTORS

This section is based on the information available at the date of the Base Prospectus and describes all material risks that are known as at the date of this Base Prospectus. This section of the Base Prospectus is not intended to be exhaustive and prospective Noteholders should read the detailed information set out elsewhere in this Base Prospectus and any applicable Drawdown Prospectus prior to making any investment decision. Prospective investors should carefully consider the following principal risk factors and (if a Drawdown Prospectus is applicable) any risk factors set out in the Drawdown Prospectus before deciding to invest in the notes offered by this Base Prospectus and any applicable Drawdown Prospectus and Noteholders should also read the detailed information set out elsewhere in this Base Prospectus and any applicable Drawdown Prospectus and form their own views prior to making any investment decision.

The risk factors described in this section have been divided into groups as follows:

- (a) risks related to the availability of funds to pay the Notes;*
- (b) risks related to the underlying assets;*
- (c) risks related to the structure of the Notes;*
- (d) risks related to changes to the structure of the Notes;*
- (e) risks related to the characteristics of the Notes;*
- (f) counterparty risks;*
- (g) transferor risks;*
- (h) macroeconomic and market risks;*
- (i) legal and regulatory risks related to the underlying assets;*
- (j) legal and regulatory risks related to the structure of the Programme and the Notes; and*
- (k) taxation risks.*

Prospective investors should note that both the grouping of risk factors and the headings used in this section are for convenience only. Certain risks contained in a particular group may be related to risks contained in another group and certain risk factor group headings may encompass a range of different risk factors. Prospective investors should therefore read this section as a whole, alongside the detailed information set out elsewhere in this Base Prospectus and any applicable Drawdown Prospectus.

A. Risks related to the availability of funds to pay the Notes

Noteholders cannot rely on any person other than the Issuer to make payments on the Notes

The notes will not represent an obligation or be the responsibility of TPF in any of its capacities under the Programme, the Arranger, the Lead Managers (in the case of syndicated issues), the Dealers, the Receivables Trustee, Funding 1, the Security Trustee, the Note Trustee or any other party to the Transaction Documents other than the Issuer. If the assets of the Issuer are not sufficient to make payments of interest and/or principal on the notes when due, such payments may be delayed, reduced or lost.

Disruptions to cashflow may lead to a loss on the notes

If problems develop with the Receivables, such as an increase in losses on the Receivables, or if there are problems in the collection and transfer of the Receivables to the Delamare Cards Receivables Trust, or if the relevant Swap Counterparty, if any, fails to make payments on the Swap Agreement(s), it is possible that Noteholders may not receive the full amount of interest and principal that they would otherwise receive.

The Issuer's ability to meet its obligations under the notes depends on payments under the Relevant Loan Note and such funds are impacted by a number of factors

The ability of the Issuer to repay the principal of, and pay interest on, the notes will depend on the receipt by it of payments under the Loan Note issued by Funding 1 related to the Note Series of which the notes form a part.

The Issuer is entitled to receive payments under the Loan Notes which will be applied (i) to pay the fees, costs and expenses of the Issuer and the Note Trustee, (ii) to meet its obligations to pay interest (including deferred and additional interest) on the notes to Noteholders (either directly or indirectly via payments made to and received from Swap Counterparties), (iii) to make any necessary payment to a swap counterparty (if any), (iv) to pay amounts representing the profit for the Issuer, and (v) to meet any other payments required to be made by the Issuer. In addition, the Issuer will be entitled to receive certain principal payments under a Loan Note which will be applied in redeeming the corresponding Note Series.

If the Issuer does not receive sufficient funds under a Loan Note, then the payment of interest and/or the repayment of principal on the relevant Note Series may be delayed, reduced or lost.

The Issuer's receipt of sufficient funds under each Loan Note to pay the amounts due and to repay the entire principal amount of the corresponding Note Series will be dependent on, amongst other things: (i) payments actually being made by cardholders (from whom no security has been taken in the support of those payments) and the proceeds of any relevant guarantees or insurance policies in respect of cardholders (to the extent the same are capable of assignment), (ii) those payments being collected by the Servicer in accordance with the provisions of the RTDSA and paid to the Receivables Trustee, (iii) distribution being made by the Receivables Trustee to Funding 1 of amounts allocable to Funding 1 in accordance with the RTDSA, as supplemented from time to time, (iv) payment being made by any Swap Counterparty in respect of its obligations to the Issuer under the Swap Agreements (if any), and (v) payment being made by Funding 1 in respect of its obligations to the Issuer under the relevant Loan Notes.

Amounts paid to the Issuer by Funding 1 in respect of each Loan Note (including amounts for fees, costs and expenses of the Issuer and the Note Trustee, and amounts representing the earnings for the Issuer) will be used, *inter alia*, to repay principal of, and pay interest on, the notes of the corresponding Note Series in accordance with the terms and conditions for that Note Series (subject to payments for amounts for fees, costs and expenses of Funding 1).

Payment of class B Loan Notes, class C Loan Notes and class D Loan Notes may be delayed or reduced due to subordination provisions

Subordinated Loan Notes issued by Funding 1, except as noted in the following paragraph, will be paid principal only to the extent that sufficient funds are available and such Loan Notes are not needed to provide the required subordination for Senior Loan Notes. In addition, LNI Available Principal Amounts available to Funding 1 will be applied first to pay shortfalls in the senior costs amount, interest on Senior Loan Notes, then to pay any shortfall in the Investor Servicing Fee Amount allocable to Funding 1 and then to make deposits to the Principal Funding Account (and credited to the relevant Principal Funding Account Ledgers) of, or used to make Principal Payments on, Senior Loan Notes before being applied to make deposits to the Principal Funding Account (and credited to the relevant Principal Funding Account Ledgers) of, or used to make Principal Payments on, the Subordinated Loan Notes.

If Subordinated Loan Notes reach their Scheduled Redemption Date, or an Early Redemption Event or a Loan Note Event of Default occurs with respect to such Subordinated Loan Notes prior to their Final Redemption Date, and such Subordinated Loan Notes cannot be paid because of the subordination provisions of the STDCMA and the relevant Loan Note Supplement in relation to such Loan Note, pre-funding of the Principal Funding Account Ledgers for the Senior Loan Notes will begin, as described in "*The Loan Notes – Pre-funding*" below and no LNI Available Principal Amounts will be deposited into the Principal Funding Account (and credited to the relevant Principal Funding Account Ledger) of, or used to make Principal Payments on, the Subordinated Loan Notes. After that time, the Subordinated Loan Notes will be paid (to the extent funds are available) only if, and to the extent that:

- enough Senior Loan Notes are repaid so that the Subordinated Loan Notes are no longer necessary to provide the required subordination;
- new Subordinated Loan Notes are issued so that the Subordinated Loan Notes which are payable are no longer necessary to provide the required subordination;
- the Principal Funding Account Ledgers for the Senior Loan Notes are pre-funded so that the Subordinated Loan Notes are no longer necessary to provide the required subordination; or
- the Subordinated Loan Notes reach their Final Redemption Date.

The application of these subordination provisions may result in a delay, reduction or loss of principal payments to holders of Subordinated Loan Notes (see "*The Loan Notes – Pre-funding*" below).

Class A Loan Notes, class B Loan Notes and class C Loan Notes can lose their subordination under some circumstances resulting in delayed or reduced payments of Subordinated Loan Notes

Subordinated Loan Notes may have Scheduled Redemption Dates and Final Redemption Dates earlier than some or all of the Loan Notes of the senior classes.

If Loan Notes of a subordinated class reach their Scheduled Redemption Date at a time when they are needed to provide the required subordination for senior classes of the Loan Notes and Funding 1 is unable to issue additional Loan Notes of the relevant subordinated class or obtain acceptable alternative forms of credit enhancement, pre-funding of the Senior Loan Notes may result in such subordinated Loan Notes not being paid on their Scheduled Redemption Date. The Principal Funding Account Ledgers for the Senior Loan Notes will be pre-funded with LNI Available Principal Amounts available for that purpose in an amount necessary to permit the payment of those Subordinated Loan Notes while maintaining the required subordination for the Senior Loan Notes (see "*The Loan Notes – Pre-funding*" below).

There will generally be a 24 month period between the Scheduled Redemption Date and the Final Redemption Date of the Subordinated Loan Notes during which pre-funding of the Principal Funding Account Ledgers of the Senior Loan Notes, if necessary, can occur. Subordinated Loan Notes which have reached their Scheduled Redemption Date will not be paid until the other Subordinated Loan Notes (taking into account any pre-funding amount deposited in the Principal Funding Account, as defined below) provide the required subordination for the Senior Loan Notes, which payment may be delayed further as additional Subordinated Loan Notes reach their Scheduled Redemption Date. The Subordinated Loan Notes will be paid on their Final Redemption Date, to the extent that any funds are available for that purpose.

If the rate of repayment of Principal Receivables in the Delamare Cards Receivables Trust were to decline during this pre-funding period, then the Principal Funding Account Ledgers for the Senior Loan Notes may not be fully pre-funded by the Final Redemption Date of the Subordinated Loan Notes. In that event and only to the extent not fully pre-funded, the Senior Loan Notes would not have the required subordination beginning on the Final Redemption Date of those Subordinated Loan Notes unless additional Subordinated Loan Notes of that class were issued or a sufficient amount of Senior Loan Notes have matured so that the

remaining outstanding Subordinated Loan Notes provide the necessary subordination. Should additional Subordinated Loan Notes fail to be issued prior to the Final Redemption Date of the relevant Subordinated Loan Notes, Noteholders could incur a loss on their notes.

Certain information relating to the TPF Total Portfolio is contained in each Drawdown Prospectus/Final Terms issued in connection with the issuance of a Note Series and will contain, *inter alia*, a cardholder monthly payment rates table setting out the highest and lowest cardholder monthly principal payment rates for the TPF Total Portfolio during the periods shown in such table. Principal payment rates may change due to a variety of factors including economic, social, legal and health factors (see "*Social, legal, regulatory, political, economic and health factors may affect repayment*" below), changes in the terms of credit card accounts by TPF or the addition of credit card accounts to the Delamare Cards Receivables Trust with different characteristics. There can be no assurance that the rate of principal repayment will remain in the range disclosed in the applicable Drawdown Prospectus/Final Terms in the future.

B. Risks related to the underlying assets

The obligations of the cardholders under the Designated Accounts are unsecured

The Receivables arising under the Designated Accounts consist or will consist of unsecured monetary obligations of cardholders under the Transferor's standard form credit card agreements (the **Credit Card Agreements**) establishing the Designated Accounts. No security has been given by any cardholder for any such monetary obligations and the Transferor has no interest (and, therefore, cannot assign the benefit of any interest) in any property acquired by a cardholder with the proceeds of any credit extended to a cardholder under a Designated Account. Should enforcement action be necessary against a cardholder, no direct recourse could be had to any assets of such cardholder. There is a risk that in default, whilst the Servicer will undertake all recovery options available under its Credit Card Guidelines, the Receivables may not be recoverable in full. This will ultimately impact the Issuer's ability to make payments on the Notes (see "*The Issuer's ability to meet its obligations under the notes depends on payments under the Relevant Loan Note and such funds are impacted by a number of factors*").

Ability to change terms of the Credit Card Agreements

The Transferor only assigns Receivables arising on Designated Accounts to the Receivables Trustee and does not assign all of its rights under Credit Card Agreements relating to the Designated Accounts. Accordingly, the Transferor retains the right to determine the monthly Periodic Finance Charges and other fees which will be applicable from time to time to the Designated Accounts, to alter the minimum monthly payment required on the Designated Accounts, to waive finance charges in respect of certain purchases from time to time and to change various other terms with respect to the Designated Accounts, including increasing or decreasing the annual percentage rate and changing the annual percentage rate from a fixed rate to a variable rate. A decrease in the monthly Periodic Finance Charges and a reduction in credit card or other fees would decrease the effective yield on the Designated Accounts and could result in the occurrence of an Early Redemption Event with respect to each Note Series.

The Transferor has agreed that, except as otherwise required by law, regulatory requirements or investigations or as may be determined by the Transferor to be necessary or in its best interests in order to maintain its credit card business (such determination being based on a good-faith assessment by the Transferor, in its sole discretion, of the nature of competition in the credit card business in the United Kingdom as a whole, or, as the case may be, in respect of Accounts relating to a Permitted Additional Jurisdiction, of the nature of competition in the credit card business in such Permitted Additional Jurisdiction as a whole), it shall not at any time reduce the monthly interest rate assessed on Receivables existing or arising under any Designated Account (**Periodic Finance Charges**) or other fees on any Designated Account or waive finance charges in respect of certain purchases from time to time if, as a result of such reduction, the Transferor's reasonable expectation of the Portfolio Yield as of such date would be less than

the then Expense Rate for any outstanding Note Series, in each case as of the immediately succeeding Transfer Date (See "*The Receivables*" and also see "*Tesco Personal Finance PLC's Credit Card Portfolio*").

If the Transferor does decide to reduce the monthly interest rate assessed on Receivables existing or arising under any Designated Account or any other fees on any Designated Account, this would lower the amount of finance charge receivables generated by affected accounts. If the Transferor decides to increase the monthly interest rate or any other fees, this may have a detrimental impact on its ability to attract new customers or retain existing customers. Each of the foregoing could cause a Pay Out Event to occur with respect to any series issued under this Base Prospectus and the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, which might cause an early redemption of or a loss on the notes. It could also cause a reduction in the credit ratings on the notes.

In addition, the Transferor may change the standard form terms and conditions of its Credit Card Agreements or its usual policies, procedures and practices relating to the operation of its general credit card business (the **Credit Card Guidelines**) (including, without limitation, the reduction of the required minimum monthly payment and the calculation of the amount or the timing of finance charges, credit card fees, and charge-offs), provided such change (i) would not, in the reasonable belief of the Transferor, cause a Pay Out Event to occur and (ii) is made applicable to the comparable segment of revolving credit card accounts owned and serviced by the Transferor which have characteristics the same as or substantially similar to the Designated Accounts which are subject to such change (unless the Transferor may not do so by the terms of an endorsement, sponsorship or other agreement between the Transferor and an unrelated third party or by the terms of the relevant Credit Card Agreement).

Notwithstanding the above, the Transferor may not amend the standard form terms and conditions of its Credit Card Agreements relating to the governing law of the agreements, the assignability of the agreements or the ability of the Transferor to provide information regarding cardholders to any person assuming the Transferor's rights under the Credit Card Agreements, in each case only to the extent that such amendment would have a Material Adverse Effect.

Except as specified above, there are no restrictions (other than restrictions at law) on the Transferor's ability to change the terms of the Credit Card Agreements. Changes in applicable law, changes in the marketplace or prudent business practice may result in the Transferor seeking to make changes of terms as referred to above.

A change in the terms of the Credit Card Agreements or Credit Card Guidelines may result in reduced, delayed or accelerated payments on the notes or a reduction in the credit quality or credit rating of the notes.

Basis risk

The Transferor has reserved the right to change the rate of Periodic Finance Charges (see "*Ability to change terms of the Credit Card Agreements*"), however, if the rate of Periodic Finance Charges is changed, the new rate of Periodic Finance Charges will not be applicable immediately. There can be no guarantee that the yield represented by the amount of Finance Charge Collections received during the Monthly Period(s) immediately following a change in the rate of Periodic Finance Charges, or at any other time, will remain at the same level relative to the rate of interest payable by Funding 1 on the Loan Notes.

The interest payable on floating rate Loan Notes will be based on an interest rate index or other formula (as designated in the related Loan Note Supplement and, in the case of Global Loan Note No. 1, the relevant Drawdown Prospectus/Final Terms/Pricing Supplement) and will change from time to time. Accordingly, the interest payable on floating rate Loan Notes could increase without a corresponding increase in the amount of Finance Charge Collections. This may result in the payment of interest and/or the repayment of principal on the related Note Series being delayed, reduced or lost. (See also "*Risks related to the underlying assets — Ability to change terms of the Credit Card Agreements*").

If cardholders are concentrated in a geographic region, economic downturn in that region may adversely affect collections of Receivables

If the Delamare Cards Receivables Trust has a high concentration of Receivables from cardholders located in a single region, an economic downturn in that region (due to local, national and/or global macroeconomic factors) may have a magnified adverse effect on the Delamare Cards Receivables Trust because of that concentration. In addition, any natural disasters or widespread health crises or the fear of such crises (including, but not limited to, coronavirus/COVID-19, measles, SARS, Ebola, H1N1, Zika, avian influenza, swine flu (or any strain of the foregoing)), or other epidemic and/or pandemic diseases in a particular region may weaken economic conditions and/or negatively impact the ability of affected cardholders to make timely payments on the Receivables. In addition, governmental action or inaction in respect of, or responses to, any widespread health crises or such potential crises (such as those mentioned previously), whether in the United Kingdom or in any other jurisdiction, may lead to a deterioration of economic conditions both globally and also within the United Kingdom. The relevant Drawdown Prospectus/Final Terms will contain a geographic breakdown of accounts and the amount of Receivables generated in the regions of the United Kingdom, although geographic concentrations may vary from time to time.

Given the unpredictable effect such factors may have on the local, national or global economy, no assurance can be given as to the impact of any of the matters described in this paragraph and, in particular, no assurance can be given that such matters would not adversely affect the performance of the Receivables which could result in a loss on the notes.

Transferor's response to FCA COVID-19 Guidance

On 9 April 2020, the FCA published a package of measures to support consumers through the COVID-19 pandemic (the **FCA COVID-19 Guidance**). Amongst other things, the FCA COVID-19 Guidance provided that UK regulated firms which offer (or have acquired) credit card products should, where a customer is experiencing or reasonably expects to experience payment difficulties as a result of circumstances relating to coronavirus, and wishes to receive a payment deferral, grant a customer a payment deferral for three months.

On 30 September 2020, the FCA published draft additional guidance for firms, including credit card providers, on what should happen at the end of existing payment deferral granted under the FCA COVID-19 Guidance. An updated version of this additional guidance came into force on 25 November 2020 and was amended by the FCA on 27 January 2021 (the **Additional FCA Tailored Support Guidance**). The Additional FCA Tailored Support Guidance confirmed that the FCA COVID-19 Guidance would continue to apply to provide support to newly affected customers until 31 March 2021, with consumers able to receive an initial, or further, payment deferral of up to 3 months until that date which could last until 31 July 2021. It also set out the FCA's expectations on additional tailored forbearance being granted to those who have had payment deferrals but who remained in financial difficulties or those who were not eligible for a payment deferral under the FCA COVID-19 Guidance. The FCA published findings from a multi-firm review of firms' implementation of the Additional FCA Tailored Support Guidance on 25 March 2021, and noted that all lenders should review the FCA's findings and assure themselves that they have embedded and implemented this guidance within their firm.

The FCA COVID-19 Guidance was subsequently amended by the FCA on 1 July 2020 and 19 November 2020. The latest version of the FCA COVID-19 Guidance was in force until 31 July 2021. The effect of that guidance was that a customer was entitled to request an initial payment deferral at any time before 31 March 2021. No single payment deferral should have been granted in respect of more than three monthly payments and no payment deferral granted under the FCA COVID-19 Guidance should have been capable of extension beyond 31 July 2021. Where a customer had been granted a payment deferral under the FCA COVID-19 Guidance, that customer should not be treated as being in arrears.

Following the publication of the original FCA COVID-19 Guidance and where appropriate, the Transferor provided certain cardholders with payment deferrals in compliance with the FCA's COVID-19 guidance by

exercising its right to vary the terms of the Credit Card Agreement to reduce the minimum monthly payment to zero. The Transferor emphasised to cardholders where a payment deferral was granted that (a) such payment deferrals were only a temporary arrangement and (b) interest would continue to be charged during the payment deferral period resulting in an increase of the outstanding balance. As of 31 July 2021 no Receivables were subject to any existing, active Covid-19 payment deferral.

There can be no assurance that the FCA, the Prudential Regulation Authority (the **PRA**) or other UK government or regulatory bodies, will not take further steps in response to the COVID-19 outbreak in the UK which may impact the performance of the Receivables. Any future requests by cardholders for forbearance as a result of the COVID-19 outbreak will be considered by the Transferor in accordance with the applicable regulations and regulatory guidance at the time. The FCA has indicated that it will take compliance with the FCA COVID-19 Guidance and the Additional FCA Tailored Support Guidance into account in any enforcement cases taken against lenders after the pandemic has run its course.

Please see "*UK Credit Card Regulation*" for more detail. If the timing of payments or quantum of payments in respect of the Receivables is adversely affected by any of the risks described above, then payment on the Notes could be reduced and/or delayed which could ultimately result in losses on the Notes.

Transfer of benefit of Receivables

The transfer by the Transferor to the Receivables Trustee of the benefit of the Receivables is governed by English law or Scots law, as applicable, and takes effect in equity only, except in the case of Receivables which are governed by Scots law, in which case the transfer takes effect under a declaration of trust which is governed by Scots law pursuant to which the beneficial interest in the Scottish Receivables as trust property is vested in the Receivables Trustee.

Until notice of assignment is given to the cardholders (which will be following an assignation occurring in the case of Receivables governed by Scots law), each cardholder will discharge his or her obligations under the Designated Account by making payment to the Transferor.

Until notice of assignment is given to a cardholder (which will be following an assignation occurring in the case of Receivables governed by Scots law) who is a depositor or other creditor of the Transferor, equitable and/or other set-offs may accrue in favour of that cardholder against his or her obligation to make payments under the credit card agreement to that Transferor. These rights of set-off may result in the Receivables Trustee receiving less monies than anticipated from the Receivables.

The transfer of the benefit of the Receivables to the Receivables Trustee will be subject both to any prior equities and/or similar rights that have arisen in favour of the cardholder and to any equities or similar rights that may arise in the cardholder's favour after the transfer. Where a notice of assignment is given to a cardholder (and following an assignation in the case of Receivables governed by Scots law), certain rights of set-off may not arise after the date of the notice of assignment.

Failure to give notice to the cardholder means that the Receivables Trustee would not take priority over any interest of a later encumbrancer or transferee of the Transferor's rights who has no notice of the transfer to the Receivables Trustee. This could cause a loss on and/or the early redemption of the notes.

Failure to give notice to the cardholder also means that the Transferor or the cardholder could amend the credit card agreement without obtaining the Receivables Trustee's consent. This could adversely affect the Receivables Trustee's interest in the Receivables, which could lead to an early redemption of, and/or a loss on, the notes.

The transfer by the Transferor to the Receivables Trustee of the benefit of the Receivables is intended to be effective against the Transferor and any creditor of the Transferor in a bank insolvency, bank administration, liquidation, winding-up or administration of the Transferor. However, to the extent that the Receivables

Trustee needs to commence or continue legal proceedings against the Transferor to enforce its rights in respect of a legal transfer of the Receivables to the Receivables Trustee, the consent of the relevant insolvency officeholder of the Transferor or the leave of the court may be required.

See further "*Other Triggers – Notification Events*".

C. Risks related to the structure of the Notes

Addition of trust assets

The Transferor may nominate additional Accounts to become Designated Accounts from time to time and offer to the Receivables Trustee an assignment of (or in the case of Scottish Receivables, to hold on trust for the Receivables Trustee) the Receivables arising under such additional Accounts. Such additional Accounts may include Accounts originated using criteria different from those which were applied to Designated Accounts already in existence, because such additional Accounts were originated by the Transferor at a different date or may have been acquired by the Transferor from another institution. Consequently, there can be no assurance that such additional Accounts nominated in any Offer made to the Receivables Trustee in the future will be of the same credit quality as the Designated Accounts as at the initial offer date. In addition, the Transferor may offer to the Receivables Trustee an assignment of (or in the case of Scottish Receivables, to hold on trust for the Receivables Trustee) participations in other pools of Receivables.

Notwithstanding the foregoing, the Transferor is not entitled to nominate additional Accounts which do not satisfy the Maximum Addition Amount criteria without either confirmation from each Rating Agency that it will not withdraw or reduce its then existing rating of any outstanding Associated Debt as a result of such nomination, or certification from the Transferor that in its opinion, formed on the basis of due consideration, the nomination would not result in the downgrade of the then current ratings of the Notes (including any Note Series) (see "*The Receivables — Assignment of Receivables to the Receivables Trustee*").

If the designation of additional Accounts decreases the average credit quality of the Receivables in Delamare Cards Receivables Trust, payments of principal and interest on the notes may be reduced, delayed, lost or accelerated.

Issuance of additional notes and Loan Notes may affect the timing and amounts of payments to Noteholders

From time to time, the Issuer expects to issue new notes, the proceeds of which shall be used to purchase a Loan Note issued by Funding 1. Funding 1 may also issue Loan Notes to persons other than the Issuer. New notes and Loan Notes may be issued without notice to existing Noteholders or Loan Note Holders, and without their consent, and may have different terms from outstanding Notes and Loan Notes. For a description of the conditions that must be met before Funding 1 can issue new Loan Notes, see "*The Loan Notes — Issuance of new Loan Notes*".

The issuance of new notes or Loan Notes could adversely affect the timing and amount of payments on outstanding notes. For example, if Loan Notes of the same class as the Loan Notes backing the notes which are issued after the existing notes have a higher interest rate than the Loan Notes backing the existing notes, this could result in a reduction in the Available Funds used to pay interest on the existing notes. Also when new notes are issued, the voting rights of the existing Note Series will be diluted.

Class B Notes, class C Notes and class D Notes, if any, are subordinated and bear losses before class A Notes

Class B Notes are subordinated in right of payment of interest to class A Notes, the class C Notes are subordinated in right of payment of interest to the class A Notes and the class B Notes, and the class D Notes, if any, are subordinated in right of payment of interest to the class A Notes, the class B Notes and the

class C Notes. On each payment date interest is paid to class A noteholders before payments of interest are made to the class B, class C and class D noteholders in the same series. This could cause the class B, class C and class D noteholders not to receive the full amount of interest due to them.

If the amounts (other than amounts in respect of principal) transferred by Loan Note Issuer No. 1 to the Issuer Distribution Account and credited to the Distribution Ledger for the relevant Note Series are not sufficient to pay interest on the relevant Note Series, the notes comprising such Note Series may not receive full payment of interest.

Class B Loan Notes, class C Loan Notes and class D Loan Notes, if any, are subordinated and bear losses before class A Loan Notes

Class B Loan Notes are subordinated in right of payment of principal to class A Loan Notes, the class C Loan Notes are subordinated in right of payment of principal to the class A Loan Notes and the class B Loan Notes, and the class D Loan Notes, if any, are subordinated in right of payment of principal to the class A Loan Notes, the class B Loan Notes and the class C Loan Notes. On each payment date principal is paid to class A noteholders before payments of principal are made to the class B, class C and class D noteholders in the same series. This could cause the class B, class C and class D noteholders not to receive the full amount of principal due to them.

Any repayment of the class B Loan Notes, the class C Loan Notes or the class D Loan Notes are subject to the Repayment Tests being satisfied and will only be made to the extent that there are funds available to make such payments.

If LNI Available Funds are not sufficient to pay interest on all classes of Loan Notes, the Loan Notes may not receive full payment of interest if amounts standing to the credit of the applicable Series Cash Reserve Account Ledger (if any) are insufficient to cover the shortfall and there are insufficient Utilised Required Retained Principal Collections to cover such shortfall.

In respect of the Loan Notes, Utilised Required Retained Principal Collections are used to pay the senior costs amount, interest on Senior Loan Notes of Funding 1 and to pay a portion of the Investor Servicing Fee Amount allocable to the De-Linked Trust Series to the extent that LNI Available Funds are insufficient to make such payments. In addition, Investor Charge-Offs due to Defaulted Receivables in the Delamare Cards Receivables Trust allocable to the De-Linked Trust Series generally are reallocated from the Senior Loan Notes to the Subordinated Loan Notes. If Utilised Required Retained Principal Collections and Investor Charge-Offs are not reimbursed from amounts of LNI Available Funds treated as LNI Available Principal Amounts, the full stated principal amounts of the Subordinated Loan Notes will not be repaid because allocations of principal are made on the basis of Nominal Liquidation Amounts with any reductions to the Nominal Liquidation Amount of the Loan Notes which are due to Investor Charge-Offs and Utilised Required Retained Principal Collections being allocated to the Loan Notes of each class in succession, beginning with the most subordinated classes. See "*Funding 1 Cashflows — Use of LNI Available Principal Amounts*" and "*The Loan Notes – Initial Principal Amount, Outstanding Principal Amount, Adjusted Outstanding Principal Amount and Nominal Liquidation Amount*".

Required subordinated amount of Loan Notes

Global Loan Note No. 1 consists of multiple notional tranches. A Loan Note corresponding to any Note Series may be issued on any date so long as there is sufficient credit enhancement on that date to support that and all other series of Loan Notes, either in the form of outstanding Subordinated Loan Notes or other forms of credit enhancement (see "*The Loan Notes*"). The Scheduled Redemption Date and the Final Redemption Dates of Senior and Subordinated Loan Notes may be different. Therefore, Subordinated Loan Notes (as defined below) may have Scheduled Redemption Dates and Final Redemption Dates earlier than some or all Senior Loan Notes (as defined below). Principal on Subordinated Loan Notes or other forms of credit enhancement will not be repaid unless, after payment, the remaining outstanding Subordinated Loan Notes

provide the credit enhancement required from Subordinated Loan Notes or other forms of credit enhancement of that class for the Senior Loan Notes. In circumstances where, at the time of the Scheduled Redemption Date of the relevant Subordinated Loan Notes there is insufficient subordination present after repayment of such Subordinated Loan Note, payments of principal on the relevant Loan Notes could be delayed, reduced or lost.

In general, the Subordinated Loan Notes of Global Loan Note No. 1 serve as credit enhancement up to the aggregate required subordinated amount of the relevant Subordinated Loan Notes for all of the Senior Loan Notes of Global Loan Note No. 1, regardless of whether the Subordinated Loan Notes are issued before, at the same time as, or after the Senior Loan Notes of Global Loan Note No. 1. However, certain Senior Loan Notes may not require subordination from each class of Loan Notes subordinated to it. For example, if a class A Loan Note requires credit enhancement solely from class C Loan Notes, the class B Loan Notes will not, in that case, provide credit enhancement for that class A Loan Note. The amount of credit exposure of any particular Loan Note is a function of, among other things, the total amount of Loan Notes issued, the required subordinated amount of such Loan Note, the amount of the required subordinated amount absorbed by a senior Loan Note and the amount on deposit in the Senior Loan Notes' Principal Funding Account Ledgers at the relevant time.

The notes will not have the benefit of any external credit enhancement

Credit enhancement for the notes is limited and, unless otherwise indicated in the corresponding Drawdown Prospectus/Final Terms/Pricing Supplement, the notes will not benefit from any external credit enhancement. The only assets that will be available to make payment on the notes are the assets of the Issuer charged to secure payment of the notes (principally the relevant Loan Note in relation to the notes). If problems develop with the Receivables, such as an increase in losses on the Receivables, or if there are problems in the collection and transfer of the Receivables to the Receivables Trust, or if the Swap Counterparty fails to make payments under a Swap Agreement, it is possible that the available credit enhancement on the notes will be insufficient to cover such losses and, as a result, Noteholders may not receive the full amount of interest and principal that would otherwise be received.

Ability of TPF to generate Receivables and associated risk that principal on the notes may be paid earlier than expected – creating a reinvestment risk

The Receivables in the Delamare Cards Receivables Trust may be paid at any time and it cannot be assured that new Receivables will be generated or will be generated at levels needed to maintain the Delamare Cards Receivables Trust. To prevent the early redemption of the notes, new Receivables must be generated and added to the Delamare Cards Receivables Trust or new Accounts must be originated and designated for the Delamare Cards Receivables Trust. The Delamare Cards Receivables Trust is required to maintain a minimum amount of Receivables. The generation of new Receivables or Receivables in new Accounts designated for the Delamare Cards Receivables Trust will be affected by TPF's ability to compete in the then current industrial/macro-economic environment and by customers' changing borrowing and payment patterns. If there is a decline in the generation of new Receivables or new Accounts designated for the Delamare Cards Receivables Trust, Noteholders may be repaid their principal before the Scheduled Redemption Date.

One factor that affects the level of finance charges and principal collections is the extent of convenience usage. Convenience usage means that the cardholders pay their account balances in full on or prior to the due date. The cardholder, therefore, avoids all finance charges on his or her Account. Of note, the Clubcard reward points incentive scheme has a significant impact on cardholder repayment behaviour, with Clubcard product cardholders historically demonstrating high levels of repayment of their accounts balances in full on or prior to the due date. An increase in the convenience usage by cardholders may decrease the effective yield on the Accounts and could cause a Pay Out Event with respect to any Note Series issued under this Base Prospectus and the relevant Drawdown Prospectus/Final Terms/Pricing Supplement and, therefore, possibly an early redemption of the notes. Alternatively, a decrease in convenience usage may reduce the principal payment rate on the Accounts. This could result in Noteholders receiving the principal on their

notes later than expected. A decrease in convenience usage may also reduce the amount of interchange in respect of the accounts.

No premium will be paid upon an early redemption of the notes. If Noteholders receive principal on the notes earlier than expected, Noteholders may not be able to reinvest the principal at a similar rate of return.

A modification or withdrawal of the Clubcard reward points incentive scheme operated by Tesco plc and/or changes in the way in which TPF cardholders earn reward points under the Clubcard scheme (or changes in how the Clubcard scheme and/or its relationship with TPF's credit cards are perceived) may impact the usage of cards as cardholders may no longer be incentivised to use their TPF credit card for purchases which may have a detrimental impact on TPF's ability to attract new customers and retain existing customers, which could have an adverse effect on the notes.

If the Transferor opts to treat a portion of Principal Receivables as Finance Charge Receivables, an Early Redemption of the notes could occur or payment on the notes could be delayed.

The Transferor may opt to cause a percentage of Receivables that would otherwise be treated as Principal Receivables to be treated as Finance Charge Receivables. If the Transferor were to exercise this discount option, the increase in portfolio yield could prevent a Pay Out Event from occurring, which could delay an early redemption of the notes at a time when the performance of the Receivables was deteriorating. Equally, however, by reducing the amount of Principal Receivables, the exercise of the discount option could make a Pay Out Event more likely to occur with respect to a Note Series, meaning Noteholders could receive payments of principal earlier than they otherwise would. The discount option may be exercised for a specified period of time such that the discount percentage ceases to apply to Principal Receivables after such period. See "*The Receivables — Discount Option Receivables*".

If Optional Early Redemption occurs, it will result in an early return of principal, creating a reinvestment risk

If a Note Series is specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement as being able to be redeemed on any **Call Date** then (subject to any additional conditions (if any) specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement) on any Interest Payment Date falling on or after the relevant Call Date and upon giving not more than 60 nor less than 30 days' prior written notice to the Note Trustee, the Swap Counterparty (if any) and the Noteholders, the Issuer has the option to redeem the notes in full. This early redemption (**Optional Early Redemption**) may result in an early return of the investment. No premium will be paid in the event of an exercise of the early redemption option. If Noteholders receive principal on the notes earlier than expected, the Noteholders may not be able to reinvest the principal at a similar rate of return.

Control

Subject to certain exceptions, the Investor Beneficiaries of the Delamare Cards Receivables Trust may take certain actions or direct certain actions to be taken under the RTDSA or any related Supplement. However, in certain circumstances, the beneficiaries have agreed upon the terms of the Beneficiaries Deed that the consent or approval of two-thirds of the Aggregate Investor Interest of each other Trust Series or of the combined aggregated Investor Interest will be required to direct certain actions, for example, requiring the termination of the appointment of the Servicer as Servicer under the RTDSA or amending the RTDSA. Holders of limited recourse Loan Notes (other than the Issuer) may have interests which do not coincide with the interests of the Issuer and, in such circumstances, it may be difficult for the Issuer to achieve the results from the vote that it desires (see "*Servicing of Receivables*").

Funding 1 has not previously issued Loan Notes in respect of other global loan notes but may, in the future, issue new global loan notes (and Loan Notes in connection therewith) in connection with an increase in its Aggregate Investor Interest. The holder of any global loan note (including the Issuer as beneficial holder of

Global Loan Note No. 1) may require Funding 1, as an Investor Beneficiary, to enforce its rights against the Receivables Trustee in order to require it to properly perform its role as Receivables Trustee. However, the consent or approval of the holders of a certain percentage of the total principal balance of all global loan notes might be necessary to require or direct those actions. Thus the holder of any global loan notes issued after Global Loan Note No. 1 will have voting rights that will reduce the percentage interest of the Issuer as holder of Global Loan Note No. 1 in all global loan notes. Holders of global loan notes (other than the Issuer) — or persons with the power to direct their actions — may have interests that do not coincide with the interests of the Issuer or the persons with the power to direct the Issuer. This may ultimately restrict the ability of the Noteholders (of any or all Note Series issued by the Issuer) or the Note Trustee on their behalf to direct Funding 1 or the Security Trustee to take the actions referred to above. For the purposes of this risk factor only, the term "Loan Note" in the context of global loan notes other than Global Loan Note No. 1 should be construed as being either a notional tranche of a global loan note or a separate instrument issued in relation to global loan notes created after the establishment of the Programme.

Allocation of Investor Charge-Offs

Each Beneficiary of the Delamare Cards Receivables Trust will bear a proportionate share of Investor Charge-Offs. If any Investor Charge-Offs remain outstanding following the application of LNI Available Funds on any Transfer Date, Funding 1 will bear a proportion of such Investor Charge-Offs and the amount paid to the Issuer by Funding 1 in respect of a corresponding Loan Note may be reduced. This could cause Noteholders not to receive the full amount of interest and principal due to them. Any loss will be borne first by the class D notes, then the class C notes, then the class B notes and then finally the class A notes.

Enforcement of the Security for the notes

The Note Trustee may take steps to enforce the security created under the Note Trust Deed and each Note Trust Deed Supplement in accordance with the provisions therein provided that the Note Trustee has been indemnified and/or secured and/or prefunded to its satisfaction.

If the Security for a Note Series created by the relevant Note Trust Deed Supplement is enforced following an Event of Default in respect of such Note Series, the Note Trustee will have recourse to payments due from Funding 1 under the Loan Note securing the Note Series of which the notes are a part. However, enforcement of the Security for the notes of their Note Series will not necessarily result in accelerated repayment of the notes. The Note Trustee will only be able to distribute to Noteholders and other Noteholders within a particular Note Series those funds which are available under the Loan Note securing that Note Series. Prospective investors should also note that enforcement of the Security for the notes will not automatically result in acceleration of the payments under the corresponding Loan Note or enforcement of the relevant Loan Note Security. If the Security for the notes of the Note Series is enforced, the monies deposited in respect of the Loan Note securing that Note Series on each Transfer Date in the Issuer Distribution Account will be applied first to meet any remuneration due to any receiver appointed pursuant to the Note Trust Deed and the Note Trustee and to meet, *inter alia*, other fees, costs and amounts due to the Note Trustee as provided in the Note Trust Deed and applicable Note Trust Deed Supplement, secondly (to the extent not already paid) to meet the fees, costs and expenses of the Issuer and the Note Trustee, and thirdly, (as qualified by the next paragraph) to meet termination payments to the Swap Counterparty and payments of principal and interest on the notes.

In the event that the Security for the notes of any Note Series becomes enforceable in accordance with the terms and conditions of such notes and the Note Trustee takes action, as a result of which the relevant Swap Agreements, if any, terminate, the net sums realised on assets subject to such Security may be insufficient to pay any termination amounts in relation to such Swap Agreements and all the amounts due to Noteholders of that Note Series. However, in the event that a Swap Agreement is terminated as a result of a Counterparty Swap Event of Default (see "*Description of the Swap Agreements*"), then in respect of any termination payment to be paid by the Issuer to the relevant Swap Counterparty, the Swap Counterparty will rank

subordinate to the Noteholders of the relevant Note Series. For a complete description of the priority of termination payments please refer to "*Issuer Cashflows — Termination payments for a Swap Agreement*".

Enforcement of the Loan Note Security

The Security Trustee may take steps to enforce the security created under the Security Trust Deed and Cash Management Agreement in accordance with the provisions therein provided that the Security Trustee has been indemnified and/or secured and/or prefunded to its satisfaction.

Upon enforcement of the Loan Note Security for any Loan Note comprised in the STDCMA, the Security Trustee will have recourse only to Funding 1's beneficial entitlement to trust property under the Delamare Cards Receivables Trust to the extent of that part of the Investor Interest backing the relevant Loan Note. However, enforcement of the Loan Note Security in respect of a single Note Series will not result in accelerated repayment of all of the Loan Notes, except in the event of a Funding 1 Pay Out Event or a Trust Pay Out Event (see "*The Loan Notes — Loan Note Events of Default*"). The Security Trustee will only be able to pay to the Issuer as beneficial holder of the Loan Notes those funds which are credited to the distribution ledger for the relevant Loan Notes in the Funding 1 Distribution Account. Funding 1 and the Security Trustee will have no recourse to TPF other than the ability (in certain circumstances) to call upon the Receivables Trustee to exercise its rights against TPF as Transferor under the RSD for any breach of certain representations in respect of the Receivables and for any breach of certain other obligations as therein specified. In summary, if the Loan Note Security is enforced, the monies deposited in the Funding 1 Distribution Account on each Transfer Date will be applied first to meet any remuneration due to any receiver appointed pursuant to the STDCMA and the Security Trustee, to meet other fees, costs and amounts due to the Security Trustee as provided in the STDCMA and to meet the fees, costs and expenses of Funding 1, and secondly to meet payments of principal and interest on the Loan Notes. If funds credited to the Funding 1 Distribution Account are insufficient to meet payments of principal and interest on the Loan Notes, payments of principal and interest on the notes may be delayed, reduced or lost.

D. Risks related to changes to the structure of the Notes

Certain modifications may be made without Noteholder consent

The Conditions provide that in certain circumstances, subject to certain conditions being met, the Note Trustee shall be obliged, without the consent of any Noteholders or any other secured creditors, to concur with the Issuer in making any modification (other than a Basic Terms Modification, but subject to Condition 14(h)) to any Transaction Document to which it is a party or in relation to which it holds security that the Issuer considers necessary as described in "*Overview of Rights of Noteholders – Right of modification without Noteholder consent*" and "*Terms and Conditions of the Notes – Meetings of Noteholders; Modification and Waiver*". Similarly, in certain circumstances and subject to certain conditions being met, the Security Trustee shall be obliged, without the consent or sanction of any Loan Note Holder or any other secured creditor (but in the case of the matters summarised in (i) to (iii) and (v) below, subject to obtaining the Note Trustee's consent) to concur with the Loan Note Issuer in making any modification (other than a Basic Terms Modification, but subject to Condition 14(h)) to any document relating to a Loan Note to which the Security Trustee is a party or in relation to which the Security Trustee holds security that the Loan Note Issuer considers necessary as described in "*Overview of Rights of Noteholders – Right of modification without Noteholder consent*".

These modifications include those required in order to (i) comply with, implement or reflect the criteria of one or more Rating Agencies; (ii) enable the Servicer, an Account Bank, the Cash Manager or a Swap Counterparty to remain eligible to perform their respective roles in conformity with Rating Agency criteria or to avoid such entities having to take action (which they would otherwise have to take) to enable them to continue performing such role; (iii) enable the Loan Note Issuer, the Issuer or a Swap Counterparty to comply with their respective obligations under (in the case of Notes issued on or after 11 May 2022) UK EMIR and/or EU EMIR; (iv) enable the Receivables Trustee, the Loan Note Issuer or the Issuer to add new

account banks or open new bank accounts (provided that those bank accounts would be subject to the trust created by the Receivables Trustee or charged in favour of the Security Trustee or the Note Trustee, as applicable); (v) (1) enable the Loan Note Issuer and the Issuer, respectively, to change the Screen Rate or the base rate that applies to any Loan Notes and Notes from such Screen Rate or base rate that applies at such time to an Alternative Base Rate (and make such other amendments as are necessary or advisable in the reasonable judgment of the Loan Note Issuer or the Issuer (or the Cash Manager on their behalf) to facilitate such change) to the extent there has been or there is reasonably expected to be a material disruption or cessation to the Screen Rate or the relevant base rate that applies to any such Loan Notes and Notes at such time and (2) changing the base rate that then applies in respect of any Swap Agreement solely as a consequence of, and solely for the purpose of aligning such base rate with, the base rate of the Notes following a Base Rate Modification and (vi) comply with any changes in the requirements of Article 6 of the UK Securitisation Regulation, Article 6 of the EU Securitisation Regulation and any other risk retention legislation or regulations or official guidance in relation thereto or for the purposes of compliance with the UK Securitisation Regulation and the EU Securitisation Regulation, including relating to the treatment of the notes as simple, transparent and standardised under the UK Securitisation Regulation.

In respect of proposed modifications to any Transaction Document or any document relating to the matters summarised in (i) to (iii), (v) and (vi) above, the Note Trustee is bound to concur or provide its consent (as the case may be) provided that (among other things) the proposed modification would not adversely affect the current ratings of the Notes (and the Note Trustee may rely on certifications to that effect from a relevant transaction party); and the Issuer has provided at least 30 calendar days' notice to the Noteholders of each Note Series which would be affected by the proposed modification (together the **Affected Note Series**) of the proposed modification and Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the most senior class of notes then outstanding across the Affected Note Series have not notified the Issuer and the Principal Paying Agent to inform them that such Noteholders do not consent to the modification.

If Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the most senior class of notes then outstanding across the Affected Note Series have not notified the Issuer and the Principal Paying Agent that such Noteholders do not consent to the modification, the Note Trustee will be bound to concur with the Issuer (or provide its consent for the Security Trustee to concur with the Loan Note Issuer) to implement such modification. In this regard, Noteholders of the most senior class of an Affected Note Series will have to take active steps to notify the Issuer and the Principal Paying Agent of any objections to proposed modifications in the manner described in "*Overview of Rights of Noteholders – Right of modification without Noteholder consent*" and "*Terms and Conditions of the Notes – Meetings of Noteholders; Modification and Waiver*".

Any modifications made in the manner described above will be binding on all Noteholders, including Noteholders who are not the most senior class of Noteholders of the Affected Note Series. Noteholders who are not in the most senior class of the Affected Note Series will not be entitled to object to, or vote on, any proposed modification. There is no guarantee that any modification to the Transaction Documents or any document relating to a Loan Note will not ultimately adversely affect the rights of Noteholders or payments on the Notes.

Creation of further Trust Series

Additional Trust Series (see "*The Delamare Cards Receivables Trust – General Legal Structure*") may from time to time be created in the Delamare Cards Receivables Trust. Any payments by the Loan Note Issuer in respect of any Trust Series created after the Trust Series related to Global Loan Note No. 1 and any notes issued by the Loan Note Holder in order to finance or refinance the acquisition or holding of the Global Loan Note No. 1 (the **Associated Debt**) will be ultimately funded by new beneficial entitlements and Related Loan Notes and such amounts will be payable from the Receivables in the Delamare Cards Receivables Trust. The principal terms of new beneficial entitlements will be contained in a new Supplement to the

RTDSA. The terms of a new Trust Series contained in a new Supplement to the RTDSA will not be subject to prior review or consent of Noteholders of any Note Series.

The terms of a new Trust Series may include methods for determining the Floating Investor Percentage and the Principal Investor Percentage (collectively, the **Investor Percentages**) and allocating Collections, provisions creating different or additional Security or other credit enhancement for the new Trust Series, provisions subordinating the new Trust Series to other Trust Series and other amendments of or supplements to the RTDSA that apply only to the new Trust Series. It is a condition to the issuance of a new Trust Series that each Rating Agency that has rated any Associated Debt that is outstanding — including any Note Series — confirms in writing that the issuance of the new Trust Series will not result in a reduction or withdrawal of its then current rating or ratings.

However, the terms of a new Trust Series could adversely affect the timing and amounts of payments on any other outstanding Trust Series, including the Trust Series relating to all Note Series issued by the Issuer.

No Trust Series under the Delamare Cards Receivables Trust will be subordinated to any other Trust Series. Funding 1 will not be subordinated to any other beneficiary. The addition of further Trust Series to the Delamare Cards Receivables Trust will not vary the terms of any of the other existing Trust Series, but may affect existing Trust Series as set out in the paragraph above.

E. Risks related to the characteristics of the Notes

Unless and until Individual Note Certificates are issued, persons acquiring notes will only hold Book-Entry Interests, which may result in delays in distributions and hamper their ability to both participate in votes of Noteholders and pledge their notes

Unless and until Global Note Certificates are exchanged for Individual Note Certificates, which will only occur under a limited set of circumstances, persons acquiring notes will not be the legal owners or holders of such notes but will have rights in their capacity as participants in accordance with the rules and procedures of the relevant clearing system and, in the case of indirect participants, their agreements with direct participants (such rights, **Book-Entry Interests**). After payment to the Common Depositary (or, with respect to notes in NSS form, a Common Safekeeper) and the DTC Custodian, the Issuer will have no responsibility or liability for the payment of interest, principal or other amounts to Euroclear, Clearstream, the DTC Custodian, the Common Depositary (or, with respect to notes in NSS form, a Common Safekeeper) or to holders of Book-Entry Interests. Either the Common Depositary (or, with respect to notes in NSS form, the Common Safekeeper) or Cede as nominee of DTC will be the registered holder and legal owner of each class of notes for so long as such class is represented by one or more Global Note Certificates. Accordingly, each person owning a Book-Entry Interest must rely on the relevant procedures of the Common Depositary (or, with respect to notes in NSS form, a Common Safekeeper), the DTC Custodian, Euroclear, Clearstream and DTC and, if such person is an indirect participant in such entities, on the procedures of the direct participant through which such person holds its interest, to exercise any rights of Noteholders under the Note Trust Deed. So long as the notes are in global form, payments of principal and interest on, and other amounts due in respect of, notes will be made to the Common Depositary (or, with respect to notes in NSS form, a Common Safekeeper) and to Cede as nominee of DTC. Upon receipt of any payment, Euroclear, Clearstream and DTC will promptly credit direct participants' accounts with payments in amounts proportionate to their respective ownership of Book-Entry Interests, as shown on their records. The Issuer expects that payments by direct participants or indirect participants to owners of interests in Book-Entry Interests held through such participants or indirect participants will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such direct participants or indirect participants. None of the Issuer, the Note Trustee, the DTC Custodian, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, the Book-Entry Interests or for maintaining, supervising or reviewing any records relating to such Book-Entry Interests.

Holders of beneficial interests in the Global Note Certificates denominated in a currency other than US Dollars held directly with DTC or through its participants must give advance notice to DTC or the relevant participant in accordance with DTC's procedures that they wish payments on such Global Note Certificates to be made to them in the relevant currency outside DTC. If such instructions are not given in accordance with DTC's procedures, payments on such Global Note Certificates in the relevant currency will be exchanged for US Dollars by the exchange rate agent prior to their receipt by DTC and the affected holders will receive US Dollars on the relevant Distribution Date.

Except as noted in the previous paragraph, payments of principal and interest on, and other amounts due in respect of, the Global Note Certificates will be made by the Principal Paying Agent through DTC, Euroclear and/or Clearstream, as specified in the applicable Final Terms or Drawdown Prospectus. Upon receipt of any payment from the Principal Paying Agent, DTC, Euroclear and/or Clearstream, will promptly credit direct participant's accounts with payments in amounts proportionate to their respective ownership of book-entry interests as shown on their records. The Issuer expects that payments by participants or indirect participants to owners of interests in book-entry interests held through such participants or indirect participants will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers registered in "streetname", and will be the responsibility of such participants or indirect participants. None of the Issuer, the Note Trustee, the Principal Paying Agent, the Exchange Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, the book-entry interests or for maintaining, supervising or reviewing any records relating to such book-entry interests.

Unlike holders of Individual Note Certificates, holders of the Book-Entry Interests will not have direct rights under the Note Trust Deed to act upon solicitations of consents or requests by the Issuer for waivers or other actions from Noteholders. Instead, a holder of Book-Entry Interests will be permitted to act only to the extent it has received appropriate proxies to do so from Euroclear, Clearstream or DTC (as the case may be) and, if applicable, direct participants. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of Book-Entry Interests to vote on any requested actions on a timely basis. Similarly, upon the occurrence of an event of default, holders of Book-Entry Interests will be restricted to acting through the Euroclear, Clearstream, DTC or the DTC Custodian (as the case may be), unless and until Individual Note Certificates are issued. There can be no assurance that the procedures to be implemented by the Euroclear, Clearstream, DTC and the DTC Custodian under such circumstances will be adequate to ensure the timely exercise of remedies under the Note Trust Deed. Holders of beneficial interests in notes which are denominated in Sterling or Euros and which are held directly with DTC or through its participants must give advance notice to the exchange agent 15 days prior to each Interest Payment Date that they wish payments on such Global Note Certificates to be made to them in Sterling or Euro (as applicable) outside DTC. If such instructions are not given, Sterling or Euro payments on such notes will be exchanged for U.S. Dollars by the exchange agent prior to their receipt by DTC and the affected holders will receive U.S. Dollars on the relevant Interest Payment Date.

Although DTC, Euroclear and Clearstream have agreed to certain procedures to facilitate transfers of book-entry interests among participants of DTC and participants of Euroclear and Clearstream, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer or the Note Trustee, or any of their agents will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants of their respective obligations under the rules and procedures governing their operations.

Because transactions in the Global Note Certificates held by DTC or its nominee will be effected only through DTC, direct and indirect participants in DTC's book-entry system and certain banks, the ability of a holder of a beneficial interest in such a Global Note Certificate to pledge such interest to persons or entities that do not participate in the DTC system, or otherwise to take actions in respect of such interest, may be limited due to the lack of physical security representing such interest.

Certain transfers of notes or interests therein may only be effected in accordance with, and subject to, certain transfer restrictions and certification requirements. The laws of some states of the United States require that certain persons take physical delivery of securities in definitive form. Consequently the ability to transfer interests in a Global Note Certificate to such persons may be limited.

Persons acquiring notes in the form of Global Note Certificates may also be hindered from granting security over the notes if physical notes are required by the party demanding the pledge or other form of security.

Integral multiples of less than €100,000

No notes may be issued under the programme which have a minimum denomination of less than €100,000 (or, where the Specified Currency is not euro, its equivalent in the Specified Currency). In relation to any issue of notes which have a denomination consisting of the minimum specified denomination plus a higher integral multiple of another smaller amount, it is possible that the notes may be traded in the clearing systems in amounts in excess of €100,000 or its equivalent in alternate currencies that are not integral multiples of €100,000 or its equivalent in alternate currencies. In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum specified denomination may not receive a definitive note (should definitive notes be printed) and may need to purchase a principal amount of notes such that its holding is an integral multiple of the minimum specified denomination.

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

F. Counterparty risks

Insolvency of the Transferor may result in an inability to repurchase Receivables

If any representation made by the Transferor about the Receivables proves to have been incorrect when made, the Transferor shall be treated as having received by way of a Collection the outstanding face amount of such Principal Receivable and shall be obliged to pay by no later than the Distribution Date following the Monthly Period during which such representation becomes known to the Transferor to be incorrect, an amount equal to the outstanding face amount of such Principal Receivable to the Trustee Collection Account, **provided, however**, that such Principal Receivable and any related Finance Charge Receivables shall not be reassigned or released from trust to the Transferor but such Principal Receivable shall thereafter be treated as an Ineligible Receivable unless and until all Receivables outstanding on the relevant Account are reassigned or released from trust to the Transferor in certain circumstances (see "*Breach of Transferor's representations*").

If the Transferor becomes insolvent, the Transferor may be unable or otherwise fail to pay such amount in respect of the Receivable, and Noteholders could incur a loss on their notes or an early redemption of their notes.

Insolvency of the Issuer, Funding 1 or the Receivables Trustee could cause an early redemption of the notes and/or a loss on the notes

The ability of each of the Issuer, Funding 1 or the Receivables Trustee to meet its obligations under the notes, the Loan Notes, the RTDSA or the RSD, as the case may be, will depend upon its continued solvency.

A company that has assets in England will be insolvent, if its liabilities exceed its assets or if it is unable to pay its debts as they fall due. Each of the Issuer, Funding 1 and the Receivables Trustee has been structured so that the likelihood of its becoming insolvent is remote. Each of these entities is or will be contractually restricted from undertaking any business other than in connection with the financings described in this Base Prospectus. Each of them is or will be expressly prohibited from incurring any additional indebtedness, except as permitted by the agreements to which it is a party, having any employees, owning any premises

and establishing or acquiring any subsidiaries. Contractual provisions are or will be contained in each of the agreements to which they are or will be a party that will prohibit the other parties to those agreements from taking any actions against these entities that might lead to their insolvency. Whilst these provisions may help ensure that the likelihood of any of these entities becoming insolvent is remote, the Issuer, Funding 1 or the Receivables Trustee could become insolvent. If this were to occur, Noteholders could suffer an early redemption of their notes or a reduction or no payment in respect of their notes.

Reliance on third parties

Each of Receivables Trustee, Funding 1 and the Issuer is a party to contracts with a number of other third parties that have agreed to perform certain services in relation to the Receivables. For example, the Servicer has agreed to provide services in respect of the Receivables under the RTDSA, the Cash Manager has agreed to provide certain cash management and calculation services under the STDCMA, the relevant Swap Counterparty may agree to provide currency and/or interest rate swaps under the relevant Swap Agreement(s), the Paying Agents and the Agent Bank have agreed to provide payment and calculation service in connection with the notes under the Paying Agency Agreement. Each of the Servicer and Cash Manager may delegate all or part of their service obligations to another party in accordance with RTDSA and STDCMA as applicable.

Disruptions in the servicing and/or cash management process, which may be caused by the failure to appoint a successor servicer and/or a successor cash manager (or, to the extent that the Servicer and/or Cash Manager are unable themselves to perform their obligations as Servicer and/or Cash Manager, a delegate servicer and/or delegate cash manager) or the failure of the Servicer and/or the Cash Manager to carry out its services, could lead to a loss on the notes and/or early redemption of the notes.

Each of Receivables Trustee, Funding 1 and the Issuer will rely on the relevant third party to exercise the rights and carry out the obligations under the respective agreement to which it is a party. In the event that any relevant third party or its delegate was to fail to perform its obligations under the respective agreement (including any failure arising from circumstances beyond their control, such as epidemics and/or pandemics - for example, the COVID-19 outbreak has led to many organisations either closing or implementing policies requiring their employees to work at home, which could result in delays or difficulties in performing otherwise routine functions), one or more Trust Series, Loan Notes and/or Note Series may be adversely affected.

In addition, TPF outsources a number of services and processes to third party service providers (see "*Tesco Personal Finance PLC's Credit Card Portfolio*"). TPF has controls in place to oversee the integrity and efficiency of third party service providers but any failure of an outsourced service provider could adversely affect one or more Trust Series, Loan Notes and/or Note Series.

Where the Issuer has entered into a Swap Agreement

Each Swap Agreement may be terminated upon the occurrence of certain events described under "*Swap Agreements*" in each Drawdown Prospectus. There can be no assurance that a Swap Agreement will not be terminated prior to the payment in full of the notes of the relevant Note Series.

Each of the Issuer and the Swap Counterparty will represent in each Swap Agreement that, under current applicable law, they are entitled to make all payments required to be made by them under such Swap Agreement (other than interest under certain provisions of the Swap Agreement) without deduction or withholding for or on account of any taxes, assessments or other charges. Unless otherwise specified in the Drawdown Prospectus, the Issuer is not obliged under any of the Swap Agreements to gross up if withholding taxes are imposed on payments made under such Swap Agreement. Each Swap Counterparty will generally be obliged to gross up payments made by it to the Issuer if withholding taxes are imposed on payments made under the relevant Swap Agreement. However, if a Swap Counterparty is required to (i) gross up a payment under the relevant Swap Agreement for or on account of tax or (ii) receive a payment

under the relevant Swap Agreement from which an amount is required to be deducted or withheld for or on account of tax, in each case, due to a change in law, the relevant Swap Counterparty may be entitled to terminate the relevant Swap Agreement.

If a Swap Agreement is terminated before its scheduled termination date, one of the Issuer or the relevant Swap Counterparty may be liable to make an early termination payment to the other party. The amount of such termination payment will generally be based on the market value of the terminated Swap Agreement. This market value will be computed on the basis of the cost to (or gain by) the relevant party of entering into a swap transaction that would have the effect of preserving the economic equivalent of the original transaction. Any such termination payment could, for example, if interest rates or currency exchange rates (as the case may be) have changed significantly, be substantial. In certain circumstances, termination payments required to be made by the Issuer to the Swap Counterparty will rank higher in priority than all payments on the notes and in such event, there may be insufficient funds to make the required payments on the notes. As such, the termination of a Swap Agreement may reduce, accelerate or delay payments of interest and principal on the notes.

If a Swap Agreement is terminated as a result of a Counterparty Swap Event of Default (see "*Description of the Swap Agreements*" below), then the Issuer will be required to use its reasonable endeavours to enter into a replacement Swap Agreement with an entity that satisfies the minimum rating and other requirements specified in such Swap Agreement (taking into account any early termination payment received from or payable to the relevant Swap Counterparty) in respect of the relevant Note Series, on terms substantially similar to the terminated Swap Agreement. It cannot be assured, however, that the Issuer would be able to enter into a replacement Swap Agreement or that the ratings of the notes will not be lowered or withdrawn in this event. If any rating assigned to the notes is lowered or withdrawn, then the market value of such notes (or other notes of a different Note Series) may be reduced.

Collection account

Collections from cardholders are currently initially paid to a number of suspense accounts of the Transferor before such amounts are cleared and transferred into a bank account of the Transferor (the **Collection Account**) on a same-day basis. Pending transfer of the monies standing to the credit of the Collection Account to the Trustee Collection Account, the Transferor's rights in respect of the sums from time to time standing to the credit of the Collection Account in respect of Collections that have not been transferred to the Trustee Collection Account shall be held on trust by the Transferor to the order of (1) the Receivables Trustee, to the extent such sums are Principal Collections, Finance Charge Collections and Ineligible Collections on Designated Accounts or Acquired Interchange and (2) otherwise, the Transferor. Collections will be transferred by the Servicer to the Trustee Collection Account not later than the London Business Day after the Date of Processing of such Collections.

For the limited period of time (which is not expected to exceed one London Business Day) that Collections (including any insurance and guarantee proceeds) remain in the Collection Account, such monies may be commingled with other monies of the Transferor and/or future beneficiaries and may cease to be traceable. There may be some interruption in the transfer of funds to the Receivables Trustee if the Transferor (or a liquidator or administrator of the Transferor) attempted to freeze the operation of the Collection Account (and thereby payments to the Receivables Trustee) pending completion of any rights of tracing. For the period of time that Collections remain in the Collection Account, Noteholders will be exposed to the credit quality of the Transferor. In the event that the Transferor becomes insolvent, or proceedings are commenced against the Transferor, the Receivables Trustee will, to the extent such amounts are not traceable, have an unsecured claim against the Transferor for the amount which was standing to the credit of the Collection Account which will rank *pari passu* with all other unsecured creditors of the Transferor other than those preferred by law. If such an event arises, Collections on the Receivables are likely to be interrupted, and the holders of the notes may, ultimately, suffer a shortfall.

The possible reductions in amounts received by the Receivables Trustee may affect payments to Funding 1 (and hence to the Issuer and to the Noteholders). (See "*The Receivables — Defaulted Receivables*" and generally "*Sources of Funds to Pay the Loan Notes*").

G. Transferor Risks

Adverse legal or regulatory developments or exposure to legal or regulatory risk could have a material adverse effect on TPF's ability to perform its roles under the Programme

United Kingdom authorised firms are subject to on-going regulation and to legal and regulatory risks, including the effects of changes in the laws, regulations, policies, voluntary codes of practice and interpretations thereof in the United Kingdom and the European Union. The legal and regulatory environment is uncertain and rapidly evolving. The response of the UK Government, HM Treasury and UK regulators to the COVID-19 pandemic (see "*UK Credit Card Regulation - FCA COVID-19 Guidance*") resulted in a number of rapid changes to the regulatory environment. These modifications were implemented at short notice with limited consultation. Other factors such as Brexit, as noted below, have resulted in a period of regulatory change, the full scope and implications of which are still being determined. In addition, the FCA periodically reviews certain market sectors to assess compliance against its statutory objectives: if it deems certain practices to be contrary to its objectives, it may introduce regulatory reforms. See, for example, the FCA's programme of work related to its credit-card market study and fair pricing in the consumer sector (including potential reform to credit card APRs) (see "*UK Credit Card Regulation - FCA Market Study into Credit Cards*") and also the FCA's work regarding the fair treatment of vulnerable customers (see "*UK Credit Card Regulation – FCA Finalised Guidance on Vulnerable Consumers*").

In recent years, the UK Government, the FCA (including its predecessors) and other regulators in the UK, the European Union or overseas have become more active in application, monitoring and supervision and may intervene further in relation to areas of industry risk already identified, or in new areas in which TPF operates, which could affect TPF's business. Implementation of legal and regulatory developments and/or increased regulatory oversight (for example in respect of conduct issues) could result in additional costs or limit, restrict or change the way that TPF conducts its business. Future changes in laws and regulations and the impact of increased oversight by regulators are difficult to predict but such matters could materially adversely affect TPF and its businesses (for example its operations, systems and controls) and this could in turn have a material adverse effect on the Notes.

TPF is exposed to various forms of legal and regulatory risk in its current, past and future operations, including the risk of acting in breach of legal or regulatory principles or requirements, or other claims of alleged misconduct on the part of TPF, any of which could have a material adverse effect on TPF's results, its relations with its customers and its ability to perform its obligations under the Programme and this could in turn have a material adverse effect on the notes.

Many of the regulatory obligations to which TPF is subject are based on, or are derived from, EU measures. The ongoing impact of Brexit may result in some or all of the regulatory framework applicable to TPF being amended or modified – see "*Macroeconomic and Market Risks – The relationship between the United Kingdom with the European Union may affect the ability of the Issuer to satisfy its obligations under the Notes and/or the market value and/or liquidity of the Notes in the secondary market*".

There can be no assurance that future changes will not be made to the regulatory regime to which TPF is subject and such changes in laws and regulations (including the pace and complexity of such changes) and the impact of increased oversight by regulators are difficult to predict and could materially adversely affect TPF's business and its ability to perform its obligations under the Transaction. These factors may be material and result in adverse consequences for Noteholders' investment in the notes.

Any material operational failure in TPF's information technology systems due to technological malfunctions, system failures, fraud, cyber-attacks, inadequate controls, human error, or other similar

events could adversely affect the ability to generate Receivables and could also adversely impact the timing and amount of payment on your notes.

TPF's information technology systems may experience operational failures due to technological malfunctions, system failures, fraud, cyber-attacks, inadequate controls, human error, or other similar events. TPF develops and maintains systems and processes to detect and manage operational failures, however, despite these efforts, the possibility of failures cannot be eliminated entirely.

If TPF's information technology systems experience operational failures, this could lead to regulatory intervention, operational losses, increased litigation, remediation costs, and reputational damage, which could have an adverse impact on the Issuer, TPF, or its affiliates, including TPF's ability to generate Receivables and to conduct its credit card origination and servicing activities.

Sections 77/78/79 of the CCA 1974

Sections 77 to 79 of the CCA set out the creditor's duty to give a true copy of the credit agreement and statements of account. The sanction for non-compliance with the relevant section is unenforceability of the credit agreement, for as long as the creditor or owner fails to comply with its duty, thus restricting the debt collection activities that can be undertaken. Where there is such a failure, the courts have no discretion to allow enforcement, however, a creditor is able to request repayment and to record any arrears or default with a credit reference agency.

From 1 April 2014, the OFT's guidance on sections 77/78/79 of the CCA 1974 has been incorporated into the FCA Handbook in CONC. Although the FCA is unlikely to bring enforcement action where guidance has not been followed, it could still take action for breach of one or more of the Principles for Businesses. The guidance may affect default rates, yield and cardholder repayment patterns in respect of the Securitised Portfolio. If enforcement action were taken against TPF this could affect the ability of TPF to generate receivables in respect of the Designated Accounts and have an adverse impact on the performance of the Securitised Portfolio.

H. Macroeconomic and Market Risks

Competition in the UK credit card industry

The credit card industry in the United Kingdom is highly competitive. There is competitive use of advertising, targeted marketing and pricing competition in interest rates, loyalty schemes and cardholder fees as both traditional and new card issuers seek to expand their presence in the UK market and compete for customers.

Certain card issuers may rely on customer loyalty and may have particular ways of reaching and attracting customers. For example, major supermarket retailers are promoting the use of their own cards through extensive in-store campaigns and loyalty schemes.

This competitive environment may affect the Transferor's ability to originate new accounts and generate new Receivables and may also affect the level of retention of existing accounts. Some of the recently originated accounts in the portfolio of the Transferor were originated with the use of low introductory interest rates (**Introductory Rates**). Such accounts are more susceptible to attrition upon expiration of the Introductory Rate (i.e. at repricing) than accounts originated without an Introductory Rate. If the rate at which new Receivables are generated declines significantly and if the Transferor is unable to nominate additional Accounts for the Delamare Cards Receivables Trust, a Pay Out Event could occur with respect to any Note Series issued pursuant to this Base Prospectus and the relevant Drawdown Prospectus. Such a Pay Out Event could cause a loss on and/or the early redemption of the notes.

Social, legal, regulatory, political, economic and health factors may affect repayment

Changes in card use, payment patterns, amounts of yield on the card portfolio generally and the rate of defaults by cardholders may result from a variety of social, legal, regulatory, political, economic and health factors in the United Kingdom. Social factors include changes in public confidence levels, attitudes toward incurring debt and perception of the use of credit and charge cards. Economic factors include the rate of inflation, the unemployment rate and relative interest rates offered for various types of loans. Political factors include lobbying from interest groups, such as consumers and retailers, and government initiatives in consumer and related affairs. Health factors include any natural disasters or widespread health crises or the fear of such crises (including, but not limited to, coronavirus/COVID-19, measles, SARS, Ebola, H1N1, Zika, avian influenza, swine flu (or any strain of the foregoing)), or other epidemic and/or pandemic diseases. In addition, there are currently geopolitical risks around Russia's invasion of Ukraine which could impact the UK economy, in particular by pushing up energy and oil prices and increasing inflation (and the cost of living) further. See also "*Application of the CCA, as amended, and other legislation may impede collection efforts and could cause early redemption of the notes and/or a loss on the notes*".

It is difficult to determine and there is no basis on which to predict accurately whether, or to what extent, social, legal, regulatory, political, economic, health and geopolitical factors will affect the future use of credit, cardholder borrowing or payment patterns, default rates or the yield on the Securitised Portfolio generally and therefore predict the corresponding effect on the payment of the notes. However, such factors may be material and result in adverse consequences for Noteholders' investment in the notes and/or suffering a shortfall if Collections on the Receivables are interrupted and/or reduced.

Absence of secondary market, limited liquidity

There currently is no active or liquid secondary market for the notes. The Arranger and the Dealers may, but are not obligated, to make a market in the notes. There can be no assurance that a secondary market for the notes will develop or, if one does develop, that it will continue and/or provide Noteholders with liquidity for the life of their investment in the notes. Any investor in the notes must be prepared to hold its notes for an indefinite period of time or until they are redeemed or alternatively such investor may only be able to sell its notes at a discount to the original purchase price of those notes.

The secondary market for asset-backed securities similar to the notes has, at times, experienced limited liquidity, which may have an adverse effect on the market value of asset-backed securities and instruments similar to the notes. Whilst central bank schemes such as the Bank of England's Discount Window Facility, the European Central Bank's liquidity scheme and the European Central Bank's asset-backed securities purchase programme may provide a source of liquidity in respect of eligible securities, there is no certainty that the notes will be accepted as eligible securities for any such facilities either upon issue or subsequently.

In the event of volatility and disruption in the market for asset-backed securities, it is likely there could be a severe lack of liquidity in the secondary market for instruments similar to the notes. Such lack of liquidity may result in Noteholders suffering losses on the notes in secondary resales even if there is no decline in the performance of the Securitised Portfolio.

Further, investors should be aware that, if the Transferor fails to maintain the retention required by applicable regulation or fails to provide information that it is required to provide to investors in respect of the performance of the Receivables while the notes remain outstanding, potential secondary market purchasers may be less willing to invest in the notes or, for certain classes of investor, be prevented from, or incur significant capital costs as a result of, making such an investment due to regulation applicable to such investors. Each of these situations may adversely affect secondary market liquidity for the notes.

Any investor in the notes must be prepared to hold their notes for an indefinite period of time or until the Final Redemption Date or, alternatively, be prepared that they may only be able to sell their notes at a discount to the original purchase price of those notes.

The credit ratings assigned to the notes are not a guarantee that Noteholders will receive all payments owed to them under the notes

Credit ratings assigned to the notes reflect the relevant Rating Agency's assessment only of either the likelihood of the full payment of interest and principal on the notes on a date that is not later than the Final Redemption Date or the likelihood of the timely payment of interest and the ultimate payment of principal in full on the notes on a date that is not later than the Final Redemption Date, not that it will be paid when expected or scheduled, and may not reflect the potential impact of all risks related to the transaction structure, the other risk factors discussed in this Base Prospectus and the relevant Drawdown Prospectus /Pricing Supplement, or any other factors that may affect the value of the notes. These ratings are based on the Rating Agencies' determination of, *inter alia*, the value of the Receivables, the reliability of the payments on the Receivables, the creditworthiness of the relevant Swap Counterparty and the availability of credit enhancement. A rating or rating confirmation does not impose or extend any actual or contingent liability for the Rating Agencies to the Noteholders or any other party or create any legal relations between the Rating Agencies and the Noteholders or any other party.

The ratings do not address the following:

- the likelihood that the principal or interest on the notes will be redeemed or paid, as expected, on the Scheduled Redemption Dates;
- the possibility of the imposition of United Kingdom or any other withholding tax;
- the marketability of the notes, or any market price for the notes; or
- whether an investment in the notes is a suitable investment for Noteholders.

A rating is not a recommendation to purchase, hold or sell notes.

In general, European regulated investors are restricted under the EU CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the EU CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). The list of registered and certified rating agencies published by ESMA on its website in accordance with the EU CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

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

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

Ratings can be lowered or withdrawn after Noteholders purchase the notes

Any Rating Agency may lower its rating or withdraw its rating if, in the sole judgement of the Rating Agency, the credit quality of the notes has declined or is in question or for other tangible and intangible reasons. If any rating assigned to the notes is lowered or withdrawn, the market value of the notes may be reduced.

Any Rating Agency may also lower or withdraw its rating with respect to the relevant Swap Counterparty. Under the terms of any Swap Agreement that may be entered into in respect of a Note Series, the Swap Counterparty shall be required to transfer or novate the Swap Agreement to a replacement Swap Counterparty or enter into other suitable arrangements (including posting collateral) if the relevant credit rating of the Swap Counterparty is withdrawn or reduced below certain thresholds. It cannot be assured, however, that the Issuer would be able to find a replacement Swap Counterparty, transfer or novate the Swap Agreement and/or enter into other suitable arrangements (including posting collateral) in this event or that the ratings of the notes will not be lowered or withdrawn in this event. If any rating assigned to the notes is lowered or withdrawn, then the market value of such notes (or other notes of a different Note Series) may be reduced.

In addition, rules adopted by the SEC require nationally recognised statistical rating organisations (**NRSROs**) that are hired by issuers and sponsors of a structured finance transaction to facilitate a process by which other NRSROs not hired in connection with the transaction can obtain the same information available to the hired NRSROs. Non-hired NRSROs may use this information to issue (and maintain) an unsolicited rating of the notes. Failure by TPF to make information available as required could lead to the ratings of the notes being withdrawn by the applicable rating agency or a non-hired NRSRO. NRSROs have different methodologies, criteria, models and requirements, which may result in ratings on the notes that are lower than those assigned by the applicable rating agency. Unsolicited ratings of the notes may be assigned by a non-hired NRSRO at any time, even prior to the closing date. Such unsolicited ratings of the notes by a non-hired NRSRO may be lower than those assigned by the applicable rating agency. If a non-hired NRSRO issues a lower rating, the liquidity and market value of the affected class or classes of the notes could be materially and adversely affected. In addition, the mere possibility that such a rating could be issued may affect price levels in any secondary market that may develop.

The relationship between the United Kingdom with the European Union may affect the ability of the Issuer to satisfy its obligations under the Notes and/or the market value and/or liquidity of the Notes in the secondary market

The UK left the European Union (EU) on 31 January 2020 at 11pm, and the transition period ended on 31 December 2020 at 11pm. As a result, the Treaty on the European Union and the Treaty on the Functioning of the European Union have ceased to apply to the UK. The UK is also no longer part of the EEA.

The EU-UK Trade and Cooperation Agreement (the **Trade and Cooperation Agreement**), which governs the relations between the EU and the UK following the end of the transition period and which had provisional application pending completion of ratification procedures, entered into force on 1 May 2021. The Trade and Cooperation Agreement does not create a detailed framework to govern the cross-border provision of regulated financial services from the UK into the EU and from the EU into the UK.

The European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020) and secondary legislation made under powers provided in this Act ensure that there is a

functioning statute book in the UK. While the UK introduced a temporary permission regime to allow EEA firms to continue to do business in the UK for a limited period of time, once the passporting regime fell away, the majority of EEA states have not introduced similar transitional regimes. The Trade and Cooperation Agreement is only part of the overall package of agreements reached. Other supplementing agreements included a series of joint declarations on a range of important issues where further cooperation is foreseen, including financial services. The declarations state that the EU and the UK will discuss how to move forward with equivalence determinations in relation to financial services. It should be noted that even if equivalence arrangements for certain sectors of the financial services industry are agreed, market access is unlikely to be as comprehensive as the market access that the UK enjoyed through its EU membership.

It is difficult to determine what the precise impact of the new relationship between the UK and the EU will be on general economic conditions in the UK, including any implications for the UK credit card market, the business of the Issuer (including the performance of the Receivables), one or more of the other parties to the transaction documents (including the seller, the servicer, the account bank and/or the swap providers) and/or any cardholder in respect of the underlying Receivables or on the regulatory position of any such entity or of the transactions contemplated by the Transaction Documents, any of which could be adversely affected.

In addition, following the UK withdrawal from the EU, future UK political developments and/or any changes in government structure and policies, could affect the fiscal, monetary and regulatory landscape to which Tesco Personal Finance plc is subject and also therefore its financing availability and terms. Consequently, no assurance can be given that Tesco Personal Finance plc's operating results, financial condition and prospects would not be adversely impacted as a result.

No assurance can be given that any of the matters outlined above would not adversely affect the ability of the Issuer to satisfy its obligations under the notes and/or the market value and/or liquidity of the notes in the secondary market

Break-up of the United Kingdom

The decision of the UK to withdraw from the EU has also caused increased constitutional tension within the UK. Majorities of voters in both Scotland and Northern Ireland voted to remain in the EU. Leading political figures in both Scotland and Northern Ireland have suggested that they have a mandate from their voters to remain in the EU and might seek to leave the UK in order to achieve that outcome. It is not possible to predict the outcome of this continuing constitutional tension or how a potential departure of Scotland and/or Northern Ireland from the UK in the future would affect Transaction Parties or the ability of the Issuer to make payments of interest and/or principal in respect of the notes.

A potential departure of Scotland from the UK could, among other things, impact the fiscal, monetary and regulatory landscape to which the Transferor, the Servicer and the Cash Manager are subject. While the operational consequences of any independence of Scotland from the UK remain uncertain, it could (i) result in changes to the economic climate in Scotland and political and policy developments which could adversely affect the ability of cardholders to pay amounts due on their credit cards and which, in turn, may adversely affect the ability of the Issuer to make payments of interest and/or principal in respect of the notes, (ii) have an impact on Scots law, regulation, accounting or administrative practice in Scotland, and/or (iii) result in Scotland not continuing to use Sterling as its base currency, which may result in part of the Securitised Portfolio being redenominated and therefore the notes potentially being subject to currency risk.

In the event of a departure of Scotland from the UK, certain risks and uncertainties associated with such departure could materialise both (i) before any referendum for independence takes place and (ii) in the case of a referendum on independence of Scotland from the UK, after any such referendum but before such independence takes place. Any final negotiated terms of any such independence, as well as the risks and uncertainty created, could have an adverse impact on the business and, more generally, the financial performance of the Transferor, Servicer and/or Cash Manager.

No assurance can be given that any of these factors would not adversely affect the ability of the Issuer to satisfy its obligations under the notes and/or the market value or liquidity of the notes in the secondary market.

Changes or uncertainty in respect of interest rate benchmarks may affect the value or payment of interest under the Notes

Various interest rate and other indices which are deemed to be "benchmarks", including EURIBOR, are the subject of recent national, international and other regulatory reforms and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented including the EU Benchmark Regulation (Regulation (EU) 2016/1011) (the **EU Benchmarks Regulation**). These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any notes referencing such a benchmark.

The EU Benchmarks Regulation applies from 1 January 2018 in general, subject to certain transitional provisions. Certain requirements of the EU Benchmark Regulation apply with respect to the provision of a wide range of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the European Union. In particular, the EU Benchmarks Regulation, among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of benchmarks and (ii) prevents certain uses by EU-supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU-based, deemed equivalent or recognised or endorsed). The UK Benchmarks Regulation among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

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

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

Investors should be aware that the euro risk free-rate working group for the euro area has published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 11 May 2021, the euro risk-free rate working group published its recommendations on EURIBOR fallback trigger events and fallback rates.

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

Based on the foregoing, investors should be aware that:

- (a) any of these reforms or pressures described above or any other changes to a relevant interest rate benchmark (including EURIBOR and SONIA) could affect the level of the published rate, including to cause it to be lower and/or more volatile than it would otherwise be;
- (b) if the Screen Rate on the Notes is discontinued or is otherwise unavailable and an amendment as described in paragraph (c) below has not been made, then the rate of interest on the floating rate Notes will be determined for a period by the fall-back provisions provided for under Condition 6 (*Interest*), although such provisions, being dependent in part upon the provision by Reference Banks of offered quotations for leading banks in the Euro-zone interbank market (in the case of EURIBOR), may not operate as intended (depending on market circumstances and the availability of rates information at the relevant time) and may result in the effective application of a fixed rate based on the rate which applied in the previous Interest Period when EURIBOR was available;
- (c) while an amendment may be made under Condition 14(c)(iv) (*Additional right of Modification*) to change the Screen Rate on the Notes to an alternative base rate under certain circumstances broadly related to EURIBOR (or any other relevant interest rate benchmark) dysfunction or discontinuation and subject to certain conditions, there can be no assurance that any such amendment will be made or, if made, that it will (i) fully or effectively mitigate interest rate risks or result in an equivalent methodology for determining the interest rates on the Notes or (ii) be made prior to any date on which any of the risks described in this risk factor may become relevant (in this regard, please also refer to the risk factor above entitled "*D. Risks related to changes to the structure of the Notes - Certain modifications may be made without Noteholder consent*"); and
- (d) if EURIBOR or any other relevant interest rate benchmark is discontinued, and whether or not an amendment is made under Condition 14(c)(iv) (*Additional right of Modification*) to change the Screen Rate on the Notes as described in paragraph (c) above, there can be no assurance that the applicable fall-back provisions under any Swap Agreements would operate so as to ensure that the rate used to determine payments under the Swap Agreements is the same as that used to determine interest payments under the Notes, or that any such amendment made under Condition 14(c)(iv) (*Additional right of Modification*) would be utilised in such a way that the transactions under the Swap Agreements effectively mitigate currency risks on the Notes in circumstances where the reference rate used in a Swap Agreement was no longer aligned with the Notes.

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

The market continues to develop in relation to risk free rates as a reference rate for floating rate notes

Where the applicable Final Terms/Pricing Supplement/Drawdown Prospectus for a series of floating rate notes identifies that the rate of interest for such notes will be determined by reference to SOFR or SONIA, the rate of interest will be determined on the basis of the relevant reference rate as described in the applicable conditions. All such rates are based on "overnight rates". Overnight rates differ from interbank offered rates, such as EURIBOR, in a number of material respects, including (without limitation) that such rates are backwards-looking, risk-free overnight rates, whereas interbank offered rates are expressed on the basis of a

forward-looking term and includes a risk-element based on inter-bank lending. As such, investors should be aware that overnight rates may behave materially differently as interest reference rates for notes issued under the programme described in this base prospectus compared to interbank offered rates. The use of overnight rates as a reference rate for securities is developing and is subject to change, both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of bonds referencing such overnight rates.

Investors should be aware that the market continues to develop in relation to such overnight rates as a reference rate in the capital markets and its adoption as an alternative to interbank offered rates, such as EURIBOR. In particular, market participants, relevant working groups and/or central bank led working groups continue to explore compounded rates and weighted average rates, and observation methodologies for such rates (including so-called 'shift', 'lag', and 'lock-out' methodologies), and such groups may also explore forward-looking 'term' reference rates derived from these overnight rates. Market terms for debt securities indexed to SONIA or SOFR, such as the spread over the index reflected in interest rate provisions or the applicable observation method, may evolve over time, and trading prices of the notes may be lower than those of later-issued indexed debt securities as a result.

The market or a significant part thereof may adopt an application of an overnight rate in a way that differs significantly from that set out in the terms and conditions of the notes and used in relation to floating rate notes that reference an overnight rate issued under this base prospectus. In this respect, the Bank of England released a discussion paper in February 2020 entitled "*Supporting Risk-Free Rate transition through the provision of compounded SONIA*" pursuant to which the Bank of England stated its intention to publish a daily SONIA compounded index and its consideration whether to publish a set of compounded SONIA period averages, an approach similar to that already taken by the Federal Reserve Bank of New York in respect of SOFR. In February 2020, the Federal Reserve Bank of New York, announced that it would publish 30-day, 90-day, and 180-day SOFR averages as well as a SOFR index from March 2020 in order to support a successful transition from USD LIBOR. There is no guarantee that the Bank of England and/or the Federal Reserve Bank of New York will not withdraw, modify or amend any published SONIA index and/or SOFR averages or index data, or that such index or averages will be widely used in the marketplace. This means that a screen rate based on an observable publicly available average rate or index may evolve over time but there is no guarantee of this.

Interest on any series or class of notes which reference an overnight rate is only capable of being determined at the end of the relevant observation period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in notes which reference an overnight rate to reliably estimate the amount of interest which will be payable on such notes. Investors should consider these matters when making their investment decision with respect to any such floating rate notes.

Negative interest rate

The Issuer is exposed in certain circumstances to the risk that at any time the interest rate on the Issuer Accounts, the Funding 1 Accounts or the Trust Accounts will be less than zero. A negative interest rate would result in a charge payable by the Issuer, Funding 1 or the Receivables Trustee (as applicable) to the relevant Account Bank and will be paid concurrently with the fees payable by the Issuer to the Issuer Account Bank, subject to the applicable priority of payments and would reduce the amounts otherwise available to make payments under the notes.

I. Legal and regulatory risks related to the underlying assets

Application of the CCA, as amended, and other legislation may impede collection efforts and could cause early redemption of the notes and/or a loss on the notes

There is an increasing volume of regulation and legislation that is applicable to consumer credit in the United Kingdom. Of particular importance for prospective investors' investment in the notes is the CCA, the Unfair Terms in Consumer Contracts Regulations 1999 (the **UTCCR**) and the Consumer Rights Act (the **CRA**), as

applicable. The CCA, the UTCCR and the CRA (as applicable) apply, in whole or in part, to the transactions occurring on the Designated Accounts and to the Credit Card Agreements, which may result in adverse consequences for Noteholders' investment in the notes because of possible unenforceability of all or part of an agreement, remedies for the imposition of an unfair relationship or possible joint and several liabilities for misrepresentation or breach of contract and liability for loss caused by card fraud. See "*UK Credit Card Regulation*" for more detail.

It is possible, therefore, that collecting debts owed under improperly executed agreements will be subject to greater restrictions in the future, potentially leading to unrecoverable losses on accounts to which such agreements apply. Accordingly, this may result in adverse consequences such as a loss on the notes or early redemption of the notes. See "*UK Credit Card Regulation - Compliance with the technical aspects of the CCA*" for more detail.

Enforceability of unfair terms under the UTCCR

The Unfair Terms in Consumer Contracts Regulations 1994 applied to the Credit Card Agreements insofar as their terms have not been individually negotiated and they were made on or after 1 July 1995. The UTCCR revoked the Unfair Terms in Consumer Contracts Regulations 1994 with effect from 1 October 1999 and apply to Credit Card Agreements entered into before 1 October 2015 (the CRA Commencement Date) insofar as their terms have not been individually negotiated. The CRA applies to agreements entered into on or after the CRA Commencement Date.

Where the UTCCR or CRA apply, a consumer may challenge a standard term in a contract on the basis that it is unfair and not binding on the consumer (including credit cardholders who are natural persons acting outside their trade, business or profession), although the rest of the agreement will remain enforceable if it is capable of continuing in existence without the unfair term. It is therefore possible that any Credit Card Agreements covered by the UTCCR or CRA (as applicable) may contain unfair terms which may result in the possible unenforceability of the terms of the underlying Credit Card Agreements. If any term of the Credit Card Agreement is found to be unfair for the purpose of the UTCCR or CRA, or as a result of any reform of, or change in regulatory guidance this may result in unrecoverable losses on Designated Accounts to which such agreements apply. Accordingly, this may result in adverse consequences such as a loss on the notes or early redemption of the notes. See "*UK Credit Card Regulation - Enforceability of unfair terms under the UTCCR*" and "*UK Credit Card Regulation - Remedies for the imposition of an unfair relationship*" for more detail.

EU directive on unfair business-to-consumer commercial practices

The Consumer Protection from Unfair Trading Regulations (the CPR) prohibit unfair business-to-consumer commercial practices before, during and after a consumer contract is made. Consumers may have a right to redress for prohibited practices, including a right to unwind agreements. Breach of the CPR does not (of itself) render an agreement void or unenforceable, but the possible liabilities arising out of cardholder claims for misrepresentation or breach of contract in relation to the underlying Credit Card Agreement, for example unwinding of the transaction, discounting or damages, as appropriate, give rise to a risk that the Receivables Trustee does not receive the full amount otherwise owed by cardholders and may result in adverse consequences such as a loss on, or the early redemption of, the notes. See "*UK Credit Card Regulation - EU directive on unfair business-to-consumer commercial practices*" for more detail.

Liability for a supplier's misrepresentation or breach of contract

Transactions involving the use of a credit card may constitute transactions under debtor-creditor-supplier agreements for the purposes of the creditor's liability under section 75 of the CCA.

Section 75 of the CCA provides that, if a supplier makes a misrepresentation or breach of contract in relation to a debtor-creditor-supplier agreement, the creditor is jointly and severally liable to the debtor for any claim

against the supplier. The Receivables Trustee has agreed, on a limited recourse basis, to indemnify TPF for any loss suffered by it from a borrower claim under section 75 of the CCA. This indemnity cannot exceed the original outstanding principal balance of the affected charges on a Designated Account. The Receivables Trustee's indemnity will be payable only from and to the extent of Excess Spread on the Receivables.

Satisfaction by the Receivables Trustee of any such indemnity payment (as described above) could have the effect of reducing or eliminating Excess Spread which might otherwise have been available to Funding 1. These consequences could result in Noteholders incurring a loss on their investment or suffering an early redemption of their notes. See "*UK Credit Card Regulation - Liability for a supplier's misrepresentation or breach of contract*" for more detail.

Irresponsible lending guidance

From 1 April 2014, the OFT's irresponsible lending guidance has been incorporated into the FCA Handbook in CONC. The OFT guidance has been implemented by the FCA as a combination of rules and guidance, which means that the FCA has powers of enforcement over firms that do not comply with relevant Rules. These rules, for example, preclude firms from amending the terms of a continuous payment authority without first obtaining the customer's consent. If enforcement action were taken against TPF this could affect the ability of TPF to generate receivables in respect of the Designated Accounts and have an adverse impact on the performance of the Securitised Portfolio.

Unsolicited credit card cheques

Section 51A of the CCA (now repealed) prohibited the issuance of unsolicited credit card cheques to consumers unless the recipient had asked for them and limited the total number of such cheques which could be issued in response to each request by a customer to three. On 1 April 2014 this section was incorporated within section 2.3 of CONC. Prior to the repeal of section 51A of the CCA, breach of that provision was a criminal offence which could result in a fine. From 1 April 2014, the provision of unsolicited credit card cheques in breach of CONC 2.3.5R would entitle any customer suffering a loss as a result of that breach to bring a claim against TPF for damages. If such damages were to be brought against TPF, this may result in the Receivables Trustee receiving less monies than anticipated from the Receivables and thereby decrease funds available to investors and increase the risk of non-payment and/or the early redemption of the notes.

Decisions of the Financial Ombudsman Service (the FOS) could lead to some terms of the Credit Card Agreements being varied

The Financial Services Act 2012 provides for formalised cooperation to exist between the FCA and the FOS, particularly where issues identified potentially have wider implications, with a view to the FCA requiring affected firms to operate consumer redress schemes. Under the FSMA, the FOS is required to make decisions on (among other things) complaints relating to the terms in agreements under its jurisdiction on the basis of what, in the FOS's opinion, would be fair and reasonable in all circumstances of the case, taking into account (among other things) law and guidance. It is not possible to predict how any future decision of the FOS would affect TPF's ability to generate Receivables. Accordingly, this may result in adverse consequences such as a loss on the notes or early redemption of the notes. See "*UK Credit Card Regulation - Decisions of the Financial Ombudsman Service (the FOS) could lead to some terms of the Credit Card Agreements being varied*" for more detail.

Interchange fees

The European Commission published a report on the impact of a regulation on interchange fees for consumer credit card or debit card based payment transactions (the EU Interchange Fees Regulation) in June 2020. The report concludes that the main objectives of the regulation have been achieved, as interchange fees for consumer cards have decreased, leading to reduced merchants' charges for card payments, and ultimately resulting in improved services to consumers and lower consumer prices. However, the report noted that

further monitoring and reinforced data gathering were necessary in some areas, including those where only limited time has elapsed since the Regulation entered into force. Given the EU Commission's assessment of the positive impact of the regulation and the need for more time to see the full effects of the regulation, the report was not accompanied by a revision legislative proposal.

The UK Payment Systems Regulator (**PSR**) indicated in its annual report for 2020/21 that it has been monitoring proposed fee increases resulting from the UK's withdrawal from the EU and the consequent non-application of the EU fee cap (in the EU Interchange Fees Regulation) in the UK. The PSR continues to explore the impact these proposals could have on businesses and consumers.

Any changes to caps on interchange fees or increased regulation in this area could affect the future yield on the Securitised Portfolio and thereby decrease funds available to investors and increase the risk of non-payment and/or the early redemption of the notes. See "*UK Credit Card Regulation – Interchange fees*" for more detail.

Future changes of law and regulation affecting consumer credit agreements and related matters

In the context of consumer credit regulation, there are a significant number of complex regulations and requirements applied by the FCA. For example, on 17 November 2020, the Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020 (the "**Breathing Space Regulations**") implemented a new breathing space scheme from 4 May 2021. The scheme allows individuals in England and Wales struggling with problem debt an extra 60 days to get their finances under control, while they receive debt advice via professional debt advice providers in order to enter an appropriate debt solution. The scheme also provides for an alternative means to access the protections of a moratorium where individuals are receiving mental health crisis treatment, which will enable the protections to be in place for the duration of their crisis treatment. No interest and fees on debts can be charged and almost all enforcement action will be paused during the moratorium period. However individuals would not be protected from enforcement action on any debts arising from failure to pay ongoing household liabilities, such as rent or mortgage payments.

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

The breathing space will include almost all personal debts and so TPF was required to implement the requirements of the scheme for customers that meet the eligibility criteria. The breathing space scheme could result in adverse consequences for investment in the notes including reduced or delayed payments on the notes or a reduction in the credit quality or credit rating of the notes. In addition to the breathing space scheme the UK Government is also proposing to implement a statutory debt repayment plan (**SDRP**) (see "*UK Credit Card Regulation – Breathing Space Regulations*" for more details) and is planning on publishing a technical consultation on the regulations for the SDRP in early 2022.

Further, on 14 May 2021, the FCA published a consultation paper on proposals for the introduction of a new consumer duty (CP 21/13), which aims to set clear and higher expectations for firms' standards of care towards consumers (the **Consumer Duty**). CP21/13 provided that the Consumer Duty would comprise three key elements: (1) a Consumer Principle, setting a clear tone and using language that reflects the overall standards of behaviour the FCA expect from firms; (2) 'Cross-cutting Rules', which develop and clarify the consumer principle's overarching expectations of firm conduct and set out how it should apply in practice; and (3) the 'Four Outcomes', a suite of rules and guidance that set more detailed expectations for firm conduct in relation to four specific outcomes for the key elements of the firm-customer relationship. The consultation period closed on 31 July 2021.

On 7 December 2021, the FCA published a second consultation paper and feedback statement on the Consumer Duty (CP21/36) setting out the FCA's revised proposals for the introduction of the Consumer Duty. The consultation period closed on 15 February 2022 and the FCA expects to publish the policy statement summarising responses and making new rules by 31 July 2022. CP21/36 confirmed that the Consumer Duty will be implemented and will comprise a Consumer Principle that a "...*firm must act to deliver good outcomes for retail customers*" as well as Cross-cutting Rules that firms must: (i) act in good faith toward retail customers; (ii) avoid foreseeable harm to retail customers; and (iii) enable and support retail customers to pursue their financial objectives and Four Outcomes: (i) Products and Services; (ii) Price & Value; (iii) Consumer Understanding; and (iv) Consumer Support (see "*UK Credit Card Regulation – Consumer Duty of Care*" for further details). The FCA expects the implementation of the Consumer Duty to be iterative but considers that the new requirements should be fully implemented by 30 April 2023.

While the FCA is not branding the Consumer Duty as a duty of care, the FCA has been clear that it sees the introduction of this duty as a paradigm shift in the expectations of firms. The FCA will therefore increasingly focus on the outcomes consumers experience and firms will need to evidence how they are delivering these outcomes. Together with a more data-led approach, the FCA is aiming to identify poor practice at an early stage, before it becomes entrenched as market norms.

Principles-based regulation presents many challenges to firms – introducing a Consumer Duty to this regime will likely act to intensify these challenges but any more specific effect this will have on the notes will only become clearer once the new rules have been finalised and implemented.

It should be noted that the regulations themselves, related laws and regulatory practice are all liable to change during the life of the notes. The nature of such changes and the ultimate impact is difficult to predict and therefore there is no certainty of the impact which any regulatory change could have with regards to the performance of the assets which may ultimately have an adverse impact on the Issuer's ability to make timely payments on the notes.

Regulation of consumer credit agreements and related matters is subject to regular legislative intervention both at a European and UK level. No assurance can be given that changes will not be made to the regulatory regime in respect of the credit card market in the United Kingdom generally (including any potential cap on interest rates chargeable on credit cards), TPF's particular sector in that market or specifically in relation to TPF. In particular, no assurance can be given as to the impact of any possible change to the law at a European or UK level (including any change in regulation which may occur without a change in primary legislation) or administrative practice after the date of this Base Prospectus nor can any assurance be given that any such change will not result in adverse consequences such as a loss on, or early redemption of, the notes.

FCA Market Study into Credit Cards

On 25 November 2014, the FCA published terms of reference for a market study into credit cards. This market study follows on from previous work in which the FCA formed the view that certain aspects of the credit card market may not be working in the interests of some consumers. The focus of the market study was on the use of credit cards as a form of revolving credit, specifically, the extent to which consumers drive effective competition, how credit card issuers recover costs across different customer groups and the impact of this on the market, whether some consumers are over-borrowing/under-repaying, and whether firms have incentives to provide unaffordable lending that results in customer detriment. To address issues identified as part of the market study, the FCA published policy statement PS18/4 "Persistent debt and earlier intervention – feedback to CP17/43 and final rules" on 27 February 2018 (PS18/4) detailing final rules and guidance regarding persistent debt and earlier intervention remedies.

The FCA intends to review the effectiveness of the credit card market study remedies in 2022 after such remedies have been fully implemented by firms and in operation for long enough for the FCA to assess consumer outcomes. The FCA is proposing to publish an interim report on its findings during summer 2022.

It is difficult to predict the full impact that the package of remedies detailed in the final report and PS18/4 will have on the Receivables (including as a result of managing accounts which remain in persistent debt for extended periods) or if any further changes to the rules and guidance would be made. No assurance can be given that this package of remedies will not result in adverse consequences, such as a reduction in the yield on the portfolio or a loss on, or the early redemption of the notes. See "*UK Credit Card Regulation – FCA Market Study into Credit Cards*" for more detail.

Furthermore, in response to a report published by MoneySavingExpert (**MSE**) in April 2022 which has urged policymakers to scrap EU-mandated ‘representative APRs’, the UK Chancellor Rishi Sunak has indicated he will ask the FCA to investigate ways to reform credit card and loan APRs. Under current rules, only 51% of applicants who are accepted by a credit provider have to be offered the “representative rate” of interest, meaning 49% of borrowers could end up being charged a much higher rate. As the true rate is not revealed until the application and credit scoring process is completed, the report claims that many borrowers may feel forced to accept the more expensive offer, or be left with unnecessary marks on their credit file if they reject it. It remains to be seen how the FCA will react to the MSE report and the UK Chancellor’s calls for change in this area.

Inquiries into payment protection insurance

Credit card issuers, including TPF, continue to see a volume of claims for redress made by claimants who claim they were mis-sold payment protection insurance (**PPI**). TPF ceased sales of PPI in September 2011 and reintroduced sales of a revised PPI product in June 2012. TPF ceased all PPI sales on 22 September 2017. PPI claims were typically made by way of a complaint to the credit card issuer or the Financial Ombudsman Service (the FOS) but are now being made via the courts.

PPI redress is generally paid by cheque to each individual claimant as a matter of course, except where the account is overlimit or delinquent, in which case the cardholder will be advised that redress is to be set-off against the balance unless the cardholder opts to have it paid by cheque. Generally, it is within claimants' rights to request that their PPI redress is set-off against their balance, giving rise to a risk that the Receivables Trustee does not receive the full amount otherwise owed by the cardholder which, in turn, could result in adverse consequences for investment in the notes including reduced or delayed payments on the notes. See "*UK Credit Card Regulation – Inquiries into payment protection insurance*" for more detail.

Ongoing regulatory investigations may affect the yield obtained by/on the Securitised Portfolio and cause a loss on and/or the early redemption of the notes.

There are various ongoing regulatory investigations into credit cards, retail banking and related financial services, in particular, by the Relevant Regulator (please see "*Future changes of law and regulation affecting consumer credit agreements and related matters*" above for further detail on these investigations). The outcome of these investigations is uncertain but they may have an impact on the yield obtained on the Securitised Portfolio.

In addition, if the Relevant Regulator were to find that any agreement or contract (including a Credit Card Agreement) of TPF, or the performance by TPF of any obligation in respect of such an agreement or contract, breaches any law or regulation applicable to TPF, that Relevant Regulator would have broad enforcement powers over TPF (see "*Transfer of regulatory responsibility from the Office of Fair Trading to the Financial Conduct Authority*" above). Any enforcement action taken by the Relevant Regulator could result in adverse consequences for Noteholders' investment in the notes including reduced, delayed or accelerated payments on the notes or a reduction in the credit quality or credit rating of the notes.

Regulatory change

The matters described above, together with any other changes to laws, regulations or regulatory guidance applying to TPF or the Credit Card Agreements, may result in increased compliance costs, unrecoverable

losses on the Designated Accounts and/or reduce TPF's ability to generate Receivables. Investors may consequently receive less interest or principal than expected or the notes may be redeemed early. The main consequences of a credit agreement being regulated by the CCA are set out in the section "*UK Credit Card Regulation*".

J. Legal and regulatory risks related to the structure of the Programme and the Notes

Regulatory initiatives may have an adverse impact on the regulatory treatment of the Notes

In the UK, Europe, the U.S. and elsewhere there is increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in a raft of measures for increased regulation which are currently at various stages of implementation and which may have an adverse impact on the regulatory position for certain investors in securitisation exposures and/or on the incentives for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Notes are responsible for analysing their own regulatory position, and should consult their own advisers in this respect. None of the Issuer, Funding 1, the Receivables Trustee, TPF, the Arranger or the Dealers makes any representation to any prospective investor or purchaser of the notes regarding the regulatory treatment of their investment on the date of this Base Prospectus or at any time in the future.

Investors should note that the Basel Committee on Banking Supervision (**BCBS**) has approved a series of significant changes to the Basel regulatory capital and liquidity framework (such changes being commonly referred to by the BCBS as **Basel III**, and referred to, colloquially, as Basel III in respect of reforms finalised prior to 7 December 2017 and Basel IV in respect of reforms finalised on or following that date). The Basel III/IV reforms, which include revisions to the credit risk framework in general and the securitisation framework in particular, may result in increased regulatory capital and/or other prudential requirements in respect of securitisation positions. The BCBS continues to work on new policy initiatives. National implementation of the Basel III/IV reforms may vary those reforms and/or their timing. It should also be noted that changes to prudential requirements have been made for insurance and reinsurance undertakings through participating jurisdiction initiatives, such as the Solvency II framework in Europe.

Securitisation Regulation regime applies to the Notes and non-compliance with this regime may have an adverse impact on the regulatory treatment of Notes and/or decrease liquidity of the Notes.

The EU Securitisation Regulation applies in general (subject to certain grandfathering) from 1 January 2019 and, from 9 April 2021, the EU Securitisation Regulation applies as amended by Regulation (EU) 2021/557. However, some legislative measures necessary for the full implementation of the EU Securitisation Regulation regime have not yet been finalised and compliance with certain requirements is subject to the application of transitional provisions. In addition, further amendments are expected to be introduced to the EU Securitisation Regulation regime as a result of its wider review on which the European Commission is expected to report (with legislative proposals) in 2022.

The EU Securitisation Regulation establishes certain common rules for all securitisations that fall within its scope (including recast of pre-1 January 2019 risk retention and investor due diligence regimes). The EU Securitisation Regulation has direct effect in member states of the EU and, once the EU Securitisation Regulation is incorporated into the EEA Agreement, it will apply more broadly in the EEA, including Iceland, Norway and Liechtenstein.

The UK Securitisation Regulation applies in the UK from 11pm (London time) on 31 December 2020 following the end of the transition period relating to the UK's withdrawal from the EU (note that the UK is also no longer part of the EEA). The UK Securitisation Regulation largely mirrors (with some adjustments) the EU Securitisation Regulation as it applied in the EU at the end of 2020 (meaning that the amendments that took effect in the EU from 9 April 2021 are not part of the UK regime). The UK Securitisation Regulation regime is currently subject to a review which is likely to result in further changes being

introduced in the UK in due course. Therefore, some divergence between EU and UK regimes exists already and the risk of more divergence in the future between EU and UK regimes cannot be ruled out.

The EU Securitisation Regulation and/or the UK Securitisation Regulation requirements will apply to the Notes. As such, certain European-regulated institutional investors or UK-regulated institutional investors, which include relevant credit institutions, investment firms, authorised alternative investment fund managers, insurance and reinsurance undertakings, certain undertakings for the collective investment of transferable securities and certain regulated pension funds (institutions for occupational retirement provision), are required to comply under Article 5 of the EU Securitisation Regulation or Article 5 of the UK Securitisation Regulation, as applicable, with certain due diligence requirements prior to holding a securitisation position and on an ongoing basis while holding the position. Among other things, prior to holding a securitisation position, such institutional investors are required to verify under their respective EU or UK regime certain matters with respect to compliance of the relevant Transaction Parties with credit granting standards, risk retention and transparency requirements and, on transactions notified as EU STS or UK STS, compliance of that transaction with the EU or UK STS requirements, as applicable (the **STS Requirements**).

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

Aspects of the requirements of the EU Securitisation Regulation and the UK Securitisation Regulation and what is or will be required to demonstrate compliance to national regulators remain unclear and, it should be noted, that under the UK Securitisation Regulation regime certain temporary transitional relief that was available until 31 March 2022 for the purposes of compliance with the UK institutional investor due diligence requirements is no longer available.

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

Various parties to the securitisation transaction described in this Base Prospectus (including the Transferor and the Issuer) are also subject to the requirements of the UK Securitisation Regulation. However, some uncertainty remains in relation to the interpretation of some of these requirements and what is or will be required to demonstrate compliance to national regulators.

The Transferor is not required, and has not contractually elected or agreed, to comply with the requirements of the EU Securitisation Regulation relating to the risk retention, transparency and reporting.

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

STS designation impacts on regulatory treatment of the Notes.

The UK Securitisation Regulation sets out the criteria and procedures applicable to securitisations in the UK seeking the designation as "simple, transparent and standardised" (**UK STS**) securitisations, and includes provisions that harmonise and replace the risk retention and due diligence requirements applicable to certain securitisations. UK Institutional Investors are restricted from investing in such securitisations unless that

investor is able to demonstrate that it has undertaken certain due diligence assessments and verified various matters.

The Transferor (as originator for the purposes of the UK Securitisation Regulation) may procure a UK STS notification (a **UK STS notification**) to be submitted to the FCA in accordance with Article 27 of the UK Securitisation Regulation that the requirements of Articles 19 to 22 of the UK Securitisation Regulation (the **UK STS requirements**) have been satisfied with respect to the issuance of a series of notes (the **UK STS designation**). No assurance is given that the originator will seek an UK STS designation with respect to any series of notes issued under this Base Prospectus and the relevant Final Terms/Drawdown Prospectus.

The originator may decide at its discretion whether a UK STS notification will be submitted in respect of an issuance of a series of notes at the time of such issuance. Accordingly, notes are capable of being issued under this base prospectus without them being compliant with the UK STS requirements or any UK STS notification being submitted. In the event that the originator makes a UK STS notification with respect to a series of notes, no assurance can be given that such series of notes meeting the UK STS requirements applicable at the time of such UK STS notification will remain compliant because the UK STS requirements may change over time. In addition, no assurance can be given on how the FCA will interpret and apply the UK STS requirements or other related regulations such as Regulation (EU) No. 575/2013 as it forms part of UK domestic law by virtue of the EUWA (the **UK Capital Requirements Regulation**) as amended by Regulation (EU) 2017/2401 as it forms part of UK domestic law by virtue of the EUWA (the **UK CRR Amendment Regulation**) and the Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 (supplementing Regulation (EU) 575/2013 with regard to the Liquidity Coverage Requirement for Credit Institutions, as amended) as it forms part of UK domestic law by virtue of the EUWA (the **UK LCR Regulation**).

Failure by an investor to comply with any due diligence requirements applicable to it will result in various penalties, including, in the case of those investors subject to regulatory capital requirements, the imposition of a penal capital charge on the notes acquired by the relevant investor.

With respect to a UK STS notification, the Transferor may or may not obtain a verification of compliance of the relevant notes with the UK STS requirements (the **STS Verification**), as well as with relevant provisions of Article 243 of the UK Capital Requirements Regulation (the **UK CRR Assessment**) and/or Article 13 of the UK LCR Regulation (the **UK LCR Assessment**, together with the UK CRR Assessment and the STS Verification, the **UK STS verification**) from a third party verification agent authorised under Article 28 of the UK Securitisation Regulation (an **authorised verification agent**). If an authorised verification agent is appointed to prepare a UK STS verification with respect to any notes issued under this base prospectus, the name of such agent will be disclosed in the relevant UK STS notification (and relevant final terms) and the corresponding UK STS verification will be publicly available. It is important to note that the involvement of an authorised verification agent is not mandatory and the responsibility for compliance with the UK Securitisation Regulation (or, if applicable, the EU Securitisation Regulation) remains with the relevant institutional investors, originators, sponsors, funding entities and issuers, as applicable in each case. A UK STS verification will not absolve such entities from making their own verification and verifications with respect to the UK Securitisation Regulation, the relevant provisions of Article 243 of the UK CRR and/or Article 13 of the UK LCR Regulation, and a UK STS verification cannot be relied on to determine compliance with the foregoing regulations in the absence of such verifications by the relevant entities.

The UK STS status of any series of notes is not static and investors should verify the current status on the FCA STS register website, which will be updated where the notes are no longer considered to be UK STS following a decision of the FCA or of another relevant UK regulator or a notification by the Transferor.

The UK STS securitisation designation is not an opinion on the creditworthiness of the relevant notes nor on the level of risk associated with an investment in the relevant notes. It is not an indication of the suitability of the relevant notes for any investor and/or a recommendation to buy, sell or hold notes. Institutional investors that are subject to the due diligence requirements of the UK Securitisation Regulation need to make their

own independent assessment and may not solely rely on any UK STS verification, the UK STS notification or other disclosed information.

No assurances can be provided that the securitisation transaction described in this Base Prospectus and applicable Final Terms/Drawdown Prospectus does or continues to qualify as a UK STS securitisation under the UK Securitisation Regulation. The relevant institutional investors are required to make their own assessment with regard to compliance of the securitisation with the UK STS requirements and such investors should be aware that non-compliance with the UK STS requirements and the change in the UK STS status of the notes may result in the loss of better regulatory treatment of the notes under the applicable UK regulatory regime(s), including in the case of prudential regulation, higher capital charges being applied to the notes and may have a negative effect on the price and liquidity of the notes in the secondary market. In addition, non-compliance may result in various sanctions and/or remedial measures being imposed on the relevant transaction parties, including the issuer and the Transferor, which may have an impact on the availability of funds to pay the notes.

For the avoidance of doubt, a UK STS designation in respect of any existing or new series of notes does not meet, as at the date of this Base Prospectus, the EU STS requirements (primarily due to jurisdictional requirements following the UK withdrawal from the EU), and, as such, better or more flexible regulatory treatment under the relevant EU regulatory regimes (in particular, under (i) the Capital Requirements Regulation (575/2013), (ii) Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 (supplementing Regulation (EU) 575/2013 with regard to the Liquidity Coverage Requirement for Credit Institutions, as amended) and (iii) the EU Solvency II regime) will not be available. As part of the wider review of the EU Securitisation Regulation regime, an equivalence regime for non-EU STS securitisations may be introduced in the EU, resulting in the UK STS regime being considered equivalent to the EU STS regime, however no assurances can be given that such equivalence regime will be introduced or that, when introduced, it will benefit the EU regulatory treatment of any series of notes. As at the date of this Base Prospectus, the notes are not capable of qualifying as a EU STS securitisation within the meaning of Article 18 of the EU Securitisation Regulation and consequently, from the date of this Base Prospectus, no further series of notes will be listed on the ESMA register of notes having an EU STS designation nor is it intended that an EU STS notification be submitted in respect of any series of notes.

Changes of law may adversely affect interests of noteholders

The structure of the issuance of the notes is based on English law, UK tax law, Scots law (in relation to the Scottish receivables), Northern Irish law (in relation to the Northern Irish receivables) and on regulatory and administrative practice in effect as at the date of this Base Prospectus, and having regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given as to the impact of any political developments (such as, but not limited to, Brexit) or any possible change to the law (including any change in regulation which may occur without a change in primary legislation), administrative practice or tax treatment in any country after the date of this Base Prospectus (including, without limitation, as a result of any natural disasters or widespread health crises or the fear of such crises or other epidemic and/or pandemic diseases in a particular region) nor can any assurance be given that any such factors will not adversely affect the ability of Funding 1 or the Issuer to make payments under the Loan Notes or the Notes. In addition, it should be noted that regulatory requirements (including any applicable retention, due diligence or disclosure obligations) may be amended and there can be no assurance that any such changes will not adversely affect the compliance position of a transaction described in this Base Prospectus or of any party under any applicable law or regulation (see "*Transferor Risks*").

The notes are not registered under the Securities Act and have limited liquidity

The notes have not been and will not be registered under the Securities Act or any applicable securities of any state of the United States or other territory, and may not be offered or sold to, or for the account or benefit of, U.S. Persons except in accordance with an applicable exemption from, or in transactions not subject to, the registration requirements of the Securities Act and in compliance with any applicable state

securities laws. Therefore, the notes have limited liquidity and each purchaser of the notes will be required to have made certain acknowledgments, representations and agreements as set forth under "Purchase and Transfer Restrictions." Transfers of the notes may only be made pursuant to Rule 144A under the Securities Act or another exemption from registration under the Securities Act and any applicable state securities laws, or outside the U.S. to non-U.S. Persons in reliance upon Regulation S. The Issuer, TPF, the Arrangers and the Dealers have not agreed to provide registration rights to any purchaser of the notes, and none of the Issuer, TPF, any arranger nor any dealer is obligated to register the notes under the Securities Act or any state securities laws or the laws of any other jurisdiction. In addition, recent regulatory interpretations by the SEC under Exchange Act Rule 15c2-11 may further restrict the ability of brokers and dealers to publish quotations on the notes on any interdealer quotation system or other quotation medium after 3 January 2023. See "*Purchase and Transfer Restrictions*".

A finding that the Issuer, Funding 1 or the Receivables Trustee should have registered under the Investment Company Act could materially adversely affect such entity

None of the Issuer, Funding 1 nor the Receivables Trustee has registered with the SEC as an investment company pursuant to the Investment Company Act.

If the SEC or a court of competent jurisdiction were to find that the Issuer, Funding 1 or the Receivables Trustee is required, but in violation of the Investment Company Act, had failed to register as an investment company, possible consequences include, but are not limited to, the following: (i) the SEC could apply to a district court to enjoin the violation; (ii) investors in the Issuer, Funding 1 or the Receivables Trustee could sue the Issuer, Funding 1 or the Receivables Trustee and recover any damages caused by the violation; and (iii) any contract to which the Issuer, Funding 1 or the Receivables Trustee is party that is made in, or whose performance involves, a violation of the Investment Company Act would not be enforceable by any party to the contract unless a court were to find that under the circumstances enforcement would produce a more equitable result than non-enforcement and would not be inconsistent with the purposes of the Investment Company Act. Should the Issuer, Funding 1 or the Receivables Trustee be subjected to any or all of the foregoing, the Issuer, Funding 1 or the Receivables Trustee would be materially and adversely affected.

Insolvency Proceedings and subordination provisions

There is uncertainty as to the validity and/or enforceability of a provision which (based on contractual and/or trust principles) subordinates certain payment rights of a creditor to the payment rights of other creditors of its counterparty upon the occurrence of insolvency proceedings relating to that creditor. In particular, recent cases have focused on provisions involving the subordination of a hedging counterparty's payment rights in respect of certain termination payments upon the occurrence of insolvency proceedings or other default on the part of such counterparty (so-called "flip clauses"). Such provisions are similar in effect to the terms which will be included in the Transaction Documents relating to the subordination of Swap Termination Amounts.

The Supreme Court of the United Kingdom (the **Supreme Court**) has held that a flip clause as described above is valid under English law. Contrary to this, however, the U.S. Bankruptcy Court has held that such a subordination provision is unenforceable under U.S. bankruptcy law and that any action to enforce such provision would violate the automatic stay which applies under such law in the case of a US bankruptcy of the counterparty. The implications of this conflict remain unresolved.

If a creditor of the Issuer (such as a Swap Counterparty) or a related entity becomes subject to insolvency proceedings in any jurisdiction outside England and Wales (including, but not limited to, the U.S.), and it is owed a payment by the Issuer, a question arises as to whether the insolvent creditor or any insolvency official appointed in respect of that creditor could successfully challenge the validity and/or enforceability of subordination provisions included in the English law governed Transaction Documents (such as a provision of the priorities of payments which refers to the ranking of the Swap Counterparties' payment rights in respect of Swap Termination Amounts). In particular, based on the decision of the U.S. Bankruptcy Court

referred to above, there is a risk that such subordination provisions would not be upheld under U.S. bankruptcy laws. Such laws may be relevant in certain circumstances with respect to a range of entities which may act as Swap Counterparty, including U.S. established entities and certain non-U.S. established entities with assets or operations in the U.S. (although the scope of any such proceedings may be limited if the relevant non-U.S. entity is a bank with a licensed branch in a U.S. state).

In general, if a subordination provision included in the Transaction Documents was successfully challenged under the insolvency laws of any relevant jurisdiction outside England and Wales and any relevant foreign judgment or order was recognised by the English courts, there can be no assurance that such actions would not adversely affect the rights of the noteholders, the market value of the notes and/or the ability of the Issuer to satisfy its obligations under the notes.

Lastly, given the general relevance of the issues under discussion in the judgments referred to above and that the Transaction Documents will include terms providing for the subordination of Swap Termination Amounts, there is a risk that the final outcome of the dispute in such judgments (including any recognition action by the English courts) may result in negative rating pressure in respect of the notes. If any rating assigned to the notes is lowered, the market value of the notes may reduce.

Other English law security and insolvency considerations

Changes to the UK insolvency regime have been enacted under the Corporate Insolvency and Governance Act 2020 which received Royal Assent on 25 June 2020 and came into effect on 26 June 2020. The changes include, among other things: (i) the introduction of a new moratorium regime that certain eligible companies can obtain which will prevent creditors taking certain action against the company for a specified period; (ii) a ban on operation of or exercise of *ipso facto* clauses preventing (subject to exemptions) termination, variation or exercise of other rights under a contract due to a counterparty entering into certain insolvency or restructuring procedures; and (iii) a new compromise or arrangement under Part 26A of the Companies Act 2006 (the **Restructuring Plan**) that provides for ways of imposing a restructuring on creditors and/or shareholders without their consent (so-called cross-class cram-down procedure), subject to certain conditions being met and with a court adjudicating on the fairness of the restructuring proposal as a whole in determining whether or not to exercise its discretionary power to sanction the Restructuring Plan. While the Issuer and Loan Note Issuer No. 1 are expected to be exempt from the application the new moratorium regime and the ban on *ipso facto* clauses, there is no guidance on how the new legislation will be interpreted and the Secretary of State may by regulations modify the exceptions. For the purposes of the Restructuring Plan, it should also be noted that there are currently no exemptions, but the Secretary of State may by regulations provide for exclusion of certain companies providing financial services and the UK government has expressly provided for changes to the Restructuring Plan to be effected through secondary legislation, particularly in relation to the cross-class cram-down procedure. It is therefore possible that aspects of the legislation may change. While the structure of the Programme is designed to minimise the likelihood of the Issuer or Loan Note Issuer No. 1 becoming insolvent and/or subject to pre-insolvency restructuring proceedings, no assurance can be given that any modification of the exceptions from the application of the new insolvency reforms referred to above will not be detrimental to the interests of the Noteholders and there can be no assurance that the Issuer or Loan Note Issuer No. 1 will not become insolvent and/or become the subject of insolvency or pre-insolvency restructuring proceedings and/or that the Noteholders would not be adversely affected by the application of insolvency laws (including English insolvency laws or the laws affecting the creditors' rights generally).

UK Banking Act 2009

The Banking Act 2009, as amended (the **Banking Act**), includes provision for a special resolution regime pursuant to which specified UK authorities have extended tools to deal with the failure (or likely failure) of certain incorporated entities, including authorised deposit-taking institutions, investment firms and branches of third-country financial institutions, and powers to take certain resolution actions in respect of third country institutions. In addition, powers may be used in certain circumstances in respect of UK established banking

group companies, where such companies are in the same group as a relevant UK or third country institution. Relevant transaction parties for these purposes include TPF, HSBC Bank plc (in its capacity as Collection Account Bank, Receivables Trustee Account Bank, Funding 1 Account Bank and Issuer Account Bank), The Bank of New York Mellon, London Branch (in its capacity as Receivables Trustee Account Bank, Funding 1 Account Bank and Issuer Account Bank), Elavon Financial Services DAC, UK Branch (in its capacity as Funding 1 Account Bank and Issuer Account Bank) and the Swap Counterparties which are a UK bank or building society.

The tools available under the Banking Act include (a) private sector transfer of all or part of the business or shares of the relevant entity; (b) transfer of all or part of the business of the relevant entity to a “bridge bank” established by the Bank of England; (c) transfer to an asset management vehicle wholly or partly owned by HM Treasury or the Bank of England; (d) the bail-in tool and (e) temporary public ownership (nationalisation). The Banking Act also provides for special insolvency procedures which may be commenced by the UK authorities (i.e. bank insolvency and bank administration procedures). In respect of UK building societies, the relevant tools are modified as follows: (i) modified powers to transfer all the property of the society to a company involving the conversion of the building society into a company and also including cancellation of shares and conferring rights and liabilities in place of such shares, (ii) the public ownership tool may involve (amongst other things) arranging for existing deferred shares in a building society to be publicly owned or for new deferred shares to be issued to HM Treasury on the building society’s behalf, cancellation of private membership rights and the eventual winding up or dissolution of the building society and (iii) exercise of the bail-in tool may be immediately preceded by the demutualisation of the building society. It is possible that the tools described above could be used prior to the point at which an application for insolvency proceedings with respect to a relevant entity could be made and, in certain circumstances, the UK authorities may exercise broad pre-resolution powers in respect of relevant entities with a view to removing impediments to the exercise of the stabilisation tools. If the Issuer was regarded to be a banking group company and no exclusion applies, it would be possible for the relevant authority to exercise one or more relevant stabilisation tools in respect of it. This could result in reduced amounts being available to make payments in respect of the notes. However, it should be noted that the UK authorities have provided a safeguard for certain securitisation companies. The safeguard provides that partial property transfers may not interfere with the operation of securitisation companies. This exclusion is expected to extend to the issuer, although aspects of the relevant provisions are not entirely clear.

In general, the Banking Act requires the UK authorities to have regard to seven specified objectives in exercising the powers provided for by the Act. One of the objectives (which is required to be balanced as appropriate with the other specified objectives) refers to the protection and enhancement of the stability of the financial system of the United Kingdom. The Banking Act includes provisions related to compensation in respect of instruments and orders made under it. The authorities are also empowered by order to amend the law for the purpose of enabling the powers under the special resolution regime to be used effectively. An order may make provision which has retrospective effect if this is necessary or desirable for giving effect to a particular exercise of a power under the Banking Act. In general, there is considerable uncertainty about the scope of the powers afforded to authorities under the Banking Act and how the authorities may choose to exercise them.

If an instrument or order were to be made under the provisions of the Banking Act currently in force in respect of TPF, HSBC Bank plc (in its capacity as Collection Account Bank, Receivables Trustee Account Bank, Funding 1 Account Bank and Issuer Account Bank), The Bank of New York Mellon, London Branch (in its capacity as Receivables Trustee Account Bank, Funding 1 Account Bank and Issuer Account Bank), Elavon Financial Services DAC, UK Branch (in its capacity as Funding 1 Account Bank and Issuer Account Bank), the Swap Counterparties which are a UK bank or building society, the Receivables Trustee, Funding 1 or the Issuer, such instrument or order may (amongst other things) affect the ability of such entities to satisfy their obligations under the Transaction Documents and/or result in the cancellation, modification or conversion of certain unsecured liabilities of such entity under the Transaction Documents or in other modifications to such documents. In particular, modifications may be made pursuant to powers permitting (i) certain trust arrangements to be removed or modified, (ii) contractual arrangements between relevant entities

and other parties to be removed, modified or created where considered necessary to enable a transferee in the context of a property or share transfer to operate the transferred business effectively and (iii) in connection with the modification of an unsecured liability through use of the bail-in tool, the discharge of a relevant entity from further performance of its obligations under a contract. In addition, subject to certain conditions, powers would apply to require a relevant instrument or order (and related events) to be disregarded in determining whether certain widely defined "default events" have occurred (which events may include trigger events included in the Transaction Documents in respect of the relevant entity, including termination events and (in the case of the Transferor) trigger events for notifying the assignment of the Receivables to cardholders). Moreover, other than in the context of certain partial property transfers, nullification or modifications may be made to contractual arrangements between certain group companies for the purposes of continuity of service. If an instrument or order were to be made under the Banking Act, such action may affect various other aspects of the Programme, including resulting in modifications to default event provisions included in the Programme documents as described above and, more generally, the ability of such parties to perform their obligations under the Programme documents. As a result, the making of an instrument or order in respect of TPF, HSBC Bank plc (in its capacity as Collection Account Bank, Receivables Trustee Account Bank, Funding 1 Account Bank and Issuer Account Bank), The Bank of New York Mellon, London Branch (in its capacity as Receivables Trustee Account Bank, Funding 1 Account Bank and Issuer Account Bank), Elavon Financial Services DAC, UK Branch (in its capacity as Funding 1 Account Bank and Issuer Account Bank), the Swap Counterparties which are a UK bank or building society, the Receivables Trustee, Funding 1 or the Issuer may ultimately affect the ability of the Issuer to meet its obligations in respect of the notes.

While there is provision for compensation in certain circumstances under the Act, there can be no assurance that Noteholders would recover compensation promptly and equal to any loss actually incurred. As noted above, the stabilisation tools may be used in respect of certain banking group companies provided certain conditions are met. If any of the Issuer, Funding 1 or the Receivables Trustee was regarded to be a banking group company and no exclusion applied, then it would be possible in certain scenarios for the relevant authority to exercise one or more relevant stabilisation tools (including the property transfer powers and/or the bail-in powers) in respect of it, which could result in reduced amounts being available to make payments in respect of the Notes and/or in the modification, cancellation or conversion of any unsecured liabilities at the relevant time (including any unsecured portion of the liability of the Issuer under the Notes at the relevant time). However, in this regard, it should be noted that the UK authorities have provided an exclusion for certain securitisation companies, which exclusion is expected to extend to the Issuer and Funding 1, although aspects of the relevant provisions are not entirely clear. In addition, the Banking Act includes provisions which restrict the use of the property transfer powers in the context of trusts, such as the Receivables Trust.

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

European Market Infrastructure Regulation

As noted above, the Notes may have the benefit of certain derivative instruments, namely currency Swap Agreements in respect of the relevant class of Note Series as specified in the relevant Drawdown Prospectus.

The derivatives markets are subject to extensive and recently implemented regulation in a number of jurisdictions, including in Europe pursuant to European Regulation 648/2012 of 4 July 2012, as amended by Regulation (EU) 2019/834 of the European Parliament and of the Council of 20 May 2019 (**EU EMIR**), in the UK pursuant to EU EMIR as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended or supplemented from time to time (**UK EMIR**) and in the U.S. under the Dodd-

Frank Wall Street Reform and Consumer Protection Act of 2010. UK EMIR provides for certain regulatory requirements for counterparties to OTC derivatives contracts, including (i) a mandatory clearing obligation for certain classes of OTC derivatives contracts (the **Clearing Obligation**), (ii) a collateral exchange obligation for OTC derivatives contracts not subject to clearing (the **Collateral Obligation**), (iii) daily valuation and other risk-mitigation techniques for OTC derivatives contracts not subject to clearing, and (iv) certain reporting and record-keeping requirements.

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

Each of the Issuer and Funding 1 is currently categorised as NFC-. As a result neither the Clearing Obligation nor the Collateral Obligation apply to them (although a change in its position cannot be ruled out). If either of the Issuer's or Funding 1's counterparty status changes to NFC+ or FC then certain OTC derivatives contracts that are entered into by the Issuer or Funding 1 (as applicable) may become subject to the Clearing Obligation or the Collateral Obligation. In this regard, it should be noted that it is not clear that any Swap Agreement would be a relevant type of OTC derivative contract that would be subject to the Clearing Obligation under UK EMIR.

Notwithstanding the qualifications on application described above, the position of any Swap Agreement under each of the Clearing Obligation and Collateral Obligation is not entirely clear and may be affected by further measures still to be made, regulatory guidance and/or by any inability to rely on an exemption for any reason.

If the classification of Issuer or Funding 1 changes and, to the extent relevant, one or more of the Swap Agreements is regarded to be in-scope, then a Swap Agreement entered into or materially amended on or after the relevant application date may become subject to the Clearing Obligation or (more likely) to the Collateral Obligation. Prospective investors should note that there is some uncertainty with respect to the ability of each of the Issuer and Funding 1 to comply with these obligations if applicable, which may (i) lead to regulatory sanctions, (ii) adversely affect the ability of the Issuer or Funding 1 to continue to be party to a Swap Agreement (possibly resulting in a restructuring or termination of the swap) or to enter into Swap Agreements and/or (iii) significantly increase the cost of such arrangements, thereby negatively affecting the ability of the Issuer or Funding 1 to hedge certain risks. As a result, the amounts available to the Issuer and/or Funding 1 to meet its obligations may be reduced, which may in turn result in investors' receiving less interest or principal than expected.

Lastly, it should be noted that, as described above under "D. *Risks related to changes to the structure of the Notes - Certain modifications may be made without Noteholder consent*", UK EMIR and/or EU EMIR-related amendments may be made to the transaction documents and/or to the terms and conditions applying to Notes.

K. Taxation risks

Securitisation Tax Regulations

The Issuer and Funding 1 have been advised that they should each fall within the permanent regime for the taxation of securitisation companies (as set out in the Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296) (as amended) (the **Securitisation Tax Regulations**)), and, as such, should each be taxed on its "retained profit" (as that term is defined in the Securitisation Tax Regulations) for so long as it satisfies the conditions of the Securitisation Tax Regulations.

However, if the Issuer or Funding 1 does not in fact satisfy the conditions of the Securitisation Tax Regulations (or subsequently ceases to satisfy those conditions), then the Issuer or Funding 1 may be subject to tax liabilities not contemplated in the cash flows for the transaction described in this Base Prospectus. Any such tax liabilities may reduce amounts available to the Issuer to meet its obligations under the notes and may result in investors receiving less interest and/or principal than expected.

Withholding Tax under the notes (other than any variable funding notes)

The following two paragraphs do not apply to the class D VFN notes or to the beneficial owners thereof.

Provided that the notes are securities, carry a right to interest and are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007 for the purposes of section 987 of the Income Tax Act 2007, as of the date of this Base Prospectus, no withholding or deduction for or on account of United Kingdom tax will be required on payments of interest on the notes. However, there can be no assurance that the law in this area will not change during the life of the notes.

In the event that any withholding or deduction for or on account of any taxes is imposed on payments in respect of the notes, neither the Issuer nor any other person is obliged to gross up or otherwise compensate Noteholders for such withholding or deduction.

The applicability of any withholding or deduction for or on account of United Kingdom tax on payments of interest on the notes is discussed further under "*Taxation—United Kingdom Taxation*" below.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have been previously published or filed with the FCA shall be deemed to be incorporated in, and form part of, this Base Prospectus:

- (a) the audited financial statements of the Issuer for the period up to and including the year ended 31 December 2020;
- (b) the audited financial statements of the Issuer for the period up to and including the year ended 31 December 2021;
- (c) the audited financial statements of Funding 1 for the period up to and including the year ended 31 December 2020; and
- (d) the audited financial statements of Funding 1 for the period up to and including the year ended 31 December 2021.

The documents incorporated by reference referred to above have been prepared in accordance with International Financial Reporting Standards (**IFRSs**) as endorsed by the European Union (**EU**) and are available for viewing at:

2020 audited financial statements of the Issuer –

<https://ise-prodnr-eu-west-1-data-integration.s3-eu-west-1.amazonaws.com/202106/3ba6b2a3-0787-479c-861e-7eaa12ed33ec.PDF>

2021 audited financial statements of the Issuer –

<https://ise-prodnr-eu-west-1-data-integration.s3-eu-west-1.amazonaws.com/202203/75758f84-0900-4934-a731-fbe903c63c18.PDF>

2020 audited financial statements of Funding 1 –

<https://ise-prodnr-eu-west-1-data-integration.s3-eu-west-1.amazonaws.com/202106/1e2c6aee-4895-46d5-862f-235ec13974fa.PDF>

2021 audited financial statements of Funding 1 –

<https://ise-prodnr-eu-west-1-data-integration.s3-eu-west-1.amazonaws.com/202203/9c20139c-7fbb-48a1-8bc0-0ffc1a53bd03.PDF>

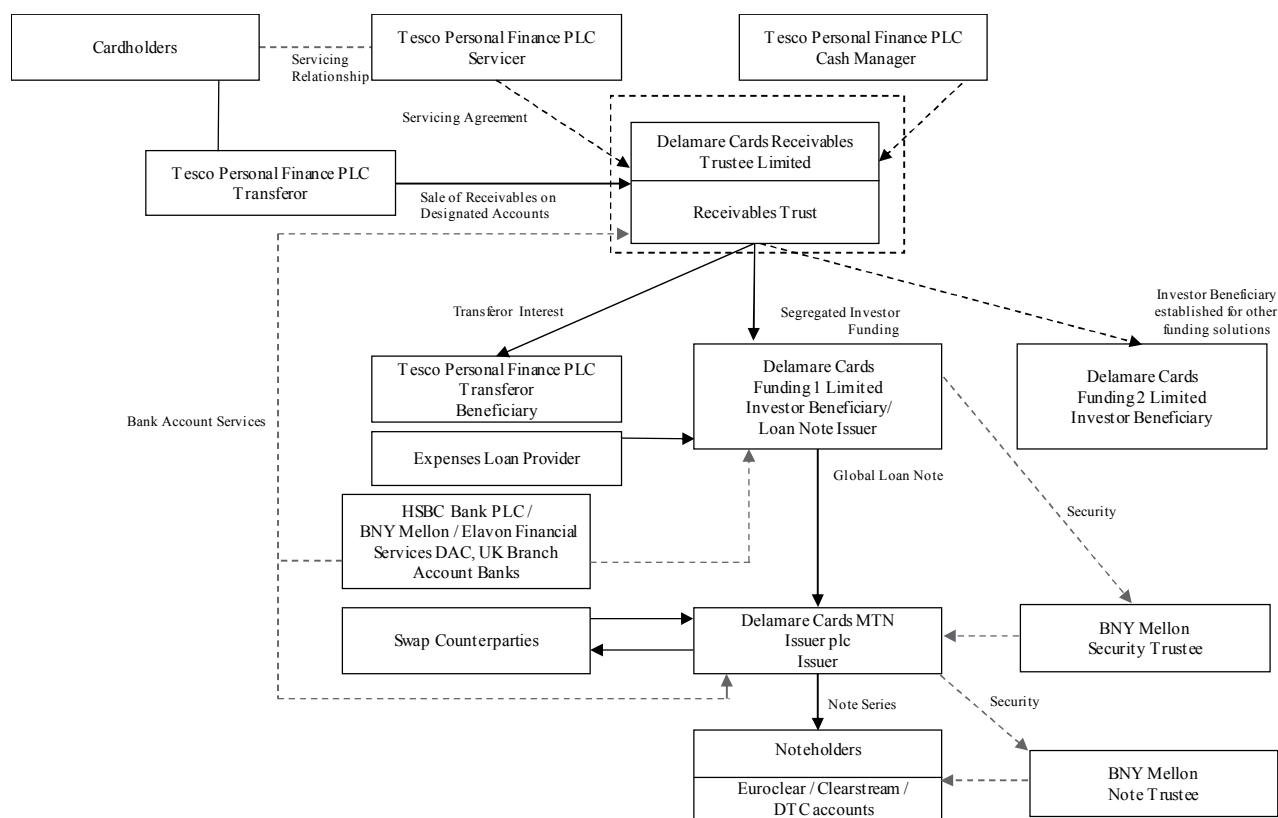
Any statement contained herein or any of the documents incorporated by reference in, and forming part of, this Base Prospectus shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any document subsequently incorporated by reference modifies or supersedes such statement (whether expressly, by implication or otherwise), provided that such modifying or superseding statement is made by way of a supplement to this Base Prospectus pursuant to Article 23 of the UK Prospectus Regulation. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus.

For the avoidance of doubt, other than in relation to the information which is deemed to be incorporated by reference herein (see "*Documents Incorporated by Reference*"), the information on any websites to which this Base Prospectus refers does not form part of this Base Prospectus. Any website referred to in this Base Prospectus does not form part of the Base Prospectus and has not been scrutinised or approved by the FCA.

PROGRAMME OVERVIEW

The following overview does not purport to be complete and is qualified in its entirety by the remainder of this Base Prospectus and, with respect to a particular Note Series, the relevant Final Terms/Pricing Supplement/Drawdown Prospectus. Words and expressions defined elsewhere in this Base Prospectus shall have the same meanings in this overview. A listing of the pages on which these terms are defined is found in the "Index of Defined Terms".

DIAGRAMMATIC OVERVIEW OF THE PROGRAMME



Receivables Trust

From time to time, TPF, as **Transferor**, may transfer to Delamare Cards Receivables Trustee Limited (the **Receivables Trustee**) all of its present and future beneficial interest in certain revolving credit card accounts originated (or acquired) by TPF in the United Kingdom (the **Designated Accounts**).

Receivables that are governed by English law (the **English Receivables**) or Northern Irish law (the **Northern Irish Receivables**), have been and will be transferred by way of assignment under the terms of the receivables securitisation deed dated 24 April 2013 (as amended and/or varied or supplemented and/or novated from time to time) (the **RSD**).

Receivables that are governed by Scots law (**Scottish Receivables**), have been and will be transferred by way of Scottish declarations of trust under the terms of the RSD.

The Designated Accounts relating to the English Receivables, the Northern Irish Receivables and the Scottish Receivables will be retained by TPF.

The Receivables Trustee holds the Receivables on trust for TPF, as Transferor Beneficiary, and for two special purpose companies incorporated in England and Wales, called Delamare Cards Funding 1 Limited (**Funding 1**) and Delamare Cards Funding 2 Limited as Investor Beneficiaries.

Issuance of Loan Notes

Funding 1 will fund Contributions to the Delamare Cards Receivables Trust (creating or increasing an Investor Interest in the trust property) through the issuance of a limited recourse global loan note (**Global Loan Note No.1**). Global Loan Note No.1 was issued pursuant to a Security Trust Deed and Cash Management Agreement (the **STDCMA**) on 24 April 2013. Additional notional tranches of Global Loan Note No.1 have been and will be issued pursuant to supplements (each, a **Loan Note Supplement**). The amount outstanding under Global Loan Note No.1 may be increased from time to time by the creation of additional notional tranches, which, together with the initial notional tranche will be referred to in this Base Prospectus as **Loan Notes**. Funding 1 may issue further global loan notes from time to time.

Each global loan note issued will be purchased by a loan note holder which will be the Issuer, a conduit financing vehicle or the Transferor. The limited recourse nature of the global loan notes and the Loan Notes will ensure that Funding 1 is only ever liable to the relevant Loan Note Holder for payments in an amount not to exceed payments of principal and interest received by Funding 1 from the Receivables Trustee in respect of its beneficiary interest (see "*The Delamare Cards Receivables Trust*") in the Delamare Cards Receivables Trust.

Issuance of Notes

Where the Issuer is the Loan Note Holder, the Issuer, in turn, will finance its subscription for each Loan Note by issuing notes in separate Note Series from time to time to investors (and, if necessary, after swapping proceeds of the notes in any currency other than Sterling to Sterling). Each separate Note Series will have its own Final Terms/Pricing Supplement/Drawdown Prospectus setting out the terms of that issuance of notes.

The term **Note Series** refers to those notes that (i) are issued by the Issuer on a particular issue date and under a particular Final Terms/Pricing Supplement/Drawdown Prospectus; (ii) are of the same class or sub-class; and (iii) share the same terms and conditions.

The proceeds of the issue of a Note Series will be used by the Issuer to subscribe for a new Loan Note or to fund the increase in the amount outstanding under existing Loan Note(s) issued by Funding 1 as tranches of Global Loan Note No. 1. Funding 1 will use the aggregate proceeds of the Loan Notes to fund a Contribution to the trust property in the Delamare Cards Receivables Trust. The Trust Series Investor Interest that represents Funding 1's beneficial interest in the Delamare Cards Receivables Trust is referred to in this Base Prospectus as the **Funding 1 Beneficial Interest** (see "*The Issuer*", "*Funding 1*" and "*The Delamare Cards Receivables Trust – General Legal Structure*"). In the future, Funding 1 may use the proceeds of further Loan Notes to make further Contributions to the Delamare Cards Receivables Trust which will increase the existing Funding 1 Beneficial Interest. Defaults on Receivables in the Delamare Cards Receivables Trust may reduce the size of the Funding 1 Beneficial Interest.

The Cash Manager will calculate the size of the Funding 1 Beneficial Interest in the Delamare Cards Receivables Trust, *inter alia*, each time Funding 1 increases or reduces the size of its beneficial interest. By owning its beneficial interest in the Delamare Cards Receivables Trust, Funding 1 will be entitled to receive payments from the Receivables Trustee in respect of interest and principal paid by cardholders and certain other fees. The size of Funding 1's share of the Collections will be in proportion to the size of its beneficial interest in the whole of the Delamare Cards Receivables Trust.

Previous Series of Notes

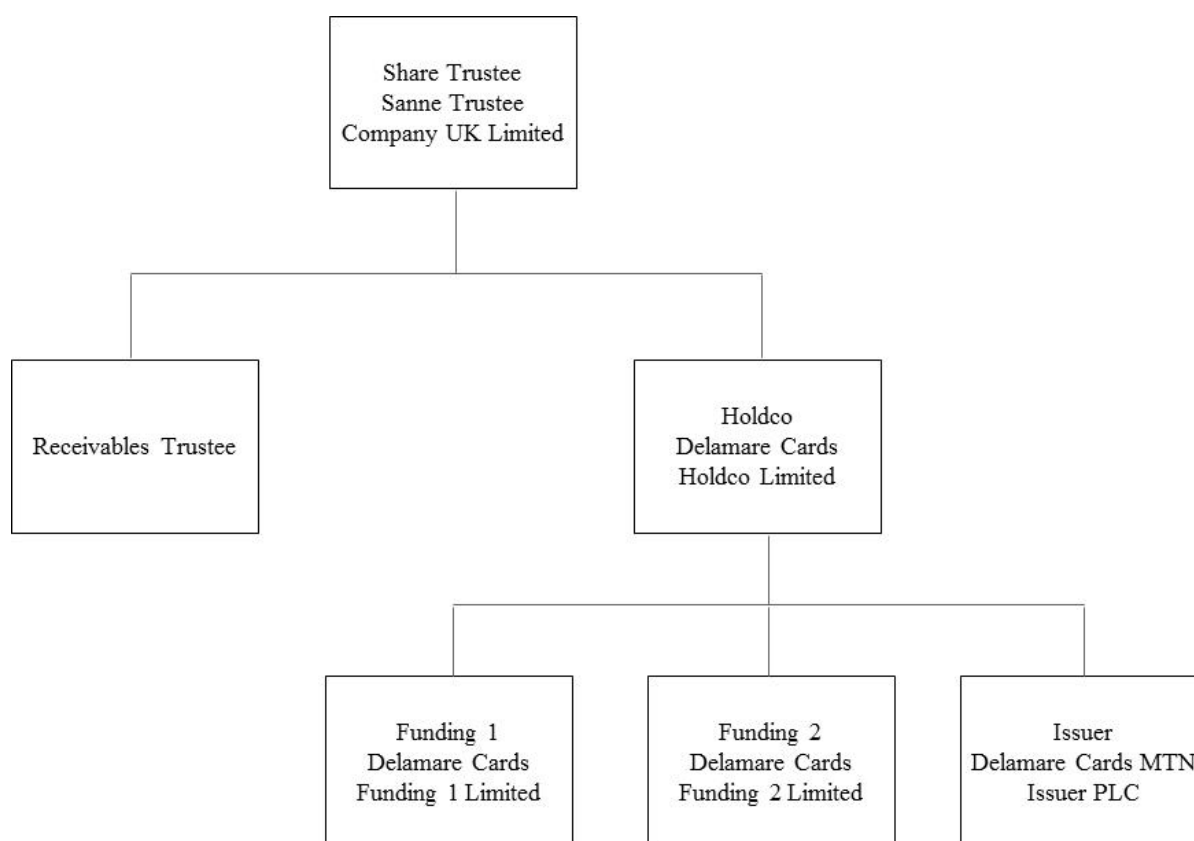
At the date of this Base Prospectus, the following Note Series issued by the Issuer remain outstanding:

Note Series	Issuance Date	Initial Principal Amount	Scheduled Redemption Date
Series 2014-1 (D)	6 June 2014	£200,000,000*	November 2028**
Series 2020-1 (A1)	30 July 2020	£400,000,000	July 2025
Series 2020-1 (A2)	30 July 2020	£400,000,000	July 2025
Series 2020-1 (A3)	30 July 2020	£400,000,000	July 2025
Series 2020-1 (A4)	30 July 2020	£350,000,000	July 2025

*On 27 November 2018, the Principal Amount Outstanding of the Series 2014-1 (D) Note was increased to £290,000,000.

**On 31 October 2018 the Scheduled Redemption Date of the Series 2014-1 (D) Notes was amended from to 19 May 2024 to 19 November 2028.

DIAGRAMMATIC OVERVIEW OF THE OWNERSHIP STRUCTURE



This diagram illustrates the ownership structure of the principal parties to the securitisation transaction:

- The Issuer is, save for one share which is held on trust by the Share Trustee for the benefit of Holdco, a wholly-owned subsidiary of Holdco. See "*The Issuer*".
- Funding 1 and Funding 2 are each wholly-owned subsidiaries of Holdco. See "*Funding 1*".
- The entire issued share capital of the Receivables Trustee is held by Sanne Group Nominees 1 (UK) Limited on trust for the Share Trustee, and the beneficial interest thereunder is held on trust by the Share Trustee under the terms of a discretionary trust. See "*The Receivables Trustee*".
- The entire issued share capital of Holdco is held by Sanne Group Nominees 1 (UK) Limited on trust for the Share Trustee, and the beneficial interest thereunder is held on trust by the Share Trustee under the terms of a discretionary trust.
- The Share Trustee is a professional trust company and is not affiliated with the Transferor.
- It should be noted that the Transferor has no ownership interest in any of the entities in this diagram. As a result, the financial condition of the Transferor should not directly affect the Receivables Trustee, Funding 1 or the Issuer, although the Transferor will still have a connection with the transaction for other reasons (such as the Transferor's roles as Servicer of the Receivables and Cash Manager to the transaction).

Novation of Roles

On 2 September 2008 Delamare Cards Receivables Trustee Limited (the **Jersey Receivables Trustee**) was incorporated in Jersey with company number 101677 as a private company with limited liability under the Companies (Jersey) Law 1991, as amended (the **Companies Law**).

On 2 September 2008 Delamare Cards Funding 1 Limited (the **Jersey Funding 1**) was incorporated in Jersey with company number 101678 as a private company with limited liability under the Companies Law.

On 2 September 2008 Delamare Cards Funding 2 Limited (the **Jersey Funding 2**, together with the **Jersey Funding 1** and the **Jersey Receivables Trustee**, the **Jersey Companies**) was incorporated in Jersey with company number 101679 as a private company with limited liability under the Companies Law.

On 13 January 2013 each of Delamare Cards Receivables Trustee Limited (the **English Receivables Trustee**), Delamare Cards Funding 1 Limited (the **English Funding 1**), Delamare Cards Funding 2 Limited (the **English Funding 2**, together with the **English Funding 1** and the **English Receivables Trustee**, the **English Companies**) was incorporated in England and Wales.

On 24 April 2013 (the **Novation Date**) the Jersey Companies entered into a deed of novation and amendment with the English Companies pursuant to which, the Jersey Receivables Trustee novated certain of its rights and obligations under the Security Trust Deed and Cash Management Agreement and the Master Framework Agreement to the English Receivables Trustee, Jersey Funding 1 novated certain of its rights and obligations under the Security Trust Deed and Cash Management Agreement and the Master Framework Agreement to English Funding 1 and Jersey Funding 2 novated certain of its rights and obligations under the Security Trust Deed and Cash Management Agreement and the Master Framework Agreement to English Funding 2 and the Security Trust Deed and Cash Management Agreement and the Master Framework Agreement were amended and restated to reflect such novations.

References in the Base Prospectus to the "Receivables Trustee", "Funding 1" and "Funding 2" shall, in relation to any event matter or thing occurring prior to the Novation Date, be construed as references to the "Jersey Receivables Trustee", "Jersey Funding 1" and "Jersey Funding 2" as applicable and on and from the Novation Date, shall be construed as references to the "English Receivables Trustee", "English Funding 1" and "English Funding 2" as applicable, in each case as the context so admits.

Transfer of Receivables to the Receivables Trustee

On 24 April, 2013, the Jersey Receivables Trustee transferred to the Transferor a pool of credit card receivables previously held on trust by the Jersey Receivables Trustee. The credit card receivables transferred by the Jersey Receivables Trustee to the Transferor constituted the Receivables identified in the initial Offer made by the Transferor to the Receivables Trustee on 24 April 2013 (the **Initial Offer**). The representations and warranties provided by the Transferor in relation to the Receivables comprised in the Initial Offer were given as of the date(s) on which such Receivables were originally transferred to the Jersey Receivables Trustee or the date on which the Offer of the related Account was originally accepted by the Jersey Receivables Trustee, as the case may be (see "*The Receivables – Representations*"). Since the Initial Offer, the Transferor has made a number of subsequent Offers to the Receivables Trustee.

THE PARTIES

Party	Name	Address	Document under which appointed
Arranger:	Citigroup Global Markets Limited (Citigroup).	Citigroup Centre, 25 Canada Square, London E14 5LB.	N/A.
Dealer(s):	Citigroup and any other Dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Note Series in each case in accordance with the terms of the Dealer Agreement (the Dealers).	In respect of Citigroup, Citigroup Centre, 25 Canada Square, London E14 5LB.	Dealer Agreement; please see " <i>Plan of Distribution</i> " for further information.
Issuer:	Delamare Cards MTN Issuer plc, a public limited company incorporated in England and Wales on 22 July 2008, with company number 6652499.	6th Floor 125 London Wall, London, England, EC2Y 5AS.	N/A; please see " <i>The Issuer</i> " for further information.
Receivables Trustee:	Delamare Cards Receivables Trustee Limited, a private limited company incorporated under the laws of England and Wales on 11 January 2013, with company number 08356561.	6th Floor 125 London Wall, London, England, EC2Y 5AS.	RTDSA; please see " <i>The Delamare Cards Receivables Trust</i> " for further information.
Funding 1 (Loan Note Issuer):	Delamare Cards Funding 1 Limited, a private limited company incorporated under the laws of England and Wales on 11 January 2013, with company number 08356551.	6th Floor 125 London Wall, London, England, EC2Y 5AS.	N/A; please see " <i>Funding 1</i> " for further information.
Funding 2:	Delamare Cards Funding 2 Limited (Funding 2), a private limited company incorporated under the laws of England and Wales on 11 January 2013, with company number 08356565.	6th Floor 125 London Wall, London, England, EC2Y 5AS.	N/A.
Sponsor, Transferor, Transferor Beneficiary, Servicer, Cash Manager, Bank Account Operator	TPF, a public limited company incorporated in Scotland, with company number SC173199.	2 South Gyle Crescent, Edinburgh, United Kingdom EH12 9FQ.	RSD, RTDSA and STDCMA; please see " <i>The Delamare Cards Receivables Trust</i> ". See also " <i>The Receivables</i> ", " <i>Tesco Personal Finance</i>

Party	Name	Address	Document under which appointed
and Expenses Loan Provider:			<i>PLC</i> ", <i>Tesco Personal Finance PLC's Credit Card Portfolio</i> " and <i>"Servicing of Receivables"</i> and <i>"The Security Trust Deed and Cash Management Agreement"</i> for further information.
Successor Servicer Facilitator:	Sanne Group (UK) Limited.	6th Floor 125 London Wall, London, England, EC2Y 5AS.	RTDSA; please see <i>"Servicing of Receivables"</i> for further information.
Receivables Trustee Account Bank, Funding 1 Account Bank and Issuer Account Bank:	HSBC Bank plc, a public limited company incorporated in England and Wales; and	8 Canada Square, London E14 5HQ.	Receivables Trust Accounts Bank Agreement, the Loan Note Issuer No.1 Account Bank Agreement, Call Protection Accumulation Deposit Account Bank Agreement and Issuer Distribution Account Bank Agreement; please see <i>"The Bank Accounts"</i> for further information.
	The Bank of New York Mellon, London Branch	One Canada Square, London E14 5AL.	Receivables Trust Accounts Bank Agreement, the Loan Note Issuer No.1 Account Bank Agreement, Issuer Distribution Account Bank Agreement, Issuer Swap USD Account Bank Agreement and Swap Collateral Account Bank Agreement; please see <i>"The Bank Accounts"</i> for further information.

Party	Name	Address	Document under which appointed
Funding 1 Account Bank and Issuer Account Bank:	Elavon Financial Services DAC, UK Branch	125 Old Broad Street, Fifth Floor, London EC2N 1AR	Loan Note Issuer No.1 Account Bank Agreement and Issuer Distribution Account Bank Agreement; please see " <i>The Bank Accounts</i> " for further information.
Collection Account Bank:	HSBC Bank plc, a public limited company incorporated in England and Wales.	8 Canada Square, London E14 5HQ.	N/A.
Note Trustee:	The Bank of New York Mellon acting through its London branch.	One Canada Square, London E14 5AL.	The Note Trust Deed and any Note Trust Deed Supplement; please see " <i>Overview of the Notes</i> ", " <i>Terms and Conditions of the Notes</i> " and " <i>The Note Trust Deed</i> " for further information.
Principal Paying Agent, Paying Agent, Agent Bank, Exchange Agent and Calculation Agent:	The Bank of New York Mellon, London Branch.	One Canada Square, London E14 5AL.	The Paying Agency Agreement; please see " <i>Overview of the Notes</i> " for further information and " <i>Terms and Conditions of the Notes</i> ".
U.S. Paying Agent:	The Bank of New York Mellon.	101 Barclay Street, New York, NY 10286.	The Paying Agency Agreement; please see " <i>Overview of the Notes</i> " for further information.
Registrar:	The Bank of New York Mellon SA/NV, Luxembourg Branch.	Vertigo Building – Polaris, 2-4 rue Eugène Ruppert, L-2453 Luxembourg	The Paying Agency Agreement; please see " <i>Overview of the Notes</i> " for further information.
Swap Counterparties:	The notes to be issued by the Issuer from time to time may be denominated in different currencies and have a fixed or floating Rate of Interest (as specified in the relevant	As may be specified in the relevant Drawdown Prospectus in relation to a Note Series	Swap Agreements; please see " <i>Description of the Swap Agreements</i> " for further information.

<u>Party</u>	<u>Name</u>	<u>Address</u>	<u>Document under which appointed</u>
	Drawdown Prospectus in relation to a Note Series). If any Note Series is denominated in a currency other than Sterling, the Issuer will enter into a currency swap transaction or, if any Note Series has a fixed rate of interest, the Issuer may enter into an interest rate swap transaction, in each case pursuant to an ISDA master agreement and related schedule, credit support annex and confirmations (each a Swap Agreement) with a swap counterparty (as may be specified in the relevant Drawdown Prospectus in relation to a Note Series) (the Swap Counterparty), which has the requisite ratings. The relevant Drawdown Prospectus will provide details of any Swap Agreement in respect of a Note Series including the name of the Swap Counterparty.		
Security Trustee:	The Bank of New York Mellon, acting through its London Branch.	One Canada Square, London E14 5AL.	STDCMA; please see " <i>Overview of Global Loan Note No.1</i> ", " <i>The Security Trust Deed and Cash Management Agreement</i> " and " <i>The Loan Notes</i> " for further information.
Holdco:	Delamare Cards Holdco Limited, a private limited company incorporated under the laws of England and Wales on 1 July 2008, with company number 6634898.	6th Floor 125 London Wall, London, England, EC2Y 5AS.	Not applicable; please see " <i>The Issuer</i> " for further information.
Share Trustee:	Sanne Trustee Company UK Limited, a private limited company incorporated under the laws of England and Wales.	6th Floor 125 London Wall, London, England, EC2Y 5AS.	Please see the Corporate Administration Agreement; and see " <i>The Issuer</i> " for further information.

Party	Name	Address	Document under which appointed
Administrator:	Sanne Group (UK) Limited	6th Floor 125 London Wall, London, England, EC2Y 5AS.	Corporate Administration Agreement.
Competent Authority and Stock Exchange:	Financial Conduct Authority and London Stock Exchange.		N/A.
Rating Agencies:	S&P		N/A.
	Fitch		
	Moody's		

OVERVIEW OF THE RECEIVABLES

The Receivables: The Receivables consist of amounts charged by cardholders who are individuals to certain designated MasterCard® and VISA® revolving credit card accounts (the **Designated Accounts**).

The Receivables consist of both Principal Receivables and finance charge receivables. Principal Receivables are, generally, amounts charged to the Designated Accounts by cardholders for goods and services and cash advances. Finance charge receivables are the related periodic finance charges and fees charged to the Designated Accounts.

The Drawdown Prospectus/Final Terms/Pricing Supplement in respect of each Note Series will contain more detailed information regarding the Designated Accounts at the time of the offering of such Note Series.

Features of Receivables: Certain features of the Designated Accounts are set out in the table below and investors should refer to, and carefully consider, further details in respect of the Designated Accounts set out in "*The Receivables*".

Type of Designated Account:	MasterCard® and VISA® Purchase, Balance Transfer, Low APR and Low Fee Credit Card Accounts
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Branding of Designated Accounts:	Tesco Bank
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Terms of the Credit Card Agreements: The Transferor only assigns Receivables arising on Designated Accounts to the Receivables Trustee and does not assign or transfer all of its rights under the Credit Card Agreements relating to the Designated Accounts. Accordingly, in respect of Designated Accounts, the Transferor retains the right to determine the monthly periodic finance charges and other fees which will be applicable from time to time to such Designated Accounts, to alter the minimum monthly payment required on such Designated Accounts, to waive finance charges in respect of certain purchases from time to time and to change various other terms with respect to such Designated Accounts, including increasing or decreasing the annual percentage rate.

Interchange: Under the terms and conditions of the MasterCard® and VISA® credit card systems, the Transferor receives fees called **Interchange** as partial compensation for, amongst other things, taking credit risk and absorbing fraud losses. Interchange is passed from the banks that clear the transactions for merchants to card issuing banks, such as the Transferor, and is calculated as a percentage of the value of a credit card transaction for the purchase of goods or services.

A percentage of Interchange calculated by reference to the size of the Securitised Portfolio in relation to the TPF Total Portfolio has also been assigned by the Transferor to the Receivables Trustee and is treated in the same way as collections of finance charges. If specified by a Supplement, an Investor Beneficiary will be entitled to a portion of Acquired Interchange. Acquired Interchange is determined to be the product of (i) the total amount of Interchange paid or payable to the Transferor with respect to transactions

having a Date of Processing relating to such Monthly Period, and (ii) a fraction the numerator of which is the aggregate amount of cardholder charges for goods and services eligible for Interchange in the Designated Accounts with respect to such Monthly Period, and the denominator of which is the aggregate amount of cardholder charges for goods and services eligible for Interchange in all MasterCard® and VISA® credit card accounts owned by the Transferor (including Designated Accounts) with respect to such Monthly Period.

Eligibility Criteria:

Only Receivables that meet specified conditions will be added to the Securitised Portfolio. Those conditions broadly speaking include:

- (a) that the Receivables are payable in sterling (or, in the case of Receivables from accounts in other Permitted Additional Jurisdictions, the currency of that Jurisdiction);
- (b) that the Receivables are not classified by the Transferor as counterfeit, cancelled, fraudulent, lost or stolen;
- (c) that the Receivables are not Defaulted Receivables, and
- (d) that the cardholder is an individual whose most recent billing address is located in England, Wales, Scotland or Northern Ireland or a Permitted Additional Jurisdiction.

Sale, assignment and declaration of trust:

The Receivables arising on Designated Accounts that are governed by English law and Northern Irish law will be (and have been) assigned to the Receivables Trustee and those that are governed by Scots law will be (and are) held on trust by the Transferor for the Receivables Trustee pursuant to a Scottish declaration of trust.

Consideration:

The consideration payable by the Receivables Trustee for the Receivables and any Acquired Interchange is an amount equal to the outstanding face amount of the Principal Receivables. In the event that the Receivables Trustee does not have enough cash available to purchase a Receivable that arises on a Designated Account on any day, such shortfall may be met by an increase of the Transferor Beneficiary's interest in the Delamare Cards Receivables Trust. The Transferor will also be entitled to deferred consideration for the assignment of the Receivables to the Receivables Trustee.

Representations and warranties:

Under the terms of the RSD, the Transferor has represented and will represent certain matters in relation to the Existing Receivables comprised in any offer of sale (an **Offer**) which are Principal Receivables (other than Ineligible Receivables), as of each date those Existing Receivables are transferred to the Receivables Trustee or, in respect of Existing Receivables comprised in the Initial Offer, as of the date(s) on which such Existing Receivables were originally transferred to the Jersey Receivables Trustee or the date on which the Offer of the related Account was originally accepted by the Jersey Receivables Trustee, as the case may be. In the case of Receivables which are yet to come into existence, the Transferor will represent certain matters as of the date the Receivables are processed. Broadly speaking, the representations by the Transferor include that:

- (a) (unless identified as an Ineligible Receivable) each existing Receivable and each future Receivable which is a Principal Receivable offered to the Receivables Trustee is as at the relevant

date of addition relating thereto, an Eligible Receivable (as defined below) and has arisen from an Eligible Account;

- (b) the assignment of each Receivable the subject of an Offer will be effective to pass to the Receivables Trustee good and marketable title thereto and each Scottish declaration of trust will be effective to hold good and marketable title for that Receivable on trust for the Receivables Trustee, in each case together with the benefit thereof (including, in such context, any Collections and other rights in connection therewith such as related guarantees and insurance proceeds), free of any encumbrances in favour of any person claiming through or under the Transferor or any of its affiliates to the Receivables Trustee and (except in certain cases where a court order may be required under the terms of the Consumer Credit Act 1974, as amended by the Consumer Credit Act 2006) no further act, condition or thing will be required to be done in connection therewith to enable the Receivables Trustee to require payment of any such Receivable or to enforce any such right in the courts of England and Wales or Scotland or Northern Ireland or any Permitted Additional Jurisdiction without the participation of the Transferor other than payment of any applicable United Kingdom stamp duty, execution of an assignation in respect of Scots law governed Receivables and the giving of a Notice of Assignment, or the joining of the Transferor as a party to Proceedings by the Receivables Trustee against the relevant cardholder;
- (c) the assignment and the Scottish declaration of trust comply with all applicable laws on, respectively, the date of assignment and the date of the Scottish declaration of trust;
- (d) no procedures adverse to the beneficiaries were used by the Transferor in selecting the Designated Accounts from the TPF Total Portfolio;
- (e) the Transferor is the person in whom the legal title to the Designated Accounts and related Credit Card Agreements is held; and
- (f) no more than 1 per cent. of the aggregate Principal Receivables owned by (or to be owned by, should the relevant Receivable be transferred to the Receivables Trustee) the Receivables Trustee are, at the relevant proposed Addition Date relating thereto, Non-Conforming Receivables.

The representation referred to in (d) above is only given on each Offer date as of the date on which the related Accounts were nominated to become Designated Accounts pursuant to an Offer or, in respect of the Initial Offer, as of the date on which the related Accounts were originally nominated to become Designated Accounts prior to the relevant Receivables being transferred to the Jersey Receivables Trustee.

If a representation in respect of any Principal Receivable proves to have been incorrect when made, the Transferor will be deemed to have received a collection of the face value of that Principal Receivable and will be obliged to pay that amount to the Receivables Trustee not later than the Distribution

Date following the Monthly Period during which the representation becomes known to the Transferor to have been incorrect when made. The relevant Principal Receivable will, thereafter, be treated as an Ineligible Receivable assigned to, or in the case of Receivables governed by Scots law, held on trust for, the Receivables Trustee by the Transferor and, except as referred to below, such Principal Receivable will not be re-assigned or released by the Receivables Trustee to the Transferor.

The obligation of TPF to make a payment to the Receivables Trustee in respect of any breach of representation may be fulfilled, in whole or in part, by a reduction in the amount of the Transferor Beneficiary's beneficial interest in the Delamare Cards Receivables Trust. However, the Adjusted Transferor Interest may not thereby be decreased to an amount less than zero.

For further details of the eligibility criteria together with the definitions of Eligible Receivable and Eligible Account please see "*The Receivables*".

Redesignation and removal of Designated Accounts:

Each Designated Account will continue to be a Designated Account until such time as (i) it becomes a Cancelled Account, a Zero Balance Account or a Defaulted Account or (ii) the Transferor reclassifies it as being no longer a Designated Account.

A **Cancelled Account** is a former Designated Account that has had its charging privileges permanently withdrawn. A **Zero Balance Account** is a former Designated Account that has had a nil balance of receivables for a considerable period of time and has been identified by the Servicer as a Zero Balance Account under its usual servicing procedures and has been removed from its system of record. A **Defaulted Account** is a former Designated Account where all of the Receivables have been charged-off by the Servicer as uncollectable in line with its usual servicing procedures.

No Principal Receivables or Finance Charge Receivables relating to such Principal Receivables arising in relation to a previously Designated Account which has ceased to be a Designated Account, will be transferred to the Receivables Trustee.

Finance Charge Receivables which (i) relate to Principal Receivables that were transferred to the Receivables Trustee before such previously Designated Account ceased to be a Designated Account and (ii) come into existence on or following the relevant Redesignation Date (as defined below), shall continue to be transferred to the Receivables Trustee.

The Transferor also has rights under certain call option arrangements in respect of the Designated Accounts.

The **Redesignation Date** of a Designated Account is:

- (a) in the case of a Cancelled Account, the day on which the relevant Designated Account is recorded by the Servicer as a Cancelled Account on the Servicer's computer master file of Accounts;
- (b) in the case of a Zero Balance Account, the day on which the relevant Designated Account is recorded by the Servicer as being a Zero Balance Account and removed from the Servicer's computer master

file of Accounts;

- (c) in the case of a Defaulted Account, the day on which the Receivables thereunder are recorded as charged-off as uncollectible on the Servicer's computer master file of Accounts; and
- (d) in the case of a Designated Account which is not a Cancelled Account, Defaulted Account or Zero Balance Account, the day specified by the Transferor to the Receivables Trustee.

**Discount Option
Receivables:**

The Transferor may, by giving not less than 30 days' notice to the Servicer, the Receivables Trustee and the Rating Agencies, nominate a fixed or variable percentage of Principal Receivables in the Designated Accounts as the **Discount Percentage**. From the date and for the length of time stated in the notice: (i) the amount payable by the Receivables Trustee to accept an offer of Receivables will be reduced by the Discount Percentage and (ii) a percentage of the Principal Receivables equal to the Discount Percentage will be treated by the Receivables Trustee as Finance Charge Receivables.

Notification Events:

The Receivables Trustee has agreed that, as regards Receivables that are governed by English law or Northern Irish law, notices of assignment will not be given to cardholders of the assignment of the benefit of such Receivables and, as regards Receivables that are governed by Scots law, a full assignation followed by notice of assignation will not be required, in each case, unless certain events occur in respect of the Transferor. See "*Other Triggers – Notification Events*" for further information.

Accordingly, the transfer by the Transferor to the Receivables Trustee of the benefit of the Receivables takes effect in equity only, except in the case of Receivables which are governed by Scots law, in which case the transfer takes effect under a Scottish declaration of trust pursuant to which the beneficial interest in such Receivables is vested in the Receivables Trustee. This has certain legal consequences as described in the risk factor entitled "*Transfer of benefit of Receivables*" in the section entitled "*Risk Factors*".

**Servicing of the
Receivables:**

The Servicer will be appointed pursuant to the RTDSA to service the Receivables on a daily basis. Among other things, the Servicer's functions include crediting and debiting cardholders' accounts as appropriate.

The appointment of the Servicer may be terminated in accordance with the terms of the RTDSA following the occurrence of a **Servicer Default**, which, broadly speaking, includes:

- material non-performance by the Servicer of its obligations;
- material misrepresentations by the Servicer; and
- insolvency events occurring in respect of the Servicer.

Following termination of the Servicer, the Successor Servicer Facilitator shall use best efforts to identify a suitable Successor Servicer.

The Servicer may resign from its obligations and duties as Servicer if the performance of its obligations and duties is no longer permitted under

applicable law and there is no reasonable action that it can take to remedy the situation. The Servicer's resignation will not be effective until a successor Servicer has been properly appointed.

Please see "*Servicing of Receivables*" and "*Other Triggers – Servicer Default Events*" for further details.

Delegation:

The Servicer may delegate some of its servicing function to a third party provided that the Servicer remains responsible for the performance of any of its servicing function so delegated and certain other conditions are met.

Insolvency of the Transferor:

The Transferor will notify the Receivables Trustee if an insolvency event occurs in relation to the Transferor. Finance Charge Receivables, which arise in respect of Principal Receivables which have been assigned to or held on trust for the Receivables Trustee and Principal Receivables which arise in relation to existing Designated Accounts will continue to form part of the trust property, however, the Receivables Trustee will not be entitled to accept any further Offers by the Transferor.

OVERVIEW OF THE NOTES

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

Listing: Each Note Series may be admitted to the Official List and admitted to trading on the main market of the London Stock Exchange plc and/or admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system or may be unlisted, as may be agreed between the Issuer and the relevant Dealer(s) and specified in the relevant Final Terms/Pricing Supplement/Drawdown Prospectus.

The class D VFN notes will be issued pursuant to a Pricing Supplement and will not be listed on the Official List or the London Stock Exchange or listed or admitted to trading on any other regulated market, stock exchange and/or quotation system.

Clearing Systems: Euroclear, Clearstream and/or DTC (each a **Clearing System**).

Payment Priority and Ranking: The notes constitute direct, secured and unconditional obligations of the Issuer, subject to the limited recourse provisions in Condition 22 (*Limited Recourse*). In any Note Series, the notes of each class will, at all times, rank *pari passu* and *pro rata* without preference or priority amongst themselves, and with the notes of the same class in a different Note Series. Each class may comprise sub-classes of notes, which will rank *pari passu* without priority or preference amongst themselves and with the notes of the same sub-class in a different Note Series.

The class B notes will be subordinated to the class A notes. The class C notes will be subordinated to both the class A notes and the class B notes. The class D notes will be subordinated to the class A notes, the class B notes and the class C notes.

A Note Series will be constituted by the note trust deed (the **Note Trust Deed**) and a note trust deed supplement between, *inter alios*, the Issuer and the Note Trustee (a **Note Trust Deed Supplement**).

Most Senior Class of Notes means the class A notes for so long as there are any class A notes outstanding, thereafter the class B notes for so long as there are any class B notes outstanding, thereafter the class C notes for so long as there are any class C notes outstanding, thereafter the class D notes for so long as there are any class D notes outstanding.

Relationship between a particular Note Series and the corresponding Loan Note: Amounts available to the Issuer for payment of interest and repayment of principal on a Note Series will be derived from amounts received by the Issuer from Funding 1 as payments of interest and principal on the corresponding Loan Note and, solely if a Swap Agreement is entered into by the Issuer, from amounts received from the relevant Swap Counterparty. The terms of such Swap Agreement shall be specified in the relevant Drawdown Prospectus.

Such payments will, if paid in full, be sufficient for the Issuer to meet the amounts required (a) to pay the fees, costs and expenses of the Issuer and the

Note Trustee as herein described, (b) to make any necessary payments to any Swap Counterparty in relation to such Note Series, (c) to make payments of interest on the notes and the relevant Final Terms/Pricing Supplement/Drawdown Prospectus, (d) to make payments of principal on the notes on the relevant Distribution Date or dates as specified in the relevant Final Terms/Pricing Supplement/Drawdown Prospectus, (e) to pay certain amounts representing profit for the Issuer in the conduct of its business, and (f) to make other payments required to be made by the Issuer from time to time as herein described.

For details of the priority of payments with respect to amounts available to the Issuer, both prior to and post enforcement of the Security, see "*Terms and Conditions of the Notes*" and "*Issuer Cashflows*".

Security for the notes:

As security for the payment of all monies payable in respect of a Note Series, the Issuer will, pursuant to the Note Trust Deed and the Note Trust Deed Supplement executed in relation to that Note Series, create a first fixed Security Interest over, amongst other things, its rights to receive payments under the corresponding Loan Note (see "*Terms and Conditions of the Notes*", "*The Loan Notes*" and "*The Note Trust Deed*"). The Note Trustee will be the registered holder of each Loan Note. However, prior to any enforcement of Security over the assets of the Issuer by the Note Trustee, the Issuer will have the right to receive all amounts of interest and principal payable by the Loan Note Issuer in respect of the relevant Loan Note.

Loan Note Issuer Security:

To secure its obligations to the Issuer and certain other secured creditors, the Loan Note Issuer has entered into the STDCMA, pursuant to which it created security in favour of the Security Trustee for itself and on trust for the secured creditors under the STDCMA.

Form of notes:

Other than in respect of the class D VFN notes, unless otherwise provided in the relevant Note Trust Deed Supplement in relation to any Note Series, the notes will be issued in registered form. The notes of each class in relation to any Note Series will be represented by Global Note Certificates which will: (a) in the case of Regulation S Notes which are not to be held under the new safekeeping structure (NSS), be registered in the name of a common depository or its nominee of Clearstream, Luxembourg and/or Euroclear or (b) in the case of Regulation S Notes to be held under the NSS, be registered in the name of a Common Safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg; or (c) in the case of Rule 144A Notes, be registered in the name of Cede as nominee of DTC. The beneficial interest in a Global Note Certificate is referred to herein as a **Book-Entry Interest**. A holder of notes may exchange those notes for other notes of the same Note Series of any authorised denominations and of the same aggregate stated principal amount.

The class D VFN notes will be in dematerialised registered form. A register will be maintained by the relevant Registrar, on the Issuer's behalf, in which each Series of class D VFN note will be registered in the name of the holder of the relevant Series of class D VFN note. Transfers of all or any portion of the interest in a class D VFN note may be made only through the register maintained by the relevant Registrar.

In this Base Prospectus, the owners of interests in the notes are referred to as the **Noteholders**.

Currencies: A Note Series may be denominated in Sterling, U.S. Dollars, Euro or such other currency as set out in the applicable Drawdown Prospectus, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Redemption: The notes are subject to the following mandatory or optional redemption events:

- the notes will be redeemable on the Scheduled Redemption Date specified in the relevant Final Terms/Pricing Supplement/Drawdown Prospectus to the extent of the amount which has on that day been credited to the relevant Distribution Ledger for the relevant Note Series in the Issuer Distribution Account (or, if the Issuer has entered into a Swap Agreement which is subject to a Redemption Protection Period in respect of the Note Series being redeemed, to the extent of the amount which on that day has been credited to the relevant Distribution Ledger for the relevant Note Series in the Issuer Distribution Account or, as applicable, the Call Protection Accumulation Deposit Account by Funding 1 or the Swap Counterparty, as the case may be), in accordance with the provisions of the relevant supplement to the Loan Note (**Loan Note Supplement**) as fully set out in Condition 7 (*Redemption and Purchase*);
- if a Rapid Amortisation Period or a Regulated Amortisation Period commences on or prior to the relevant Scheduled Redemption Date, the notes will be redeemed on each subsequent Interest Payment Date to the extent principal payments are made under the corresponding Loan Note until the Notes are redeemed in full or until the Final Redemption Date as further specified in this Base Prospectus and in the relevant Final Terms/Pricing Supplement/Drawdown Prospectus as fully set out in Condition 7 (*Redemption and Purchase*);
- on any Call Date if specified as such in the relevant Final Terms/Pricing Supplement/Drawdown Prospectus (see "*Terms and Conditions of the Notes*") as fully set out in Condition 7 (*Redemption and Purchase*); and
- on the Final Redemption Date of the Notes as specified in the relevant Final Terms/Pricing Supplement/Drawdown Prospectus.

The redemption of a Note Series of class B, class C or class D notes depends on the satisfaction of the Repayment Tests, as set out below under "*The Loan Notes — Redemption and early redemption of Loan Notes*".

Interest: Interest will be payable in arrear and may accrue at a fixed rate or a floating rate (see "*Terms and Conditions of the Notes*") and the method of calculating interest will be specified in the Conditions, as completed or supplemented by the relevant Final Terms/Pricing Supplement/Drawdown Prospectus for each Note Series. Interest may also accrue on the notes on a different basis, such as index-linked or zero coupon, the terms of which will be specified in a Drawdown Prospectus. An Interest Payment Date for each Note Series will be specified in the relevant Final Terms/Pricing Supplement/Drawdown Prospectus but may be subject to change upon the commencement of a Rapid

Amortisation Period or Regulated Amortisation Period. (See "*Terms and Conditions of the Notes*").

Interest Deferral:

If the monies available to the Issuer on an Interest Payment Date are insufficient to pay the full amount of interest on any notes on such Interest Payment Date, payment of the interest shortfall will be deferred and will be due on the next Interest Payment Date occurring thereafter on which funds are so available in accordance with the provisions of the Loan Note Supplement for the Related Loan Note or otherwise. Any such interest shortfall will be borne by each note of the relevant Note Series in a proportion equal to the proportion that the Principal Amount Outstanding of the Note of the relevant Note Series bears to the aggregate Principal Amount Outstanding of the relevant notes of the relevant Note Series (See "*Terms and Conditions of the Notes – General Provision: Deferred Interest and Additional Interest*"). Deferral of interest in accordance with the Terms and Conditions of the notes shall not constitute a Note Event of Default.

Gross-up:

All payments of principal and interest in respect of the notes by or on behalf of the Issuer shall be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the United Kingdom or any other jurisdiction to whose tax laws such payments may be subject or any political subdivision therein or any authority in or of any of the foregoing having power to tax, unless required by law.

Neither the Issuer nor any Paying Agent will be obliged to make any additional payments in respect of any such withholding or deduction (See Condition 9 (*Taxation*)).

Negative Covenants:

The notes will have the benefit of negative covenants from the Issuer as described in Condition 5 (*Negative Covenants of the Issuer*). See "*Terms and Conditions of the Notes*".

Note Events of Default:

As fully set out in Condition 10 (*Events of Default*) of the terms and conditions of the notes, a Note Event of Default broadly includes (where relevant, subject to any applicable grace period):

- non-payment of principal on any note of the relevant Note Series and/or non-payment of interest on any note of the relevant Note Series, in each case when such payment ought to have been paid in accordance with the Terms and Conditions of the notes;
- breach of other contractual obligations by the Issuer under or in respect of the relevant Note Series, the Note Trust Deed or the Paying Agency Agreement that are certified by the Note Trustee as being materially prejudicial to the interests of the Noteholders of such Note Series;
- one or more judgments or orders for the payment of any amount is rendered against the Issuer;
- a secured party takes possession of, or an insolvency officer is appointed over, the Issuer's assets or other enforcement action is begun against the Issuer's assets;

- certain insolvency related events occur in respect of the Issuer;
- failure by the Issuer to take certain action necessary in relation to a Note Series or any documents related thereto;
- it becomes unlawful for the Issuer to perform or comply with its obligations under or in respect of a Note Series; and
- specified Government intervention occurs.

Limited Recourse:

If at any time following: (i) the Final Redemption Date or any earlier date upon which a Note Series is due and payable, (ii) the date on which the Issuer has received all sums due to it in respect of such Note Series and (iii) the application in full of any amounts available to pay amounts due and payable under a Note Series in accordance with the relevant priority of payments, there remains any amount then due and payable under such Note Series then such amount shall, on the day following the application in full of the amounts referred to in (iii), cease to be due and payable by the Issuer in accordance with Condition 22 (*Limited Recourse*).

Non-petition:

The Noteholders shall not be entitled to take any steps (otherwise than in accordance with the Note Trust Deed and the Conditions):

- to enforce the Security other than when expressly permitted to do so under Condition 15 (*Enforcement*); or
- to take or join in any steps against the Issuer to obtain payment of any amount due from the Issuer.

Ratings:

Each Note Series (other than class D notes (if any)) is expected on issue to be assigned a rating by one or more of S&P, Fitch and Moody's. The ratings assigned to each Note Series will be stated in the Final Terms/Pricing Supplement/Drawdown Prospectus for that Note Series.

A rating is not a recommendation to buy, sell or hold the notes. A rating may be suspended, lowered or withdrawn at any time.

Selling Restrictions:

For a description of certain restrictions on offers, sales and deliveries of notes and on the distribution of offering material in the United States of America and the United Kingdom, see "*Plan of Distribution*" below and any relevant Drawdown Prospectus.

Swap Agreements:

The notes to be issued by the Issuer from time to time may be denominated in different currencies and have a fixed or floating Rate of Interest (as specified in the relevant Drawdown Prospectus in relation to a Note Series). The Issuer may, in relation to certain classes and sub-classes of notes, enter into a Swap Agreement with a Swap Counterparty. Each Drawdown Prospectus will provide details of any Swap Agreement in respect of a particular class or sub-class of notes including details of the Swap Counterparty.

Class D VFN notes:

The Issuer may from time to time issue one or more Note Series of class D notes which are variable funding notes (each, a **class D VFN note**). Subject to the Issuance Tests being satisfied, the Principal Amount Outstanding of a

Series of class D VFN note may, from time to time, be increased following a further advance of principal in respect of the relevant Series of class D VFN note. Subject to the Repayment Tests being satisfied, principal on the class D VFN note may be repaid, in whole or in part, on any Interest Payment Date, see "*The Class D VFN notes*" below.

ERISA: See "*ERISA and Certain Other Considerations*".

UK Taxation: See "*Taxation—United Kingdom Taxation*".

Governing Law: The notes are governed by English law.

OVERVIEW OF GLOBAL LOAN NOTE NO.1

Global Loan Note No. 1: Funding 1 issued a global loan note on 24 April 2013 (**Global Loan Note No.1**). Global Loan Note No. 1 is a registered note denominated in Sterling and governed by English law.

Loan Notes: Global Loan Note No. 1 will, where there is more than one Note Series, be comprised of multiple notional tranches, which are referred to in this Base Prospectus as **Loan Notes**. Each Loan Note will be designated "class A", "class B", "class C" or "class D" in accordance with the relevant Note Series to which such Loan Note relates. Each Loan Note will be issued pursuant to the STDCMA, Global Loan Note No. 1 and a Loan Note Supplement. The cash flows from a particular Loan Note forming part of Global Loan Note No. 1 will support the corresponding Note Series as specified in the relevant Final Terms/Pricing Supplement/Drawdown Prospectus.

The maturity date of a Loan Note will be stated in the relevant Final Terms/Pricing Supplement/Drawdown Prospectus, but a Loan Note may be subject to earlier optional or mandatory redemption in certain circumstances (see "*Scheduled Redemption*" and "*Early Redemption Events*" below, "*The Loan Notes — Redemption and early redemption of Loan Notes*" and "*The Loan Notes — Refinancing of a Loan Note*").

Each Loan Note may only be issued upon the satisfaction of certain tests (see "*The Loan Notes — Issuance of new Loan Notes*" for further details). Each Senior Loan Note will have a required level of credit enhancement, which will be set out in the related Loan Note Supplement and the related Final Terms/Pricing Supplement/Drawdown Prospectus (see "*The Loan Notes — Required subordinated amount for Loan Notes*").

Each Loan Note will be registered in the name of the Note Trustee as holder of all Security granted by the Issuer under the terms of each respective Note Trust Deed Supplement. However, prior to any enforcement of Security over the assets of the Issuer by the Note Trustee, the Issuer will have the right to receive all amounts of interest and principal paid or payable by Funding 1 in respect of the relevant Loan Note.

Interest on the Loan Notes: Interest will accrue on each Loan Note from the relevant issuance date at the applicable interest rate for that Loan Note as specified in the related Loan Note Supplement and further described in the relevant Final Terms/Pricing Supplement/Drawdown Prospectus. Interest on a Loan Note will be due and payable on each Distribution Date or as otherwise specified in the related Loan Note Supplement.

Scheduled Redemption: Each Loan Note is redeemable on the Scheduled Redemption Date in relation to such Loan Note as specified in the relevant Loan Note Supplement unless an Early Redemption Event occurs.

As Loan Notes of a subordinate class (which, for the avoidance of doubt, are those classes of Loan Notes which rank junior in priority to another class of Loan Notes) (**Subordinated Loan Notes**) may be issued with Scheduled Redemption Dates prior to the Scheduled Redemption Dates for the Loan

Notes of a senior class (which, for the avoidance of doubt, are those classes of Loan Notes which rank senior in priority to another class of Loan Notes (**Senior Loan Notes**)) for which they provide enhancement, principal of such Subordinated Loan Notes can only be repaid if the Repayment Tests referred to below (see "*The Loan Notes — Redemption and early redemption of Loan Notes*" below) are met.

Early Redemption Events:

Global Loan Note No. 1 is subject to early redemption in respect of each Loan Note i.e. in respect of each tranche of Global Loan Note No. 1. The occurrence of an Early Redemption Event in relation to any Loan Note will cause that Loan Note to enter an Amortisation Period.

In relation to Loan Notes which are Controlled Amortisation Loan Notes, certain Early Redemption Events (each a **Regulated Amortisation Trigger Event**) will cause a Regulated Amortisation Period to occur in respect of that Loan Note and certain other Early Redemption Events (each a **Rapid Amortisation Trigger Event**) will cause a Rapid Amortisation Period to occur in respect of that Loan Note.

In relation to Loan Notes which are not Controlled Amortisation Loan Notes only, all Early Redemption Events (each a Rapid Amortisation Trigger Event) will cause a Rapid Amortisation Period to occur in respect of that Loan Note.

For further detail on Early Redemption Events and the occurrence of Rapid Amortisation Periods and Regulated Amortisation Periods see "*The Loan Notes — Early Redemption Events, Rapid Amortisation Trigger Events and Regulated Amortisation Trigger Events*" below.

Mandatory Early Redemption and Final Redemption:

Subject to the occurrence of an Early Redemption Event (as described above) or optional early redemption in full (as described below), whenever Funding 1 redeems a Loan Note, it will do so only to the extent that finance charges and principal amounts allocated to that Loan Note together with the proceeds of any Refinancing Distribution (if applicable) are sufficient to redeem that Loan Note in full, and only to the extent that the Loan Note to be redeemed is not required to provide subordination for the Senior Loan Notes. The Issuer as beneficial holder or Note Trustee as registered holder of a Loan Note will have no claim against Funding 1 if Funding 1 fails to make a required redemption of a Loan Note before the Final Redemption Date because no funds are available for that purpose or because the Loan Notes that would otherwise be redeemed are required to provide subordination for Senior Loan Notes.

The failure to redeem a Loan Note before the Final Redemption Date under these circumstances will not be a Loan Note Event of Default. If Funding 1 fails to redeem a Loan Note at its Outstanding Principal Amount on its Final Redemption Date, this will give rise to a Loan Note Event of Default and enforcement of the Loan Note Security. However, unless otherwise specified in the relevant Loan Note Supplement, the obligations of the Funding 1 to repay any Loan Note shall be limited to funds available for such purpose. If Funding 1 fails to repay a Loan Note in full on the relevant Final Redemption Date because insufficient funds are available for such purpose then such Outstanding Principal Amount (following any payments made on such Final Redemption Date) shall be reduced to zero and Funding 1's indebtedness under such Loan Note will be extinguished.

**Optional Early
Redemption in Full:**

If specified in the Loan Note Supplement of the related Loan Note, the Loan Note Issuer may refinance a Loan Note (a) (subject to the Issuance Tests being satisfied) through the issuance of a new Loan Note or (b) through the proceeds of a Refinancing Contribution and subsequent Refinancing Distribution. Subject to the Repayment Tests being satisfied, the proceeds received from the issuance of the new Loan Note or from any Refinancing Distribution shall then be used by the Loan Note Issuer to redeem the existing Loan Note.

Such proceeds would not form part of LNI Available Funds or LNI Available Principal Amounts and any excess over the amount used for redemption will be used by the Loan Note Issuer to make a Contribution to the Receivables Trust (see "*The Loan Notes – Refinancing of a Loan Note*"). Following such redemption by the Loan Note Issuer, the Issuer shall redeem the corresponding Note Series in full in accordance with Condition 7 (*Redemption and Purchase*).

**Optional Early
Redemption in full or in
part of a class D Loan
Note:**

If so specified in the relevant Loan Note Supplement, the Loan Note Issuer may repay or refinance (in full or in part) a class D Loan Note (a) (subject to the Issuance Tests being satisfied) through the issuance of a new Loan Note or (b) through a Refinancing Contribution and subsequent Refinancing Distribution. Subject to the Repayment Tests being satisfied, the proceeds received from the issuance of the new Loan Note or from any Refinancing Distribution shall then be used by the Loan Note Issuer to redeem the relevant class D Loan Note in full or in part (as applicable).

Such proceeds would not form part of LNI Available Funds or LNI Available Principal Amounts and any excess over the amount used for redemption will be used by the Loan Note Issuer to make a Contribution to the Receivables Trust (see "*The Loan Notes – Refinancing of a Loan Note*"). Following such redemption by the Loan Note Issuer, the Issuer shall redeem the corresponding class D note in whole or in part in accordance with the terms and conditions of that Note Series.

OVERVIEW OF RIGHTS OF NOTEHOLDERS

Please refer to the sections entitled "Terms and Conditions of the Notes" for further detail in respect of the rights of noteholders, conditions for exercising such rights and relationship with other secured creditors.

Prior to an Event of Default:

Prior to the occurrence of an Event of Default, the Note Trustee will be obliged to convene a meeting when it is requested to do so by the holders of not less than one tenth of the aggregate Principal Amount Outstanding of a Note Series, subject to its being indemnified and/or prefunded and/or secured to its satisfaction. Meetings of the noteholders to consider matters relating to the notes of one or more Note Series or classes may be convened by the Issuer or the Note Trustee at any time.

So long as no Event of Default has occurred, the Noteholders are not entitled to instruct or direct the Issuer to take any actions, either directly or through the Note Trustee, without consent of the Issuer and, if applicable, certain other transaction parties, unless the Issuer has an obligation to take such actions under the relevant Transaction Documents.

Following an Event of Default:

Following the occurrence of an Event of Default, Noteholders of the relevant Note Series holding not less than 25% of the Principal Amount Outstanding of the relevant Note Series or by an Extraordinary Resolution of the Noteholders of the relevant Note Series, may direct the Note Trustee to deliver an Enforcement Notice declaring all of the Notes of the relevant Note Series to be immediately due and payable, provided that the Note Trustee shall have been indemnified and/or pre-funded and/or provided with security to its satisfaction.

Enforcement:

At any time after the notes become due and repayable, Noteholders holding at least one quarter of the aggregate Principal Amount Outstanding of the relevant Note Series or by an Extraordinary Resolution of the relevant Note Series, may direct the Note Trustee to institute such proceedings as it thinks fit to enforce payment of the relevant Note Series (including the right to repayment of the relevant Note Series together with accrued interest thereon), provided that the Note Trustee shall have been indemnified and/or pre-funded and/or provided with security to its satisfaction.

No Noteholder may institute any proceedings against the Issuer to enforce its rights under or in respect of the notes or the Note Trust Deed unless (i) the Note Trustee has become bound to institute proceedings and has failed to do so within a reasonable time and (ii) such failure is continuing. See further Condition 15 (*Enforcement*).

Noteholder meetings

Noteholders are entitled to participate in a Noteholders' meeting convened by the Issuer or Note Trustee to consider any matter affecting their interests.

Convening a meeting

Notice periods and location

Initial Meeting:

21 (and not more than 180) clear days for the initial meeting

Adjourned Meeting: 10 (and not more than 180) clear days for a meeting adjourned for want of quorum. If a meeting is adjourned for any other reason it shall not be necessary to give notice.

Location: United Kingdom

Quorum

Ordinary Resolution:

Initial Meeting: at least two or more persons, representing or holding not less than one tenth of the aggregate Principal Amount Outstanding of the outstanding notes of the relevant Note Series.

Adjourned Meeting: at least two or more persons representing or holding notes of the relevant Note Series.

Extraordinary Resolution:

Initial Meeting: at least two or more persons representing or holding a majority of the aggregate Principal Amount Outstanding of the outstanding notes of the relevant Note Series.

Adjourned Meeting: at least two or more persons representing or holding notes of the relevant Note Series.

Basic Terms Modification:

Initial Meeting: at least two or more persons representing or holding 75 per cent. in aggregate Principal Amount Outstanding of the outstanding notes of the relevant Note Series.

Adjourned Meeting: at least two or more persons representing or holding 25 per cent. in aggregate Principal Amount Outstanding of the outstanding notes of the relevant Note Series.

If a person holds the relevant amount of the principal amount outstanding of the outstanding notes alone and is represented by a global note certificate or a single note certificate, such person shall be deemed to be two persons for the above purposes.

Required Majorities

Ordinary Resolution: Simple majority

Extraordinary Resolution: 75% of votes cast for matters requiring extraordinary resolution.

Written Resolution: A resolution signed by or on behalf of all the noteholders who for the time being are entitled to receive notice of a meeting shall for all purposes be effective as an extraordinary resolution.

Matters requiring extraordinary resolution

Broadly speaking, an extraordinary resolution will be required in order to:

- effect any basic terms modification of the notes;
- sanction any modification, abrogation, variation or compromise of the provisions of the Note Trust Deed or the Conditions or any arrangements in respect of obligations of the Issuer under or in respect of the notes (other than as permitted under the Note Trust Deed);
- approve the substitution of any person for the Issuer as principal obligor under the notes (other than as permitted under the Note Trust Deed);
- waive any breach or authorise any proposed breach by the Issuer of its obligations under the Note Trust Deed or the notes or any act or omission that might otherwise cause an event of default under the notes (other than as permitted under the Note Trust Deed);
- remove the Note Trustee;
- appoint a new Note Trustee;
- authorise the Note Trustee or any other person to execute all documents and do all things necessary to give effect to any extraordinary resolution;
- discharge or exonerate the Note Trustee from any act or omission for which it may become responsible under the security documents;
- give any authority or approval which under the provisions of the security documents is required to be given by extraordinary resolution; and
- appoint any persons as a committee to represent the interests of the noteholders and confer upon such committee any powers which the noteholders could themselves exercise by extraordinary resolution.

Right of modification without Noteholder consent

Subject to satisfying the conditions set out in Condition 14(c) (*Additional right of Modification*) and Condition 14(d) (*Conditions to additional right of Modification*), the Note Trustee shall be obliged, without any consent of any Noteholders or any other secured creditors, to concur with the Issuer in making any modification (other than a Basic Terms Modification), but subject to Condition 14(h) (*Basic Terms Modification*) to any Transaction Document to which it is a party or in relation to which it holds security that the Issuer considers necessary:

- (a) for the purposes of (i) complying with, (ii) implementing, or (iii) reflecting any change in, the criteria of one or more of the Rating Agencies which may be applicable from time to time;

- (b) in order to enable (subject to certain limitations) the Issuer and/or a Swap Counterparty to comply with any obligation which applies to it under EU EMIR and/or (in the case of Notes issued on or after 11 May 2022) UK EMIR (including without limitation any associated technical standards and advice, guidance or recommendations from relevant supervisory regulators);
- (c) for the purposes of:
 - (i) changing the Screen Rate or the base rate on the floating rate Notes from the Screen Rate or the base rate that then applies to such Notes to an Alternative Base Rate (and such other amendments as are necessary or advisable in the commercially reasonable judgment of the Issuer or the Cash Manager to facilitate such change) to the extent there has been or there is reasonably expected to be a material disruption or cessation to the Screen Rate or the relevant base rate that applies to the Notes at such time;
 - (ii) changing the base rate that then applies in respect of any Swap Agreement solely as a consequence of, and solely for the purpose of aligning such base rate with, the base rate of the notes following a Base Rate Modification; and
- (d) for the purposes of enabling the Notes to be (or to remain) listed on Official List of the FCA; and
- (e) comply with any changes in the requirements of (i) Article 6 of the UK Securitisation Regulation, Article 6 of the EU Securitisation Regulation and any other risk retention legislation or regulations or official guidance in relation thereto or for the purposes of compliance with the UK Securitisation Regulation and the EU Securitisation Regulation and/or (ii) any other provision of the UK Securitisation Regulation and the EU Securitisation Regulation, including Articles 19, 20, 21 or 22 of the UK Securitisation Regulation, or Article 243 of the UK Capital Requirements Regulation, including as a result of the adoption of Regulatory Technical Standards in relation thereto, or any equivalent securitisation legislation or regulations or official guidance applicable to the Issuer or the Transferor (and, for the avoidance of doubt, such changes may include, at the Transferor's discretion, changes to the manner in which it or the Issuer currently complies with the UK Securitisation Regulation and/or changes to enable the Programme and relevant parties to comply with the EU Securitisation Regulation),

provided in each case that the Issuer or the Cash Manager certifies to the Note Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect).

In addition, the STDCMA provides that, subject to satisfying the conditions set out therein (including obtaining the consent of the Note Trustee), the Security Trustee shall be obliged, without any consent of any Loan Note Holder or any other secured creditors, to concur with the Loan Note Issuer in making any

modification (other than a Basic Terms Modification, but excluding a modification relating to paragraph (d) below) to any document relating to a Loan Note to which the Security Trustee is a party or in relation to which the Security Trustee holds security that the Loan Note Issuer considers necessary:

- (a) for the purposes of (i) complying with, (ii) implementing, or (iii) reflecting any change in, the criteria of one or more of the Rating Agencies which may be applicable from time to time;
- (b) in order to enable (subject to certain limitations) the Loan Note Issuer to comply with any obligation which applies to it under EU EMIR and/or (in the case of Loan Notes issued on or after 11 May 2022) UK EMIR (including without limitation any associated technical standards and advice, guidance or recommendations from relevant supervisory regulators);
- (c) for the purposes of enabling the Notes to be (or to remain) listed on Official List of the FCA; and
- (d) for the purposes of changing the Screen Rate or the base rate on the floating rate Loan Notes from such Screen Rate or the base rate that then applies to such Loan Notes to an alternative base rate (and such other amendments as are necessary or advisable in the commercially reasonable judgment of the Loan Note Issuer or the Cash Manager to facilitate such change) to the extent there has been or there is reasonably expected to be a material disruption or cessation to the Screen Rate or the relevant base rate that applies to such Loan Notes at such time; and
- (e) comply with any changes in the requirements of (i) Article 6 of the UK Securitisation Regulation, Article 6 of the EU Securitisation Regulation and any other risk retention legislation or regulations or official guidance in relation thereto or for the purposes of compliance with the UK Securitisation Regulation and the EU Securitisation Regulation and/or (ii) any other provision of the UK Securitisation Regulation and the EU Securitisation Regulation, including Articles 19, 20, 21 or 22 of the UK Securitisation Regulation, or Article 243 of the UK Capital Requirements Regulation, including as a result of the adoption of Regulatory Technical Standards in relation thereto, or any equivalent securitisation legislation or regulations or official guidance applicable to the Issuer or the Transferor (and, for the avoidance of doubt, such changes may include, at the Transferor's discretion, changes to the manner in which it or the Issuer currently complies with the UK Securitisation Regulation and/or and/or changes to enable the Programme and relevant parties to comply with the EU Securitisation Regulation).

Pursuant to Condition 14(e) (*Modifications proposed by Funding 1*), if the Note Trustee receives written notice from the Loan Note Issuer of a proposed modification to any document relating to a Loan Note pursuant to the terms of the STDCMA, then the Note Trustee shall be obliged, without any consent of any Noteholders, or any other secured creditors, to give consent to the proposed modification (other than a Basic Terms Modification, but subject to Condition 14(h) (*Basic Terms Modification*)) to such document provided that,

inter alia, any conditions to making that modification in the STDCMA have been complied with.

The Note Trustee is only obliged to concur with the Issuer in making any of the modifications permitted by Condition 14(c) (*Additional right of Modification*) and Condition 14(e) (*Modifications proposed by Funding 1*) if, *inter alia*:

1. the Issuer has provided at least 30 calendar days' notice to the Noteholders of each Note Series which would be affected by the proposed modification (together the **Affected Note Series**) of the proposed modification in accordance with Condition 16 (*Notices*) and by publication on Bloomberg on the "Company News" screen relating to the Notes, in each case specifying the date and time by which Noteholders must respond; and
2. Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the most senior class of Notes then outstanding across the Affected Note Series have not contacted the Issuer and the Principal Paying Agent in accordance with the notice and the then current practice of any applicable clearing system through which such Notes may be held by the time specified in such notice that such Noteholders do not consent to the modification.

If Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the most senior class of the Affected Note Series then outstanding have notified the Issuer and the Principal Paying Agent in accordance with the notice and the then current practice of any applicable clearing system through which such Notes may be held by the time specified in such notice that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the most senior class of the Affected Note Series then outstanding is passed in favour of such modification in accordance with Condition 14 (*Meetings of Noteholders; Modification and Waiver*).

In addition, pursuant to Condition 14(f) (*Modifications to Account Bank Arrangements*) and the terms of the STDCMA, each of the Security Trustee and the Note Trustee will be obliged, without any consent of any Noteholders or any other secured creditors, to concur with the Loan Note Issuer and/or (as applicable) the Issuer in making any modifications (other than a Basic Terms Modification) to the Transaction Documents for the purposes of enabling the Receivables Trustee, the Loan Note Issuer or the Issuer to add one or more account banks or open additional bank accounts provided that, *inter alia*: (1) the relevant additional bank account would be (as applicable) subject to the Receivables Trust, or the security created by the Loan Note Issuer or the Issuer and (2) the Issuer or the Cash Manager either: (a) obtains from each of the Rating Agencies written confirmation that such modification would not result in (i) a downgrade, withdrawal or suspension of the then current ratings assigned to any class of the Notes by such Rating Agency or (ii) such Rating Agency placing any Notes on rating watch negative (or equivalent), or (b) certifies in writing to the Note Trustee that it has notified the Rating Agencies of the proposed modification and in its opinion, formed on the basis of due consideration, such modification would not result in (i) a downgrade, withdrawal or suspension of the then current ratings assigned to any class of

the Notes by any Rating Agency or (ii) any Rating Agency placing any Notes on rating watch negative (or equivalent).

Neither the Note Trustee nor the Security Trustee shall have any obligation to agree to any modification which has the effect of (i) exposing the Note Trustee or the Security Trustee to any liability against which is has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protection, of the Note Trustee or the Security Trustee in any Transaction Document.

Relationship between classes of Noteholders

Matters relating to the notes of a Note Series or class, as applicable, including the modification of any provision of the Conditions or the Note Trust Deed, may be effected if sanctioned by an Extraordinary Resolution of the Noteholders of all affected Note Series or classes, as applicable. Where (in the opinion of the Note Trustee) there is a conflict of interest between different Note Series or different classes of notes, such Extraordinary Resolution shall be conducted at separate meetings of Noteholders of such Note Series or class of notes, as applicable.

No modification of certain terms, including any modification constituting a Basic Terms Modification, shall be effective unless such modification has been sanctioned by an Extraordinary Resolution of all Note Series belonging to the relevant class of notes in relation to which the modification is proposed (which shall include each Note Series which, in the opinion of the Note Trustee, is or may be prejudiced by such modification).

Where, in the opinion of the Note Trustee there is a conflict between the interests of holders of any of the classes of notes the Note Trustee shall in the exercise of its duties, powers and discretions, have regard solely to the interests of the class which ranks most senior and which is outstanding in whole or in part.

Transferor Beneficiary as noteholder

The Transferor may hold any class of the notes and has the right to attend and vote at any meeting of Noteholders without restriction.

Provision of information to noteholders

Please see section entitled "*Regulatory Considerations*" and section entitled "*General Information*" for further information in relation to investor reporting to be provided under the UK Securitisation Regulation (including in relation to UK STS securitisations).

Communications with noteholders

Any notice to be given by the Issuer or the Note Trustee to Noteholders may be given in the following manner:

- so long as the notes are held in the Clearing Systems, by delivering to the relevant Clearing System for communication by it to Noteholders; and
- any notices specifying the Rate of Interest, the Redemption Rate, an Interest Amount, an amount of Additional Interest or of Deferred Interest, a Principal Payment or a Principal Amount Outstanding, by publication on the relevant page of the Reuters Screen or such other medium for the electronic display of data as may be approved by the Note Trustee and notified to the relevant class of Noteholders.

Secured Creditors

Secured Creditors means, in respect of each Note Series, the Note Trustee in its own capacity and as trustee for the benefit of those persons (excluding the Principal Paying Agent, the Registrar, the Agent Bank, the Calculation Agent, the U.S. Paying Agent, the Exchange Agent and the DTC Custodian (together, in relation to any Note Series, the **Agents**)) listed as entitled to payment in Condition 4 (*Status, Security and Priority of Payment*) of the notes of such Note Series (as amended or supplemented if applicable by the Note Trust Deed Supplement relating to such Note Series).

Relationship between Noteholders and other Secured Creditors

So long as any notes are outstanding and there is a conflict between the interests of the Noteholders and the other Secured Creditors, the Note Trustee will only take into account the interests of the Noteholders in the exercise of its discretion.

SOURCES OF FUNDS TO PAY THE LOAN NOTES

Please refer to the sections entitled "Receivables Trustee Cashflows" and "Funding 1 Cashflows" for further detail in respect of the credit structure and cashflows of the transaction.

Receivables Trust

The Receivables Trustee was established to acquire credit card Receivables from the Transferor and to hold those Receivables and the related Collections on trust for the Transferor Beneficiary and each Investor Beneficiary under the terms of the Delamare Cards Receivables Trust set out in the RTDSA, and to make distributions to the Transferor Beneficiary and to each Investor Beneficiary in accordance with the terms of the RTDSA as supplemented from time to time. The Receivables Trustee may not engage in any unrelated activities.

The Delamare Cards Receivables Trust was established on 24 April 2013 under the terms of the RTDSA, under which the Transferor Beneficiary and each Investor Beneficiary have an undivided beneficial interest in the trust property equal to the proportion of their Contributions to the Delamare Cards Receivables Trust.

Investor Interest

The interest of each Investor Beneficiary in the Delamare Cards Receivables Trust is referred to as an **Investor Interest** and the Investor Interest representing Funding 1's beneficial interest in the Delamare Cards Receivables Trust is additionally referred to as the **Funding 1 Beneficial Interest**.

The Investor Interest of each Investor Beneficiary is allocated between each Trust Series relating to such Investor Beneficiary with the Investor Interest in respect of a Trust Series being referred to as the **Trust Series Investor Interest**. Each specific Trust Series Investor Interest will be identified by the Trust Series name.

An Investor Beneficiary may increase its Investor Interest either (i) in relation to the De-Linked Trust Series, in accordance with the provisions of the existing De-Linked Supplement or (ii) in respect of a new Trust Series, by entering into a new Supplement in respect of such new Trust Series.

If an Investor Beneficiary is to become a member of more than one Trust Series, it shall do so by, from time to time, making a further Contribution to the Delamare Cards Receivables Trust and entering into a new Supplement in respect of such new Trust Series which will have the effect of increasing its Investor Interest.

It is not envisaged, at the date of this Base Prospectus, that any further Trust Series will be created and therefore any increase or decrease in the Investor Interest will be in accordance with the De-Linked Supplement initially creating the Funding 1 Beneficial Interest.

Adjusted Transferor Interest

That part of the Delamare Cards Receivables Trust which is not held on trust for the Investor Beneficiaries is held on trust for the Transferor Beneficiary. The beneficial entitlement of the Transferor Beneficiary is

determined by reference to the Adjusted Transferor Interest.

Allocation of Collections

The Cash Manager will on behalf of the Receivables Trustee allocate each of the Transferor Finance Charge Amount, the Transferor Acquired Interchange Amount, the Investor Finance Charge Amount and the Investor Acquired Interchange Amount components of the Collections between the Loan Note Issuer, as the Investor Beneficiary, and the Transferor, as the Transferor Beneficiary, in accordance with the provisions of the RTDSA and the RSD.

Collections related to finance charges (**Finance Charge Collections**) and Acquired Interchange are treated separately from collections related to principal (**Principal Collections**).

The Cash Manager will allocate Collections for each Investor Beneficiary between different Trust Series on the basis of the relevant Trust Series Investor Interest.

The allocations described above will be made on the basis of varying percentages that are described in more detail below.

Allocation of Finance Charge Collections

Finance Charge Collections are allocated to each Trust Series in an amount calculated by reference to the investor percentage applicable to such Trust Series on a *pari passu* and *pro rata* basis with Finance Charge Collections allocated to other Trust Series and to the Transferor Beneficiary. The amount of Finance Charge Collections allocated to each Investor Beneficiary is referred to as the **Investor Finance Charge Amount**. The Loan Note Issuer, as Investor Beneficiary in respect of the Funding 1 Beneficial Interest, will be entitled to the Floating Investor Percentage of all Finance Charge Collections.

On a daily basis and in respect of each Investor Beneficiary, the Receivables Trustee will transfer an amount equal to the Investor Finance Charge Amount from the Trustee Collection Account to the relevant sub-ledger in the Finance Charge Collections Ledger.

Allocation of Acquired Interchange

If specified by a Supplement, the Investor Beneficiary in respect of the relevant beneficial interest in the Delamare Cards Receivables Trust will be entitled to a portion of Acquired Interchange. In all cases the Transferor Beneficiary will also be entitled to a portion of Acquired Interchange. In respect of the De-Linked Trust Series, the Loan Note Issuer, as the Investor Beneficiary in respect of the Funding 1 Beneficial Interest, will be entitled to the portion of Investor Acquired Interchange Amount as further described in "*Receivables Trustee Cashflows*".

On each Transfer Date and in respect of each Investor Beneficiary, the Receivables Trustee will transfer an amount equal to the Investor Acquired Interchange Amount from the Trustee Collection Account to the relevant sub-ledger in the Finance Charge Collections Ledger.

Use of Finance Charge Collections and Acquired Interchange by the Loan Note Issuer

Finance Charge Collections or Acquired Interchange transferred to the Finance Charge Collections Ledger will comprise part of the LNI Available Funds utilised by the Loan Note Issuer on each Transfer Date.

LNI Available Funds will be utilised, *inter alia*, to pay interest on tranches of Global Loan Note No.1.

Allocation of Principal Collections

Principal Collections are allocated in amounts determined by reference to the Principal Investor Percentage for a Trust Series.

In respect of the De-Linked Trust Series, the Principal Investor Percentage takes into account the Principal Calculation Amount which is calculated on an aggregated basis by reference to whether a Note Series and its Related Loan Note is in a Revolving Period, an Accumulation Period or an Amortisation Period.

Broadly speaking, the calculation of the Principal Investor Percentage in relation to a Note Series and its Related Loan Note in an Accumulation Period or an Amortisation Period is determined by reference to the Nominal Liquidation Amount for such Loan Note as of the close of business on the day prior to commencement of such Accumulation Period or Amortisation Period. In contrast, the Principal Investor Percentage in relation to a Note Series and its Related Loan Note in a Revolving Period is determined by reference to the Nominal Liquidation Amount as of the close of business on the last day of the immediately preceding Monthly Period, taking into account changes in the Principal Amount Outstanding under such Loan Note and any reduction in the pre-funding amount for such Loan Note during such Monthly Period.

The Targeted Principal Amount in respect of a Monthly Period represents the targeted amount of principal to be distributed in respect of the Funding 1 Beneficial Interest and will be an amount equal to the sum of (i) the aggregate of the Principal Amortisation Amount, if any, for each outstanding Loan Note; (ii) the Controlled Deposit Amount, if any, for each outstanding Loan Note; and (iii) the Targeted Pre-Funding Amount.

Loan Note Principal Allocation Periods – Revolving Period

A Revolving Period for each Loan Note is the period from the relevant closing date to the start of an Accumulation Period (which, for the avoidance of doubt, includes a period during which the Targeted Pre-Funding Amount is greater than zero) or Amortisation Period.

In respect of the De-Linked Trust Series, during a Loan Note Revolving Period there will be no accumulation of any amount representing principal in respect of that Loan Note and no payments of principal will be made to the holder of that Loan Note; however, under the provisions of the De-Linked Supplement the Receivables Trustee may be required to retain amounts of principal in the undivided Principal Collections Ledger as Required Retained Principal Collections, which may subsequently be used to fund interest payments in respect of the relevant Loan Note, any senior costs shortfall, any class A monthly shortfall, any class B monthly shortfall, any Servicer payment shortfall or any class C monthly shortfall.

class A monthly shortfall means the amount, if any, by which the amount that is available to be transferred on a Transfer Date pursuant to the STDCMA is less than the aggregate class A Monthly Distribution Amount.

class B monthly shortfall means the amount, if any, by which the amount that is available to be transferred on a Transfer Date pursuant to the STDCMA is less than the aggregate class B Monthly Distribution Amount.

class C monthly shortfall means the amount, if any, by which the amount that is available to be transferred on a Transfer Date pursuant to the STDCMA is less than the aggregate class C Monthly Distribution Amount.

In general, during the Revolving Period, principal that would otherwise have been allocated to the De-Linked Trust Series, but is not required for any relevant Loan Notes, will be used by the Receivables Trustee to purchase further Receivables or shared with other Trust Series. It is intended that similar provisions will apply to other Trust Series.

**Loan Note Principal
Allocation Periods –
Accumulation Period**

An Accumulation Period for a Loan Note is scheduled to begin on a certain date in advance of the Scheduled Redemption Date for such Loan Note but, in certain circumstances, the commencement of the Accumulation Period can be delayed by the Cash Manager. The Accumulation Period for a particular Loan Note will be no shorter than one month. The Accumulation Period for a particular Loan Note ends on the first to occur of (a) the commencement of an Amortisation Period for the relevant Loan Note, (b) the day the Outstanding Principal Amount of the relevant Loan Note is reduced to zero and (c) the Final Redemption Date of the notes to which such Loan Note relates.

During an Accumulation Period for a Loan Note, the Loan Note Issuer will on each Transfer Date accumulate in the Principal Funding Account Ledger for such Loan Note principal amounts received by it equal to the Controlled Deposit Amount, with the intention of accumulating enough principal for the Loan Note Issuer to be able to re-pay the Outstanding Principal Amount in respect of such Loan Note to the Issuer on the Scheduled Redemption Date. No payments of principal will be made to the Issuer in respect of a particular Loan Note during its Accumulation Period.

During the Accumulation Period for a Loan Note, the amount that can be deposited in the Principal Funding Account for such Loan Note in any monthly period is capped at the Controlled Deposit Amount. Any excess Principal Collections above this cap will be used by the Receivables Trustee to purchase further Receivables or shared with other Trust Series, to the extent not needed by the Trust Series to which the particular Loan Note related.

**Loan Note Principal
Allocation Periods – Regulated
Amortisation Period**

In relation to Loan Notes which are Controlled Amortisation Loan Notes, following certain specified events (described in "*Other Triggers*" below), the **Regulated Amortisation Period** will commence. During the

Regulated Amortisation Period, the Cash Manager will allocate Principal Collections up to the Maximum Regulated Deposit Amount to the relevant Loan Note and will transfer them on each Transfer Date to the Loan Note Issuer. Such Principal Collections received by the Loan Note Issuer shall constitute LNI Available Principal Amounts and shall be applied by the Loan Note Issuer on each Transfer Date in accordance with the priority of payments set out in "*Funding 1 Cashflows — Use of LNI Available Principal Amounts*" below. Any excess Principal Collections above the Maximum Regulated Deposit Amount will be used by the Receivables Trustee to purchase further Receivables or shared with other Trust Series.

The Regulated Amortisation Period will end on the earlier to occur of (a) the day on which the Outstanding Principal Amount of the relevant Loan Note is reduced to zero, (b) the commencement of a Rapid Amortisation Period for the relevant Loan Note and (c) the Final Redemption Date of the notes to which such Loan Note relates.

Rapid Amortisation Period

Following certain specified events (described in "*Other Triggers*" below), the **Rapid Amortisation Period** will commence. During the Rapid Amortisation Period, the Cash Manager will allocate any Principal Collections for a Loan Note that are available for repayment of principal in respect of such Loan Note to redeem such Loan Note. The amount of Principal Collections that can be paid to the Loan Note Issuer on each Transfer Date during the Rapid Amortisation Period is not capped. Such Principal Collections received by the Loan Note Issuer shall constitute LNI Available Principal Amounts and shall be applied by the Loan Note Issuer on each Transfer Date in accordance with the priority of payments set out in "*Funding 1 Cashflows — Use of LNI Available Principal Amounts*" below.

The Rapid Amortisation Period will end on the earlier to occur of (a) the day on which the Outstanding Principal Amount of the relevant Loan Note is reduced to zero and (b) the Final Redemption Date of the notes to which such Loan Note relates.

Shared Principal Collections

The De-Linked Trust Series is in **Group One**, which means that it shares with other Trust Series in Group One any excess Principal Collections that it is not required to accumulate or amortise in respect of a Loan Note in a specified period. Such reallocation does not result in a reduction of the Investor Interest in the De-Linked Trust Series (or any other Trust Series) that shared the excess Principal Collections.

Defaulted Receivables

If the Servicer determines that the Receivables in a Designated Account are uncollectible, the principal balance of such Defaulted Account will be allocated, on an aggregate monthly basis, to each Trust Series by reference to the Floating Investor Percentage for that Trust Series. For the De-Linked Trust Series, the Floating Investor Percentage for this purpose will be the Net Floating Investor Percentage. All Principal Receivables which come into existence under a Designated Account prior to such date of determination will continue to be assigned to or held on trust for the Receivables Trustee in accordance with the RSD. All Future Receivables which come into existence under such Defaulted Account after such date of determination which are Principal Receivables

or Finance Charge Receivables in respect of Receivables which were not in existence prior to such date of determination will not be assigned to or held on trust for the Receivables Trustee. All Future Receivables which are Finance Charge Receivables which (i) relate to Receivables which were in existence prior to such date of determination and (ii) came into existence on or following such date of determination, will continue to be assigned to or held on trust for the Receivables Trustee.

The amounts allocated to each Trust Series comprise, *inter alia*, the Investor Default Amount.

On each Transfer Date in respect of the De-Linked Trust Series, if the aggregate Investor Default Amount for the previous Monthly Period exceeds the amount of LNI Available Principal Amounts available to cover such aggregate Investor Default Amount (following the transfer of LNI Available Funds for the previous Monthly Period), the amount of such Investor Charge-Off will reduce the Funding 1 Beneficial Interest in accordance with such shortfall.

Summary of allocation percentages:

	<u>Revolving Period</u>	<u>Accumulation Period</u>	<u>Regulated Amortisation Period</u>	<u>Rapid Amortisation Period</u>
Finance Charge Collections	Floating Investor Percentage	Floating Investor Percentage	Floating Investor Percentage	Floating Investor Percentage
Interchange	Net Floating Investor Percentage	Net Floating Investor Percentage	Net Floating Investor Percentage	Net Floating Investor Percentage
Principal Collections	Principal Investor Percentage	Principal Investor Percentage	Principal Investor Percentage	Principal Investor Percentage
Defaulted Accounts	Net Floating Investor Percentage	Net Floating Investor Percentage	Net Floating Investor Percentage	Net Floating Investor Percentage

**Allocation of Funds by the
Loan Note Issuer**

The Loan Note Issuer will apply amounts distributed to it in respect of each Trust Series in making payments of interest and principal on the relevant Loan Note(s) relating to such Trust Series.

In relation to distribution of LNI Available Funds, on each Transfer Date, the Loan Note Issuer will apply amounts in the relevant ledger of the Loan Note Issuer Distribution Account relating to each Trust Series to make the following payments in the following order (such order of priority being the same both prior to and after the enforcement of security):

- (i) Senior Costs Items;
- (ii) from the date on which all Loan Notes issued prior to the date of this Base Prospectus (other than the Class D (2014-1) Loan Note) have been redeemed in full or cancelled, Servicer Payment Items;
- (iii) the aggregate class A Monthly Distribution Amount for such Transfer Date, to be paid to the holder(s) of class A Loan Notes;
- (iv) the aggregate class B Monthly Distribution Amount for such Transfer Date to be paid to the holder(s) of class B Loan Notes;
- (v) the aggregate class C Monthly Distribution Amount for such Transfer Date which shall be paid to the holder(s) of class C Loan Notes;
- (vi) the aggregate class D Monthly Distribution Amount for such Transfer Date which shall be paid to the holder(s) of class D Loan Notes, if any;
- (vii) prior to the date specified in item (ii) above, Servicer Payment Items;
- (viii) the aggregate Investor Default Amount, if any, for the preceding Monthly Period, which shall be paid to the Loan Note Issuer principal ledger to form part of LNI Available Principal Amounts for such Transfer Date;
- (ix) an amount equal to the aggregate of (i) the aggregate amount of Investor Charge-Offs and (ii) the aggregate amount of any reductions to the Nominal Liquidation Amount of any Loan Note due to payments of Utilised Required Retained Principal Collections, in each case which have not been previously reinstated, to be paid to the Loan Note Issuer principal ledger to form part of LNI Available Principal Amounts for such Transfer Date;
- (x) an amount equal to the aggregate amount targeted on such Transfer Date to be transferred to the Accumulation Reserve Account and credited to the relevant Accumulation Reserve Account Ledgers;

- (xi) in priority, (i) first, on each Transfer Date an amount equal to the aggregate amount targeted to be transferred to the Series Cash Reserve Account to be credited to the relevant Series Cash Reserve Account Ledgers provided that in the event of any shortfall, amounts will be credited in priority to the Series Cash Reserve Account Ledgers of a more Senior Loan Note Class prior to being credited to the Series Cash Reserve Account Ledgers of a more Subordinated Loan Note Class, (ii) second, on each Transfer Date occurring in the Monthly Period following the date on which the Targeted Pre-Funding Amount is equal to the aggregate Adjusted Outstanding Principal Amount of the class A Loan Notes and each class of Subordinated Loan Notes outstanding other than the most subordinated class of Subordinated Loan Notes outstanding and on each Transfer Date thereafter until such time as the pre-funding amount is reduced by more than the Pre-Funding Additional Amount (otherwise than solely by reason of any pre-funding amount being withdrawn from the Principal Funding Account on a Transfer Date), an amount equal to the Pre-Funding Additional Amount less any amounts paid on previous Transfer Dates in respect of the Pre-Funding Additional Amount since the last pre-funding amount was last reduced by more than the Pre-Funding Additional Amount (otherwise than solely by reason of any pre-funding amount being withdrawn from the Principal Funding Account on a Transfer Date) to be transferred to the Loan Note Issuer principal ledger to be treated as LNI Available Principal Amounts and (iii) third, an amount equal to the aggregate amount required on such Transfer Date to be transferred to the Programme Reserve Account to be credited to the relevant Programme Reserve Account Ledger;
- (xii) an amount (if any) equal to the aggregate of any Approved Conduit Payment to be paid to the affected conduit on the immediately following Distribution Date;
- (xiii) Junior Costs Items;
- (xiv) the Shared Excess Available Funds for such Transfer Date, to the extent required; and
- (xv) an amount equal to the balance, if any, will be available to the Loan Note Issuer to be paid as further interest in respect of a global loan note with an entitlement to further interest or to the Receivables Trustee as excess LNI Available Funds.

The Monthly Distribution Amount in respect of a Loan Note comprises, in relation to a Monthly Period, the monthly interest amount, any Deferred Interest and any Additional Interest, in each case payable in respect of such Loan Note.

Please see "*Funding 1 Cashflows – Application of LNI Available Funds*" for further information.

Allocation of Funds by the Issuer

Prior to the service of an enforcement notice, the Issuer will apply amounts received from the Loan Note Issuer under each Loan Note, *inter alia*, in making payments of interest and principal on the relevant Note Series, together with amounts constituting the Loan Note Holder's Costs Amount.

Broadly, the order of priority prior to the service of an Enforcement Notice under the relevant Note Series is as follows:

- (i) the Loan Note Holder's Costs Amount;
- (ii) *pari passu* and in no priority between each item (i) payments of an amount equal to the Class A Monthly Distribution Amount, and (ii) if a Swap Agreement has been entered into in respect of the Class A notes, payments of an amount equal to the Class A Monthly Distribution Amount to the Swap Counterparty for the purpose of paying such Monthly Distribution Amount;
- (iii) *pari passu* and in no priority between each item (i) payments of an amount equal to the Class B Monthly Distribution Amount, and (ii) if a Swap Agreement has been entered into in respect of the Class B notes, payments of an amount equal to the Class B Monthly Distribution Amount to the Swap Counterparty for the purpose of paying such Monthly Distribution Amount;
- (iv) *pari passu* and in no priority between each item (i) payments of an amount equal to the Class C Monthly Distribution Amount, and (ii) if a Swap Agreement has been entered into in respect of the Class C notes, payments of an amount equal to the Class C Monthly Distribution Amount to the Swap Counterparty for the purpose of paying such Monthly Distribution Amount;
- (v) *pari passu* and in no priority between each item (i) payments of an amount equal to the Class D Monthly Distribution Amount, and (ii) if a Swap Agreement has been entered into in respect of the Class D notes, payments of an amount equal to the Class D Monthly Distribution Amount to the Swap Counterparty for the purpose of paying such Monthly Distribution Amount;
- (vi) the Loan Note Holder's Profit Amount; and
- (vii) the deferred subscription price (if any) in respect of the Loan Notes for which the Issuer is Loan Note Holder.

Please see "*Issuer Cashflows – Monthly Payments of an Income Nature*" and "*Issuer Cashflows – Annual, Semi-Annual, Quarterly or Monthly payments*" for further information.

Following the service of an enforcement notice under the relevant Note Series, payments shall be applied in accordance with the Post Enforcement Priority of Payments as set out in Condition 4(c) (*Application of Proceeds upon Enforcement*).

Please see Condition 4 (*Status, Security and Priority of Payment*) for

further information.

Bank accounts and cash management

On a daily basis, the Receivables Trustee will credit the relevant Investor Finance Charge Amount to the Finance Charge Collections Ledger in the Trustee Collection Account and such amounts will be transferred on a Transfer Date from the Trustee Collection Account to the Loan Note Issuer Distribution Account to meet the obligations of the Loan Note Issuer for the relevant Monthly Period (including payments representing Excess Spread) or will be paid back to the Receivables Trustee as Additional Funds.

In addition, on a daily basis, the Receivables Trustee will credit the relevant amount of Principal Collections to the Principal Collections Ledger in the Trustee Collection Account. The Required Retained Principal Collections Percentage of such Principal Collections (up to the Maximum Required Retained Principal Collections Amount) will be retained within the Trustee Collection Account of the Delamare Cards Receivables Trust and may be deposited in the Loan Note Issuer Distribution Account on a Transfer Date to meet certain payments or distributions by the Loan Note Issuer in respect of the De-Linked Trust Series which it is not able to satisfy from Finance Charge Collections and Acquired Interchange or certain other reserves (if any).

On each Transfer Date, the Loan Note Issuer, acting on the instructions of the Cash Manager, will apply and transfer LNI Available Funds credited to the Loan Note Issuer Finance Charge Collections Ledger on such Transfer Date, in the order of priority specified under "*Funding / Cashflows – Application of LNI Available Funds*".

On each Distribution Date the aggregate of the amounts (other than amounts in respect of principal) transferred on or before the immediately preceding Transfer Date by the Loan Note Issuer to the Issuer Distribution Account and credited to the Distribution Ledger for the relevant Note Series together with any interest earned on the Distribution Ledger for the relevant Note Series since the previous Distribution Date, shall be applied in the order of priority specified under "*Issuer Cashflows – Monthly Payments of an Income Nature*".

RATING TRIGGER TABLE

Transaction Party	Required Ratings/Triggers	Possible effects of Trigger being breached include the following
Receivables Trustee Account Banks	<p>The Receivables Trustee Account Bank ceases to be a Qualified Institution.</p> <p>Where Qualified Institution means (a) an institution with a short-term, unsecured debt rating of at least:</p> <p>(i) A-1 by S&P (or, where no short term, unsecured debt rating by S&P is available a long term unsecured debt rating of at least A by S&P);(ii) P-1 by Moody's; and</p> <p>(iii) F1 by Fitch</p> <p>(or such other short-term ratings as may be required by the Rating Agencies from time to time)</p> <p>and a long-term, unsecured debt rating of at least:</p> <p>(iv) A2 by Moody's; and</p> <p>(v) A by Fitch</p> <p>(or such other long-term ratings as may be required by the Rating Agencies from time to time)</p> <p>or</p> <p>(b) such other institution, provided that the Servicer has confirmed that in its opinion, formed on the basis of due consideration, the appointment of such other institution will not result in the downgrade or withdrawal by the Rating Agencies of the ratings of any Associated Debt.</p>	<p>In the event that the Receivables Trustee Account Bank ceases to be a Qualified Institution, the Receivables Trustee Account Bank or any successor shall as soon as reasonably practicable give notice of that fact to the Receivables Trustee.</p> <p>As soon as practicable thereafter and in any event within 30 days of such notice, the Receivables Trustee shall transfer the closing credit balance of the Trust Accounts, together with all interest accrued on such balances up to but not including the date of transfer, to an appropriate successor account with a Qualified Institution.</p>
Funding 1 Account Banks	<p>The Funding 1 Account Bank ceases to be a Qualified Institution (defined above).</p>	<p>In the event that the Funding 1 Account Bank ceases to be a Qualified Institution, the Funding</p>

Transaction Party	Required Ratings/Triggers	Possible effects of Trigger being breached include the following
		<p>1 Account Bank or any successor shall as soon as reasonably practicable give notice of that fact to Funding 1.</p> <p>As soon as practicable thereafter and in any event within 30 days of such notice, Funding 1 shall transfer the closing credit balance of the Funding 1 Accounts, together with all interest accrued on such balances up to but not including the date of transfer, to an appropriate successor account with a Qualified Institution.</p>
Issuer Account Banks	<p>The Issuer Account Bank ceases to be a Qualified Institution (defined above).</p>	<p>In the event that the Issuer Account Bank ceases to be a Qualified Institution, the Issuer Account Bank or any successor shall as soon as reasonably practicable give notice of that fact to the Issuer.</p> <p>As soon as practicable thereafter and in any event within 30 days of such notice, the Issuer shall transfer the closing credit balance of the Issuer Accounts, together with all interest accrued on such balances up to but not including the date of transfer, to an appropriate successor account with a Qualified Institution.</p>
Swap Counterparty	<p>Such ratings as specified in the relevant Drawdown Prospectus relating to a Note Series.</p>	<p>As specified in the relevant Drawdown Prospectus relating to a Note Series.</p>

OTHER TRIGGERS

<u>Nature of Trigger</u>	<u>Description of Trigger</u>	<u>Consequence of Trigger</u>
Servicer Default Events	The occurrence of any of the events specified in paragraphs (a) to (h) in the definition of "Servicer Default" (see " <i>Servicing of Receivables—Termination of appointment of Servicer</i> ").	Termination of appointment of Servicer. Successor Servicer Facilitator shall use best efforts to identify a suitable Successor Servicer.
Cash Manager Default Events	The occurrence of any of the events specified in paragraphs (a) to (h) in the definition of "Cash Manager Default" (see " <i>The Security Trust Deed and Cash Management Agreement; Termination of appointment of Cash Manager</i> ").	Termination of appointment of Cash Manager.
Account Bank Termination Events	<p>In respect of the Issuer Account Bank, the occurrence of an "Issuer Account Bank Termination Event" (see "<i>The Bank Accounts—Termination and replacement of Account Bank upon the occurrence of certain events—Issuer Account Bank Termination Event</i>").</p> <p>In respect of the Funding 1 Account Bank, the occurrence of a "Funding 1 Account Bank Termination Event" (see "<i>The Bank Accounts—Termination and replacement of Account Bank upon the occurrence of certain events—Funding 1 Account Bank Termination Event</i>").</p> <p>In respect of the Receivables Trustee Account Bank, the occurrence of a "Receivables Trustee Account Bank Termination Event" (see "<i>The Bank Accounts—Termination and replacement of Account Bank upon the occurrence of certain events—Receivables Trustee Account Bank Termination Event</i>").</p>	Termination of appointment of the relevant Account Bank.
Regulated Amortisation Trigger Event	In relation to Controlled Amortisation Loan Notes, the occurrence of any of the events specified in paragraphs (b) and (c) of the definition of "Early Redemption Event" (see " <i>The Loan Notes—Early Redemption Events, Rapid Amortisation Trigger Events and Regulated Amortisation Trigger Events</i> ").	Regulated Amortisation Period will begin.

<u>Nature of Trigger</u>	<u>Description of Trigger</u>	<u>Consequence of Trigger</u>
Rapid Amortisation Trigger Event	<p>In relation to Loan Notes which are Controlled Amortisation Loan Notes, the occurrence of any of the events specified in paragraphs (a), (d) and (e) of the definition of "Early Redemption Event".</p> <p>In relation to Loan Notes which are not Controlled Amortisation Loan Notes, the occurrence of any of the events specified in paragraphs (a) to (e) of the definition of "Early Redemption Event" (see <i>"The Loan Notes—Early Redemption Events, Rapid Amortisation Trigger Events and Regulated Amortisation Trigger Events"</i>).</p>	Rapid Amortisation Period will begin.
Early Redemption Trigger	The occurrence of any of the events specified in paragraphs (a) to (e) of the definition of "Early Redemption Event" (see <i>"The Loan Notes—Early Redemption Events, Rapid Amortisation Trigger Events and Regulated Amortisation Trigger Events"</i>).	A Regulated Amortisation Period or a Rapid Amortisation Period will begin, depending on whether the relevant Early Redemption Trigger constitutes a Regulated Amortisation Trigger Event or a Rapid Amortisation Trigger Event.
Pay Out Events	<p>There are two types of pay-out events; some relate to each Trust Series (Trust Pay Out Events) and others relate only to specific Trust Series (Series Pay Out Events) and, together with Trust Pay-Out Events, Pay Out Events). Please see <i>"The Delamare Cards Receivables Trust—Trust Pay Out Events and Series Pay Out Events"</i> for further details.</p> <p>Trust Pay Out Events relate primarily (but not exclusively) to events associated with the Transferor and include, subject to certain grace periods and other qualifications:</p> <ul style="list-style-type: none"> • the occurrence of an Insolvency Event in relation to the Transferor; • the Transferor becomes unable to transfer Receivables to the Receivables Trustee in the manner contemplated in the RSD for a continuous period of 30 days; • the Transferor ceases to be a resident for tax purposes in the 	If the Trust Pay Out Event resulting from an Insolvency Event in relation to the Transferor occurs, a Trust Pay Out Event will occur for each Trust Series and the Transferor Beneficiary and Investor Beneficiary in respect of a Trust Series. If any other Trust Pay Out Event occurs in respect of a Trust Series, a Series Pay Out Event will occur in respect of such Trust Series and each Investor Beneficiary (but not the Transferor Beneficiary) in respect of such Trust Series.

<u>Nature of Trigger</u>	<u>Description of Trigger</u>	<u>Consequence of Trigger</u>
	<p>United Kingdom; or</p> <ul style="list-style-type: none"> • the Receivables Trustee becomes liable to make any payment on account of tax that will adversely affect the then current ratings of any Associated Debt then outstanding. <p>Series Pay Out Events will be specified in the relevant Supplement. In relation to the De-Linked Trust Series, the Series Pay Out Events include, in summary and subject to certain grace periods and other qualifications set out in the De-Linked Supplement:</p> <ul style="list-style-type: none"> • failure on the part of the Transferor (i) to make any payment or deposit required by the terms of the RSD or (ii) duly to observe or perform in any material respect any covenants or agreements of the Transferor set out in the RSD or the De-Linked Supplement, which failure has a Material Adverse Effect on the interests of the Investor Beneficiary; • any representation or warranty made by the Transferor in the RSD or the De-Linked Supplement, or any information required to be delivered by the Transferor pursuant to the RSD is incorrect in any material respect and as a result of which there is a Material Adverse Effect on the interests of the Investor Beneficiary provided that no such breach of representation or warranty shall be a Series Pay Out Event if the Transferor has complied with its obligation to pay the face value of the relevant Principal Receivable(s) in relation to which the breach of representation relates to the Receivables Trustee (or otherwise fulfils such obligation, in whole or in part, by a reduction in the amount of the Transferor's 	

<u>Nature of Trigger</u>	<u>Description of Trigger</u>	<u>Consequence of Trigger</u>
	<p>beneficial interest in the Delamare Cards Receivables Trust) pursuant to and in accordance with the provisions of the RSD; and</p> <ul style="list-style-type: none"> • the occurrence of a Servicer Default which has a Material Adverse Effect on the Investor Beneficiary. 	
Notification Events	<p>Notification events include:</p> <ul style="list-style-type: none"> • the occurrence of an Insolvency Event in relation to the Transferor; • any execution, distress or diligence is levied against, or an encumbrancer takes possession of, the whole or any material part of the property, undertaking or assets of the Transferor or any event occurs which under the laws of any jurisdiction has a similar or analogous effect, and such action is not discharged within 14 days; and • the Transferor (or the Servicer on behalf of the Transferor) fails to pay any sum due from it to the Receivables Trustee in respect of the Designated Accounts within five Business Days of the due date thereof or the date of demand, if payable on demand, as specified in the RSD, and such failure is not remedied within ten Business Days after the Receivables Trustee has given notice thereof to the Transferor. 	<p>A Notice of Assignment or Scottish Assignation may be given following a Notification Event or such other action taken as is necessary to perfect the assignment or transfer of any of the Receivables to the Receivables Trustee.</p>

TRANSACTION FEES

The following table summarises certain fees payable out of cashflows from the Delamare Cards Receivables Trust.

Recipient	Fee		Priority in cashflow	Frequency
Servicing Fee	In relation to the De-Linked Trust Series, 1.0% of the Adjusted Investor Interest		Junior to Noteholders	Each Transfer Date
Successor Servicer Facilitator Fee	Estimated each year	£15,000	Senior to Noteholders	Each Transfer Date
Cash Management and Bank Account Operator Fee	Estimated each year	£150,000	Senior to Noteholders	Each Transfer Date
Corporate expenses of Receivables Trustee	Estimated each year	£11,000	Senior to Noteholders	Each Transfer Date
Corporate expenses of Funding 1	Estimated each year	£11,000	Senior to Noteholders	Each Transfer Date
Corporate expenses of Issuer	Estimated each year	£11,000	Senior to Noteholders	Each Transfer Date

REGULATORY CONSIDERATIONS

The following outlines certain matters that may be relevant to some investors. It does not purport to be a comprehensive list of regulatory matters that pertain to investors. All investors are responsible for analysing their own regulatory position and should consult their own advisers in this respect. Please refer to the Risk Factor entitled "*Legal and regulatory risks related to the structure of the Programme and the Notes - Regulatory initiatives may have an adverse impact on the regulatory treatment of the Notes*".

UK Securitisation Regulation requirements

Definitions

In this Base Prospectus:

- (a) **Regulatory Credit Impaired Account** means, as applicable, an Account with a cardholder who is a "credit-impaired obligor" within the meaning of Article 13(2)(j) of the UK LCR Regulation or a "credit-impaired debtor" as described in Article 20(11) of the UK Securitisation Regulation, and, in each case, in accordance with any official guidance issued in relation thereto;
- (b) **Regulatory Defaulted Account** means an Account which, is in "default" within the meaning of Article 13(2)(k) of the UK LCR Regulation and/or Article 20(11) of the UK Securitisation Regulation, and, in each case, in accordance with any official guidance issued in relation thereto;
- (c) **Non-Compliant Account** means an Account which is not compliant with Article 13 of the UK LCR Regulation, Article 243 of the UK Capital Requirements Regulation or the UK Securitisation Regulation (or if different, the equivalent provisions in any such enacted versions of such regulations) and/or in accordance with any official guidance issued in relation thereto;
- (d) **UK LCR Regulation** means Regulation (EU) 575/2013 (as amended) of the European Parliament and the Council with regard to the liquidity coverage requirement for Credit Institutions as supplemented by the European Commission adopted text of the Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 supplementing as it forms part of UK domestic law by virtue of the EUWA; and
- (e) **UK Securitisation Regulation** means Regulation (EU) 2017/2402 as it forms part of domestic law of the United Kingdom by virtue of the EUWA (as amended by the European Union (Withdrawal Agreement) Act 2020), including any relevant binding technical standards, regulations, instruments, rules, policy statements, guidance, transitional relief or other implementing measures of the Financial Conduct Authority, the Bank of England, the United Kingdom Prudential Regulation Authority, the Pensions Regulator or other relevant UK regulator (or their successor) in relation thereto, as amended, varied or substituted from time to time.

UK Securitisation Regulation

The Transferor (as originator for the purposes of the UK Securitisation Regulation) has undertaken that, whilst any of the Notes remain outstanding, it will:

- (a) retain a material net economic interest of not less than 5 per cent. of the nominal value of the securitised exposures as required by the text of Article 6 of the UK Securitisation Regulation (the **UK Risk Retention Requirements**) by retaining a Transferor Interest of no less than 5 per cent in the Delamare Cards Receivables Trust in accordance with Article 6(3)(b) of the UK Securitisation Regulation;

- (b) at all relevant times comply with the requirements of Article 7(1)(e)(iii) of the UK Securitisation Regulation by confirming in the Monthly Servicer's Report the risk retention of the Transferor as contemplated by Article 6(1) of the UK Securitisation Regulation;
- (c) not change the manner in which it retains such material net economic interest, except to the extent permitted by the UK Securitisation Regulation (and ensure that any such change is disclosed in the Servicer's monthly report); and
- (d) not hedge, sell or otherwise enter into any credit risk mitigation, short position or any other credit risk hedge with respect to its retained material net economic interest, except to the extent permitted by the UK Securitisation Regulation,

in each case, provided that the Transferor would only be required to do so to the extent that the retention and disclosure requirements under the relevant rules remain in effect and apply to the Programme.

Any change to the manner in which such interest is held will be notified to noteholders in accordance with the conditions and the requirements of the UK Securitisation Regulation.

The Transferor intends to retain a material net economic interest of not less than 5 per cent. in the securitisation by way of a retention in accordance with the text of Article 6(3)(b) of the UK Securitisation Regulation.

The Transferor has provided a corresponding undertaking with respect to the provision of such investor information and compliance with the requirements of Article 7(e)(iii) of the UK Securitisation Regulation (the **UK Transparency Requirements**) by confirming the risk retention of the Transferor as contemplated by Article 6(1) of the UK Securitisation Regulation as specified in the paragraph above.

The Transferor will undertake to comply with any applicable requirements under Article 7 of the UK Securitisation Regulation and the corresponding implementing measures from time to time in respect of any relevant notes, in accordance with any guidance in relation to it that is then current and issued by the FCA.

For the purposes of Article 7(2) of the UK Securitisation Regulation, the Transferor as originator has been designated as the entity responsible for compliance with the requirements of Article 7 of the UK Transparency Requirements (the **Reporting Entity**). The Transferor has appointed the Servicer to perform all of the Transferor's obligations under Article 7 of the UK Securitisation Regulation. For further information in relation to the provision of information please refer to the section entitled "*General Information*" below.

For the avoidance of doubt, neither the Transferor nor the Issuer shall comply with the EU Securitisation Regulation (and such parties are not required to so comply).

UK STS status

The Transferor confirms that it will, if set out in the relevant Final Terms or Drawdown Prospectus, as applicable, make an STS Notification to the FCA that the relevant notes are a UK STS securitisation pursuant to Article 18 of the UK Securitisation Regulation. The UK STS Notification(s), once notified to the FCA, will be available for download on the FCA Register of Securitisation STS Notifications at <https://data.fca.org.uk/#/sts/stssecuritisations> (or its successor website) (the **FCA STS Register website**). For the avoidance of doubt, the FCA STS Register website and the contents thereof do not form part of this Base Prospectus.

In relation to any Notes which are awarded UK STS status, Tesco Personal Finance plc as the sponsor and the originator for the purposes of the Securitisation Regulation is responsible for compliance with Article 7 of the Securitisation Regulation.

Credit granting standards and information regarding the policies and procedures

TPF is a credit institution and as such is bound by the requirements of the Capital Requirements Directive IV as implemented into UK law (**CRD IV**). The policies and procedures of TPF which are applicable to the Securitised Portfolio in relation to the granting of credit, administration of credit-risk bearing portfolios and credit risk mitigation are subject to the requirements of CRD IV.

The requirements of CRD IV broadly include the following:

- (a) that the granting of credit shall be based on sound and well-defined criteria and that the process for approving, amending, renewing and re-financing credits shall be clearly established (as to which, please see the information set out in the section of this Base Prospectus entitled "*Tesco Personal Finance PLC's Credit Card Portfolio*" for further details of these criteria);
- (b) that effective systems are in place to administer and monitor the various credit-risk bearing portfolios and exposures (as to which it should be noted that the Securitised Portfolio will be serviced in line with the usual servicing procedures of TPF – please see further the section of this Base Prospectus entitled "*Tesco Personal Finance PLC's Credit Card Portfolio*");
- (c) that the diversification of credit portfolios shall be adequate given the relevant credit institution's target market and overall credit strategy (as to which, in relation to the Securitised Portfolio, please see further the section of this Base Prospectus entitled "*TPF Total Portfolio Information*"); and
- (d) to have in place written policies and procedures in relation to risk mitigation techniques (as to which, please see further the section of this Base Prospectus entitled "*Tesco Personal Finance PLC's Credit Card Portfolio*").]

Adverse selection

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

Notes not part of a re-securitisation

The notes are not part of a securitisation of one or more exposures where at least one of these exposures is a securitisation.

Investors to assess compliance

Each prospective investor is required to independently assess and determine the sufficiency of the information described above, in this Base Prospectus and the related Final Terms or Drawdown Prospectus (as applicable) and otherwise which may be made available to investors generally for the purposes of complying with Article 5 of the UK Securitisation Regulation and (if applicable) Article 5 of the EU Securitisation Regulation and any national measures or applicable regulations which may be relevant to investors. None of the Issuer, the Transferor, the Receivables Trustee, the Loan Note Issuer, the Arranger, the Dealers or any of the other transaction parties makes any representation that the information described above or elsewhere in this Base Prospectus, any Final Terms and any Drawdown Prospectus (as applicable) is sufficient in all circumstances for such purposes. For the avoidance of doubt, neither the Issuer nor the Transferor shall comply with, or provide to Noteholders any additional data and information referred to in, the requirements of the EU Securitisation Regulation.

Each prospective investor should ensure that they comply with the implementing provisions in respect of such risk retention and due diligence requirements in their relevant jurisdiction to the extent that it applies to

them. Investors who are uncertain as to the requirements which apply to them in respect of their relevant jurisdiction, should seek guidance from their regulator.

U.S. Credit Risk Retention

The U.S. Credit Risk Retention Rules generally require, unless an exemption exists, that a "sponsor" of asset-backed securities acquires and retains an economic interest in the credit risk of the assets collateralising the issuance of all 'asset-backed securities' in an amount not less than 5 percent, in one of a number of specified ways. The U.S. Credit Risk Retention Rules were announced by the SEC in October 2014 and became effective on 24 December 2016. Under the U.S. Credit Risk Retention Rules, a "sponsor" means a person who organises and initiates a securitisation transaction by selling or transferring assets, either directly or indirectly, including through an affiliate, to the issuing entity.

Rule 144A and Regulation S Offerings

With respect to Notes offered and sold by the Issuer in reliance on Rule 144A and Regulation S, to the extent applicable, Tesco Personal Finance PLC, as the sponsor of an asset-backed securitisation transaction, has elected to satisfy the U.S. Credit Risk Retention Rules by retaining a seller's interest, as defined by and calculated in accordance with the U.S. Credit Risk Retention Rules, in a minimum amount that will equal not less than five percent of the aggregate unpaid principal balance of all outstanding notes of the Issuer, other than any notes held for the life of such notes by Tesco Personal Finance PLC or one or more wholly-owned affiliates of Tesco Personal Finance PLC (which amount is referred to as the "adjusted outstanding investor ABS interests" in this section). The seller's interest will be held in the form of Tesco Personal Finance PLC's interest as Transferor Beneficiary (the **Transferor Interest**). See "*The Delamare Cards Receivables Trust—General entitlement of beneficiaries to trust property*" for a description of how the Transferor Interest is computed. As provided in the STDCMA, if the thirty-day average of Tesco Personal Finance PLC's Transferor Interest falls below a value computed in accordance with the STDCMA (currently set to be at least 9% of the average outstanding face value of Eligible Principal Receivables over the same period), an Early Redemption Event occurs. In order for Tesco Personal Finance PLC to avoid the occurrence of such an Early Redemption Event, the average Transferor Interest over a thirty-day testing period must be maintained above the applicable value (currently set to be at least 9% of the average outstanding face value of Eligible Principal Receivables) (the **Minimum Transferor Interest**).

Although similar in concept, the obligation under the U.S. Credit Risk Retention Rules to maintain a seller's interest at least equal to five per cent of the aggregate outstanding balance of the notes of all series is independent from the requirement to maintain a Minimum Transferor Interest, and each is calculated differently. While the seller's interest determined in compliance with the U.S. Credit Risk Retention Rules is measured against the aggregate outstanding principal amount of notes, the Minimum Transferor Interest is measured against the aggregate face value of Eligible Principal Receivables. Generally, however, compliance with the currently in effect Minimum Transferor Interest will result in a higher seller's interest than is required under the U.S. Credit Risk Retention Rules. At any time that it relies on its Transferor Interest to comply with the U.S. Credit Risk Retention Rules, Tesco Personal Finance PLC (i) will not transfer to any party other than a wholly-owned affiliate any portion of its Transferor Interest that is required to be maintained to ensure such compliance, and (ii) will not enter into any derivative agreement or position that reduces or limits its financial exposure to such Transferor's Interest to the extent that such activities would be prohibited hedging activities under the U.S. Credit Risk Retention Rules. For purposes of the foregoing, a "wholly-owned" affiliate of Tesco Personal Finance PLC means an entity (other than the Issuer) that, directly or indirectly, wholly controls, is wholly-controlled by, or is wholly under common control with, Tesco Personal Finance PLC; and "wholly controls" means ownership of 100% of the equity of the relevant entity.

With respect to each offering of notes under the Programme, the relevant Drawdown Prospectus or Final Terms will include information regarding the expected seller's interest as of the corresponding closing date computed in compliance with the U.S. Credit Risk Retention Rules. Such calculation will be based on the outstanding principal amount of all notes as of the immediately preceding Interest Payment Date, including (unless otherwise indicated) the amount of notes intended to be held for life by Tesco Personal Finance PLC or its wholly-owned affiliates (although notes so held are not required to be included for the calculation under the rules), adjusted to reflect the hypothetical issuance of notes on such closing date and also adjusted for accepted nominated additional accounts due to be sold and assigned prior to the closing date (where applicable). For purposes of the computation, the outstanding principal amount of each Series of notes denominated in currencies other than Sterling will be converted to Sterling at the exchange rate of the corresponding foreign exchange hedge entered into by the Issuer for the benefit of such Series. The actual amount of the seller's interest at the closing will be included in the final Drawdown Prospectus or Final Terms, as applicable.

In the future, Tesco Personal Finance PLC may elect to comply with the U.S. Credit Risk Retention Rules through any other means permitted thereunder. In making such election, Tesco Personal Finance PLC will comply with the provisions of the U.S. Credit Risk Retention Rules, including applicable disclosure requirements.

General

No assurance can be given as to whether a failure by Tesco Personal Finance PLC to comply with the U.S. Credit Risk Retention Rules (regardless of the reason for such failure to comply) may give rise to regulatory action which may adversely affect the Notes or the market value of the Notes. Furthermore, the impact of the U.S. Credit Risk Retention Rules on the securitisation market generally is uncertain, and a failure by Tesco Personal Finance PLC to comply with the U.S. Credit Risk Retention Rules could therefore negatively affect the market value and secondary market liquidity of the Notes.

Investors should note that in the event the U.S. Credit Risk Retention Rules (or any relevant portion thereof) is amended, repealed or determined by applicable regulatory agencies to be no longer applicable to this transaction after the issuance date, the obligation of Tesco Personal Finance PLC to hold the seller's interest described above may be automatically amended or removed to reflect the modified or repealed U.S. Credit Risk Retention Rules without further notice to investors.

None of the Dealers or any of their affiliates makes any representation to any prospective investor or purchaser of the Notes as to whether the transactions described in this Base Prospectus comply as a matter of fact with the U.S. Credit Risk Retention Rules on the Closing Date or at any time in the future. Investors should consult their own advisors as to the U.S. Credit Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

Volcker Rule

Having sought the advice of legal counsel and made other reasonable enquiries, the Issuer is of the view that it is not, and solely after giving effect to any offering and sale of the Notes and the application of the proceeds thereof it will not be, a "covered fund" for purposes of the Volcker Rule. In reaching this conclusion, although other statutory or regulatory exclusions and/or exemptions under the Investment Company Act, and under the Volcker Rule and its related regulations may be available, the Issuer has relied on the exemption from the definition of "investment company" in the Investment Company Act provided by Rule 3a-7 thereunder, and, accordingly, the Issuer is not a "covered fund" under the Volcker Rule. Any prospective investor in any Notes, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisers regarding such matters and the effects of the Volcker Rule.

UK LCR Regulation

Part 6 (Liquidity) of Regulation (EU) 575/2013 (the **CRR**) and Chapter 4 of the Liquidity (CRR) Part of the PRA Rulebook, provide a framework to ensure that Institutions (as defined in the CRR or the CRR as onshored in the UK (**UK Capital Requirements Regulation**) (as applicable)) shall hold liquid assets, the sum of the value of which should cover the Institution's liquidity outflows less its liquidity inflows under stressed conditions, so as to ensure that Institutions maintain levels of liquidity buffers which are adequate to face any possible imbalance between liquidity inflows and liquidity outflows under gravely stressed conditions over a period of 30 days (liquidity coverage ratio, or LCR). This is so that in times of stress, Institutions may use their liquid assets to cover their net liquidity outflows.

Pursuant to Article 460 of the CRR, these liquidity coverage requirements were originally adopted by delegated act, namely Delegated Regulation 2015/61 supplementing the CRR dated 10 October 2014 (the **LCR Regulation**). Delegated Regulation 2015/61 was onshored in the UK and as of 1 January 2022 most of the onshored version's provisions were repealed and instead now sit within Chapter 2 of the Liquidity Coverage Ratio (CRR) Part of the PRA Rulebook. In calculating an Institution's liquidity buffer as part of the liquidity coverage ratio, an Institution may take into account its "liquid assets", the criteria of which are specified in the UK LCR Regulation. Level 2B securitisation assets may count towards "liquid assets" as part of the liquidity buffer calculation.

The Issuer understands that prospective investors in the notes may look to assess the compliance of such notes with the criteria for Level 2B securitisation assets (as set out in the UK LCR Regulation). The Issuer additionally notes that the Transferor requested that the Receivables Trustee effect a redesignation of certain Accounts and a repurchase of the Receivables thereunder pursuant to the relevant Call Option Agreement on 27 July 2020 (the **Repurchase Date**) which the Transferor selected after having undertaken a review of the Designated Accounts in the Securitised Portfolio by reference to the definition of Regulatory Credit Impaired Accounts and Regulatory Defaulted Accounts and consequentially offered to repurchase Receivables on such Accounts from the Receivables Trustee (the purchase price being the aggregate principal balance of such redesignated Regulatory Credit Impaired Accounts and Regulatory Defaulted Accounts as at the date of repurchase).

This redesignation of Accounts and repurchase of Receivables was completed on the Repurchase Date, pursuant to a repurchase deed dated the Repurchase Date between, inter alios, the Transferor and the Receivables Trustee (the **Repurchase Deed**). The repurchase on the Repurchase Date was subject to the Transferor certifying, inter alia, that (i) the redesignation would not, in the Transferor's reasonable belief cause a Pay Out Event to occur; and (ii) in its opinion, formed on the basis of due consideration, the redesignation would not result in a downgrade or withdrawal of the current rating of any outstanding Associated Debt as at the Repurchase Date.

Each prospective investor that is required to comply with the UK LCR Regulation is required to independently assess and determine the sufficiency of the information described above, in this Base Prospectus and otherwise which may be made available to investors (if any) generally for the purposes of complying with the UK LCR Regulation and none of the Issuer, the Receivables Trustee, Loan Note Issuer No. 1, the Transferor, the Arranger, the Lead Managers (in the case of syndicated issues), any Dealer or any of the other transaction parties makes any representation that the information described above, in this Base Prospectus and otherwise which may be made available to such investors (if any) is sufficient in all circumstances for such purposes.

Prospective investors who are uncertain as to the requirements under the UK LCR Regulation which apply to them in respect of their relevant jurisdiction, should seek guidance from their regulator.

Redesignation of Non-Compliant Accounts for the purposes of the UK LCR Regulation, Solvency II Regulation and/or the UK Securitisation Regulation

The Transferor has also undertaken in the Receivables Securitisation Deed to use commercially reasonable efforts to procure that Accounts which it considers to be Non-Compliant Accounts are not included in any Offer to the Receivables Trustee after 27 July 2020 and that if any Non-Compliant Accounts are identified after a review of the Securitised Portfolio by the Transferor as having been the subject of any Offer after 27 July 2020, that the Transferor will exercise its option to have such Non-Compliant Accounts redesignated and the related Receivables repurchased by the Transferor pursuant to the Receivables Securitisation Deed, subject to it being able to make the relevant certifications to the Receivables Trustee (being, inter alia, that (i) such redesignation and repurchase is necessary in order to the comply with Article 13 (Level 2B securitisations) of the UK LCR Regulation, Article 177 of Solvency II Regulation, the UK Securitisation Regulation and/or in accordance with any official guidance issued in relation thereto, (ii) such redesignation would not, in the Transferor's reasonable belief cause a Pay Out Event to occur; and (iii) in its opinion, formed on the basis of due consideration, such proposed redesignation would not result in a downgrade or withdrawal of the current rating of any outstanding Associated Debt as at the relevant repurchase date).

USE OF PROCEEDS

The net proceeds of the issue of a Note Series will be used by the Issuer to subscribe for a Loan Note issued by Funding 1 on such terms as further specified in the applicable Drawdown Prospectus/Final Terms/Pricing Supplement.

THE RECEIVABLES TRUSTEE

The Receivables Trustee was incorporated in England and Wales on 11 January 2013 with company number 08356561 as a private company with limited liability under the Companies Act 2006. The registered office of the Receivables Trustee is located at 6th Floor 125 London Wall, London, England, EC2Y 5AS.

The entire issued share capital of the Receivables Trustee is held by Sanne Group Nominees 1 (UK) Limited on trust for Sanne Trustee Company UK Limited, a company incorporated in England and Wales and having its registered office at 6th Floor 125 London Wall, London, England, EC2Y 5AS (acting solely in its capacity as trustee of Delamare Cards Discretionary Trust) (in such capacity the **Share Trustee**) under the terms of a declaration of trust dated on or about 16 October 2017. The Share Trustee holds its beneficial interest thereunder pursuant to a declaration of trust (the **Share Declaration of Trust**) made by the Share Trustee on or about 16 October 2017 (and as subsequently amended from time to time). The Share Declaration of Trust provides that any income or capital held by the Share Trustee subject thereto is to be applied to or for the benefit of various discretionary purposes as the Share Trustee shall determine.

The principal activities of the Receivables Trustee are to undertake and perform the office and duty of the Receivables Trustee as described in the RSD, the RTDSA, each Supplement and all documents incidental to those documents. Such duties include acting as trustee of the Receivables Trust, purchasing and accepting transfers of the Receivables from the Transferor and entering into documents incidental to or relating to those activities. The memorandum and articles of association of the Receivables Trustee may be inspected at the registered office of the Receivables Trustee.

Directors and secretary

The directors of the Receivables Trustee and their respective business addresses and other principal activities are:

<u>Name</u>	<u>Nationality</u>	<u>Business Address</u>	<u>Principal Activities</u>
Marc Speight	British	Sanne Group Secretaries (UK) Limited, 6th Floor 125 London Wall, London, England, EC2Y 5AS	Director
Beejadhursingh Mahen Surnam	British	Sanne Group Secretaries (UK) Limited, 6th Floor 125 London Wall, London, England, EC2Y 5AS	Director
Christopher Michael Warnes	British	Sanne Group Secretaries (UK) Limited, 6th Floor 125 London Wall, London, England, EC2Y 5AS	Director

The Receivables Trustee is organised as a special purpose vehicle and is largely passive, engaging only in the types of transactions described in this Base Prospectus. The Receivables Trustee is managed and controlled by its directors in the UK.

In accordance with a corporate administration agreement originally dated on or about 24 April 2013, as novated on or about 16 October 2017, as amended and restated on 1 November 2017 and as further amended and restated on or around 31 October 2018 (the **Corporate Administration Agreement**), Sanne Group (UK) Limited, having its registered office at 6th Floor 125 London Wall, London, England, EC2Y 5AS, provides the Receivables Trustee with general company administration services. The fees of Sanne Group (UK) Limited for providing such services are included in the Trustees Fees (see "*The Delamare Cards Receivables Trust — Trustee payment amount*").

The secretary of the Receivables Trustee is Sanne Group Secretaries (UK) Limited whose registered office is at 6th Floor 125 London Wall, London, England, EC2Y 5AS.

Management and principal activities

The Receivables Trustee has been established specifically to act as trustee of the Delamare Cards Receivables Trust. Its activities are restricted by the terms of the Delamare Cards Receivables Trust as set out in the RTDSA, related Supplements and other Related Documents, and is limited to its trusteeship thereof, and transfer to it (pursuant to any Offers made to it by the Transferor) of Receivables and, under trusts relating thereto, the exercise of related rights and powers and other activities incidental thereto.

Pursuant to the RTDSA, the Servicer has undertaken to collect monies relating to the Receivables, to service the Designated Accounts and monies received in respect of them and to provide services in connection with the day-to-day management of the Receivables and the Designated Accounts.

The Receivables Trustee will engage in activities including (but not limited to) the following:

- (a) acting as Receivables Trustee in respect of the Delamare Cards Receivables Trust;
- (b) the authorisation and execution of the documents to which it is a party in order to create Trust Series within the Delamare Cards Receivables Trust; and
- (c) the authorisation and execution of the documents referred to in this Base Prospectus to which it is party other than those documents executed in connection with the declaration of the Delamare Cards Receivables Trust, the creation of future Trust Series or the creation of previous Trust Series within the Delamare Cards Receivables Trust.

Under the terms of the RTDSA, the Receivables Trustee covenants in favour of the beneficiaries that it will not, without the prior written consent of each of the beneficiaries:

- (a) carry on any business other than as trustee of the Delamare Cards Receivables Trust and, in respect of that business, shall not engage in any activity or do anything whatsoever except:
 - (i) hold, and exercise its rights in respect of, the trust property and perform its obligations in respect of the trust property;
 - (ii) preserve and/or exercise and/or enforce any of its rights and perform and observe its obligations under the RTDSA, the RSD, the master framework agreement among, *inter alios*, the Receivables Trustee, TPF (in its capacities as Transferor, Transferor Beneficiary and Servicer), Funding 1, Funding 2 and the Security Trustee (the **Master Framework Agreement**), each Supplement and each other document executed in connection with a Contribution including any documents executed in connection with Related Debt, any mandate and other agreement relating to a trust account or a bank account in respect of which the Receivables Trustee has a beneficial interest, the trust section 75 indemnity, and any other document contemplated by and executed in connection with any of the preceding documents (together the **Relevant Documents**);

- (iii) pay dividends or make other distributions to the extent permitted by applicable law;
 - (iv) use, invest or dispose of any of its property or assets in the manner provided in or contemplated by the Relevant Documents to which it is expressed to be a party;
 - (v) perform any and all acts incidental to or otherwise necessary in connection with any of (i), (ii), (iii) or (iv) above;
- (b) incur any Indebtedness whatsoever (other than as expressly contemplated in the RTDSA or any Supplement) or give any guarantee or indemnity in respect of any Indebtedness;
 - (c) create any mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or other type of preferential arrangement having similar effect, 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, other than as expressly contemplated by the Relevant Documents to which it is expressed to be a party;
 - (d) permit the Delamare Cards Receivables Trust to be supplemented, amended, varied, terminated, postponed or discharged (other than as expressly contemplated in the RTDSA or in any Supplement);
 - (e) be or become tax resident in any jurisdiction other than the United Kingdom;
 - (f) maintain a branch registration in any jurisdiction other than in the United Kingdom;
 - (g) maintain or carry on any business through any office, establishment, branch, agency or permanent establishment in any jurisdiction other than in the United Kingdom;
 - (h) be or become a director of any company (within the meaning of section 67(1) and (2) of the Income Tax (Earnings and Pensions) Act 2003 and including any person within the meaning of section 452(1) of the Corporation Tax Act 2010) nor at any time have such a director;
 - (i) have an interest in any bank account other than a trust account and its own bank accounts in the United Kingdom opened for the purpose of receiving and making payments to be made otherwise than in its capacity as Receivables Trustee (including making payments of Servicing Fee to the Servicer); or
 - (j) have any employees or premises (other than a sufficient number of employees or premises in light of its contemplated business operations).

Under the terms of the RTDSA, the Receivables Trustee has also made covenants in favour of the beneficiaries that it shall maintain all licences, authorisations and covenants and do all other things necessary to ensure its continued corporate existence and carry out its obligations under the Relevant Documents to which it is a party.

Share capital

The authorised share capital of the Receivables Trustee is an unlimited number of shares of no par value. The Receivables Trustee has issued one share in consideration of payment of £1.00 (which amount has been paid).

There are no outstanding loans or subscriptions, allotments or options in respect of the Receivables Trustee.

Legal proceedings

The Receivables Trustee neither is nor has been involved in any governmental, legal or arbitration Proceedings (including any such Proceedings which are pending or threatened of which the Receivables Trustee is aware) since the date of its incorporation which may have, or have had in the recent past, significant effects on the Receivables Trustee's financial position or profitability.

FUNDING 1

Delamare Cards Funding 1 Limited was incorporated as a special purpose vehicle in England and Wales on 11 January 2013 with company number 08356551 as a private company with limited liability under the Companies Act 2006. The registered office of Funding 1 is located at 6th Floor 125 London Wall, London, England, EC2Y 5AS (Telephone: +44(0) 20 7439 8930).

The entire issued share capital of Funding 1 is held by Holdco. The entire issued share capital of Holdco is held by Sanne Group Nominees 1 (UK) Limited on trust for the Share Trustee under the terms of a declaration of trust dated on or about 16 October 2017. The Share Trustee holds its beneficial interest thereunder pursuant to a declaration of trust made by the Share Trustee on or about 16 October 2017 (and as subsequently amended from time to time).

The principal purpose of Funding 1 is, amongst other things, to be an Investor Beneficiary of the Delamare Cards Receivables Trust, to issue the Loan Notes and all financial arrangements in that connection. The memorandum and articles of association of Funding 1 may be inspected at the registered office of Funding 1.

Directors and secretary

The directors of Funding 1 and their respective business addresses and other principal activities are:

Name	Nationality	Business Address	Principal Activities
Marc Speight	British	Sanne Group Secretaries (UK) Limited, 6th Floor 125 London Wall, London, England, EC2Y 5AS	Director
Beejadhursingh Mahen Surnam	British	Sanne Group Secretaries (UK) Limited, 6th Floor 125 London Wall, London, England, EC2Y 5AS	Director
Christopher Warnes	Michael British	Sanne Group Secretaries (UK) Limited, 6th Floor 125 London Wall, London, England, EC2Y 5AS	Director

There are no potential conflicts of interest between any duties of any of the Funding 1 directors, and their private interests and/or other duties.

Funding 1 is organised as a special purpose vehicle and is largely passive, engaging only in the transactions described in this Base Prospectus and activities incidental thereto. Funding 1 is managed and controlled by its directors in the UK. In accordance with the Corporate Administration Agreement, Sanne Group (UK) Limited provides Funding 1 with general company administration services. The fees of Sanne Group (UK) Limited for providing such services are included in Funding 1's costs amount.

The secretary of Funding 1 is Sanne Group Secretaries (UK) Limited whose registered office is at 6th Floor 125 London Wall, London, England, EC2Y 5AS.

Management and principal activities

Funding 1's activities will be the issue of the Loan Notes, the making of a Contribution resulting in the granting of a beneficial interest in the Delamare Cards Receivables Trust, the making of further Contributions in order to increase such beneficial interest, the entering into of all documents relating to such issue and such beneficial interest to which it is expressed to be a party and the exercise of related rights and powers and other activities reasonably incidental thereto. Funding 1 has not engaged since its incorporation in any activities other than in connection with the above.

There are also certain covenants given by Funding 1 under the terms of the STDCMA (see "*The Security Trust Deed and Cash Management Agreement*").

Capitalisation and Indebtedness

The authorised share capital of Funding 1 as of the date of the Base Prospectus is an unlimited number of shares of no par value. Funding 1 has issued one share in consideration of the payment of £1.00 (which amount has been paid).

As stated at the date of this Base Prospectus, there is no loan capital outstanding, loan capital created but unissued, term loan, other borrowing or Indebtedness in the nature of borrowing, contingent liability or guarantee in respect of Funding 1 other than the Class D (2014-1) Loan Note, the Class A1 (2020-1) Loan Note, the Class A2 (2020-1) Loan Note, the Class A3 (2020-1) Loan Note and the the Class A4 (2020-1) Loan Note.

Under the terms of the RTDSA, Funding 1 made a Contribution to the Delamare Cards Receivables Trust in the amount of £10 in order to become an Investor Beneficiary of the Delamare Cards Receivables Trust. Funding 1 made further Contributions to the Delamare Cards Receivables Trust using the proceeds from the previous issuances of Loan Notes to increase the Funding 1 Beneficial Interest.

Financial information for Funding 1

There has been no material adverse change in Funding 1's prospects since the date of its last audited accounts on 31 December 2021. There has been no significant change in the financial performance or financial position of Funding 1 since the date of its last audited accounts on 31 December 2021.

Legal proceedings

Funding 1 neither is nor has been involved in any governmental, legal or arbitration Proceedings (including any such Proceedings which are pending or threatened of which the Funding 1 is aware) during the 12 months before the date of this Base Prospectus which may have, or have had in the recent past, significant effects on Funding 1's financial position or profitability.

THE ISSUER

The Issuer, Delamare Cards MTN Issuer plc, is a public limited liability company which was incorporated as a special purpose vehicle for the issue of asset backed securities in England and Wales, under the Companies Act 1985 (as amended), on 22 July 2008 with registered number 6652499. Its registered office and principal place of business are located at 6th Floor 125 London Wall, London, England, EC2Y 5AS (Telephone: +44(0) 20 7327 9720).

The memorandum and articles of association of the Issuer may be inspected at the registered office of the Issuer.

Directors, secretary and corporate services

The directors of the Issuer and their respective business addresses and other principal activities are:

<u>Name</u>	<u>Nationality</u>	<u>Business Address</u>	<u>Principal Activities</u>
Marc Speight	British	Sanne Group Secretaries (UK) Limited, 6th Floor 125 London Wall, London, England, EC2Y 5AS	Director
Beejadhursingh Mahen Surnam	British	Sanne Group Secretaries (UK) Limited, 6th Floor 125 London Wall, London, England, EC2Y 5AS	Director
Christopher Michael Warnes	British	Sanne Group Secretaries (UK) Limited, 6th Floor 125 London Wall, London, England, EC2Y 5AS	Director

The Issuer is organised as a special purpose vehicle and will be largely passive, engaging only in the transactions described in this Base Prospectus and activities incidental thereto. The Issuer will be managed and controlled by its directors in England and Wales.

Fees are payable to Sanne Group (UK) Limited, pursuant to and in accordance with the terms of a corporate administration agreement originally dated on or about 24 April 2013, as novated on or about 16 October 2017, amended and restated on or about 1 November 2017 and as further amended and restated on or around 31 October 2018 (the **Issuer Corporate Administration Agreement**).

The secretary of the Issuer is:

<u>Name</u>	<u>Business Address</u>
Sanne Group Secretaries (UK) Limited	6th Floor 125 London Wall, London, England, EC2Y 5AS

Principal activities

The Issuer's activities are the issue of the notes, utilisation of the proceeds of those notes to acquire the corresponding Loan Note issued by Funding 1, the execution and performance of the Transaction Documents in respect of the issue of notes under this Programme, the execution and performance of all documents relating thereto to which it is expressed to be a party, the exercise of related rights and powers and other activities reasonably incidental thereto.

Insolvency matters relating to the Issuer

The Issuer has been organised, and its activities are limited, to minimise the likelihood of insolvency proceedings being commenced against the Issuer and to minimise the likelihood that there would be claims against the Issuer if insolvency proceedings were commenced against it. The Issuer has not engaged in and will not engage in any activity other than the business and activities described or referred to in this Base Prospectus.

Share capital

The Issuer was incorporated with an authorised share capital of £50,000, comprising 50,000 ordinary shares of £1 each. Two ordinary shares were allotted for cash, and fully paid, on incorporation. On 2 September 2008, 49,998 ordinary shares were resolved to be allotted and on 12 September 2008 were each quarter paid. 49,999 shares are held by Delamare Cards Holdco Limited (**Holdco**) and one share is held by the Share Trustee on trust for Holdco pursuant to a declaration of trust made by the Share Trustee on or about 16 October 2017 (and as subsequently amended from time to time).

The entire issued share capital of Holdco is held by Sanne Group Nominees 1 (UK) Limited on trust for the Share Trustee under the terms of a declaration of trust dated on or about 16 October 2017. The Share Trustee holds its beneficial interest thereunder pursuant to a declaration of trust made by the Share Trustee on or about 16 October 2017 (and as subsequently amended from time to time) (**Holdco Share Declaration of Trust**). Any income or capital held by the Share Trustee under the Holdco Share Declaration of Trust is to be applied to or for the benefit of various discretionary purposes as the Share Trustee may determine.

As at the date of this Base Prospectus, there is no loan capital outstanding, loan capital created but unissued, term loan, other borrowing or Indebtedness in the nature of borrowing, contingent liability or guarantee in respect of the Issuer other than the Series 2014-1 (D) Notes, the Series 2020-1 (A1) Notes, the Series 2020-1 (A2) Notes, the Series 2020-1 (A3) Notes and the the Series 2020-1 (A4) Notes.

TPF does not own, directly or indirectly, any of the share capital of the Issuer.

Financial information of the Issuer

There has been no material adverse change in the financial position or prospects of the Issuer since the date of its last audited accounts on 31 December 2021. There has been no significant change in the financial position or financial performance of the Issuer since the date of its last audited accounts on 31 December 2021.

Legal proceedings

The Issuer neither is nor has been involved in any governmental, legal or arbitration Proceedings (including any such Proceedings which are pending or threatened of which the Issuer is aware) during the 12 months prior to the date of this Base Prospectus which may have, or have had in the recent past, significant effects on the Issuer's financial position or profitability.

TESCO PERSONAL FINANCE PLC

Tesco Personal Finance plc (**TPF**) will perform the following roles in connection with the Programme:

- Sponsor;
- Transferor;
- Transferor Beneficiary;
- Servicer;
- Cash Manager; and
- Expenses Loan Provider.

TPF is a wholly owned subsidiary of Tesco Personal Finance Group plc (**TPFG**). TPFG in turn is a wholly owned subsidiary of Tesco PLC (**Tesco**), the holding company of the Tesco group of companies (the **Tesco Group**). TPF provides a wide range of retail financial service products, primarily in the United Kingdom, to personal customers. TPF and Tesco Underwriting Limited are together referred to as the **TPF Group**.

TPFG was established in 1997 originally as a joint venture between Tesco and the Royal Bank of Scotland plc (**RBS**). In December 2008, Tesco acquired RBS's 50 per cent. shareholding in TPFG to become the sole shareholder of TPFG, following which TPF commenced a programme of work, which was completed in May 2012, to develop and build its own business systems and infrastructure and thus allow it to migrate business systems and infrastructure and customer support from the RBS infrastructure. TPFG re-registered as a PLC in 2018.

TPF was incorporated in Scotland under the name Roboscot (27) Limited on 5 March 1997, as a private limited company with limited liability. It changed its name to Tesco Personal Finance Limited with effect from 25 April 1997. It was re-registered as a public limited company under the legal name Tesco Personal Finance plc pursuant to the Companies Act 1985 on 22 December 2008. TPF rebranded its business by changing its trading name to Tesco Bank on 29 June 2009. TPF's decision to change its trading name to Tesco Bank formed part of TPF's strategic objective to communicate its broadened banking proposition to its customers.

The registered office of TPF is 2 South Gyle Crescent, Edinburgh, United Kingdom EH12 9FQ. The telephone number of TPF's registered office is +44 (0)131 203 5000. The company number of TPF is SC173199.

TPF offers a range of retail financial service products through the following categories: general insurance, credit cards, personal loans, personal savings products and money services. It also manages a network of automated teller machines (ATMs) on behalf of the Tesco Group.

TESCO PERSONAL FINANCE PLC'S CREDIT CARD PORTFOLIO

Credit Card Usage in the United Kingdom

The UK credit card market is probably the largest and relatively the most developed in Europe. The adult population of the United Kingdom is estimated to be 52.9 million and the total population is estimated at 67.1 million as of mid 2020 (Office of National Statistics). 69% of adults (i.e. 36.5 million) in the United Kingdom held at least one credit or charge card in 2020 (UK Finance).

According to UK Finance, the total number of credit cards in issue in the United Kingdom stood at approximately 60.0 million and UK credit card borrowings were approximately £55.0 billion at the end of January 2022.

General

TPF issued its first credit card in 1997, since which time the portfolio has grown substantially in range and volume. TPF currently pursues a multi-channel approach to continuing this growth focusing on the online channel and direct acquisition of Clubcard customers.

TPF uses a customer-driven strategy to offer a range of products through a variety of origination channels.

TPF operates its credit card activities in respect of the bank portfolio from a number of sites including:

Edinburgh, Scotland Head office;

Glasgow, Scotland Operations centre, including service/call centre, fraud monitoring, collections and training; and

Newcastle, England Operations centre, including service/call centre, collections and training.

Account Origination

The eligible accounts from which the current designated accounts have been selected and from which additional Accounts will be selected from time to time, represent a substantial portion of all consumer revolving credit facilities arising in VISA[®] and MasterCard[®] accounts originated by the Transferor. See "*The Receivables — Assignment of Receivables to the Receivables Trustee*". Additional accounts selected in the future may include eligible accounts originated after the date of this Base Prospectus that are selected using eligibility criteria different from those used in selecting the designated accounts in respect of the Programme as at the date of this Base Prospectus.

TPF is a principal member of MasterCard Worldwide (**MasterCard[®]**) and Visa Europe (**VISA[®]**). VISA[®] and MasterCard[®] credit cards are issued as part of the worldwide VISA[®] and MasterCard[®] systems, and transactions creating the receivables through the use of those credit cards are processed through the VISA[®] and MasterCard[®] authorisation and settlement systems. The VISA[®] and MasterCard[®] accounts, the receivables in which have been and will be conveyed to the receivables trust, from time to time, include both standard and premium VISA[®] and MasterCard[®] accounts. Premium accounts may carry higher credit lines and may offer different services to cardholders.

TPF currently offers eight credit card product variants including balance and money transfer propositions, purchase propositions, a low APR proposition and a Foundation proposition. The balance transfer and purchase offerings can be differentiated by the duration of their respective introductory periods. The low APR proposition offers a reduced annual percentage rate. The low fee proposition offers a lower fee for balance transfers and a shorter introductory period. The Foundation proposition, which is not currently included in the Securitised Portfolio, is a credit building offer with lower credit lines, aimed at customers

with limited experience of credit. The Clubcard Plus proposition, which is also not currently included in the Securitised Portfolio, has no foreign exchange fee and is only available to Tesco Clubcard Plus subscribers.

Receivables to be included in the Securitised Portfolio, from time to time, will also be generated from TPF's legacy products, namely the Classic, Platinum, World and Bonus Card accounts.

TPF generates its eligible accounts principally through its online offering, and to a lesser extent, targeted direct mail and marketing materials in Tesco stores. In the direct marketing channel, TPF's strategy is to target existing Tesco and TPF customers rather than using external prospect lists.

Applications are consistent with the format that is generally used by bank credit card issuers in the UK and require prospective cardholders to provide information on, among other things, the applicant's income, employment status and residence. Online applications are hosted on Tescobank.com with data directly entered by the customer. Application details are screened for creditworthiness and money laundering checks by a combination of system-based checking, external credit bureau data and manual verification, where appropriate. External credit bureau data is taken from Experian Limited, located in Nottingham, England (**Experian**) and TransUnion, formerly Callcredit Limited, located in Leeds, England. System-based application checking includes the use of a database maintained by Experian and widely used in the UK credit card industry to attempt to detect fraudulent applications.

TPF uses an account opening credit scoring system originally developed by Experian. The scorecards used by TPF are bespoke to the TPF portfolio and have been built either by its own risk department or by third parties with oversight from its own risk department.

The credit scoring system provides an indication of an applicant's likelihood to repay his or her obligations. The credit scoring system applies information about applicants from various sources, including the electoral roll, credit reference data, records of county court judgments and a fraud avoidance referencing database maintained by Experian, as well as information supplied by the applicant on the application form. The data is then assessed using proprietary scoring variables to select suitable applicants. TPF determines the credit score that is required for acceptance of a particular application based on a variety of factors, including the product applied for, the manner in which the application was made and the risk tolerance of TPF pertaining at the time of scoring. The risk tolerance may be adjusted based on factors such as economic conditions, campaign objectives, competition and the analysis of historical data. An applicant whose application is approved is assigned an initial credit limit based on factors including the applicant's affordability, credit score, income level, the product they are applying for and whether they have requested a balance transfer.

TPF manages the TPF Total Portfolio with the goal of ensuring each new account will contribute positively to costs after bad debts and cost of capital at the risk margin. This is done by ensuring the scorecard cut-offs are set based on contribution and risk. The scorecard cut-off is regularly reviewed.

Credit limits are adjusted based on TPF's continuing evaluation of cardholders' credit behaviour and suitability using Triad, an account management system developed by Fair Isaac Corporation, an independent firm, experienced in developing behaviour models.

Credit bureau, payment and behavioural information, including a behavioural credit score in respect of an account is systematically evaluated on a monthly basis by TPF. If this information evidences positive performance over a period of time, TPF may adjust an account's credit limit proactively or reactively following a request from the cardholder.

Customers may occasionally transact above their credit limit, authorisation of such requests are subject to risk strategies and in some circumstances based on a robust risk assessment.

Account Use and Maintenance

Cardholders may use their cards for purchases, cash withdrawals, balance transfers and money transfers. Purchases occur when cardholders use their cards to acquire goods or services. Cash withdrawals occur when cardholders use their cards to obtain cash from a financial institution or ATM. Balance transfers occur when a customer requests to transfer the balance of another credit or store card. This can be done either as part of their original application, or once the account is up and running. Money transfers can be used to pay funds into a specified bank account. Amounts due with respect to purchases, cash withdrawals, balance transfers and money transfers will be included in the receivables offered to the Receivables Trustee under the RSD.

Each cardholder is subject to an agreement governing the terms and conditions of his or her account. Each agreement provides that TPF, if it gives advance notice to the cardholder, may, at any time, change or terminate any terms, conditions, services or features of the account (including increasing or decreasing periodic finance charges, other charges or minimum payments). Credit limits and interest rates may be adjusted periodically based upon an evaluation of the cardholder's performance. Credit limits are both increased and decreased based on the continuing evaluation of account holders' credit behaviour and suitability. Credit limits may be adjusted at the request of the account holder, subject to continuous evaluation of credit behaviour and suitability. In addition, TPF may also adjust the account's credit limit downwards automatically based on a variety of different risk characteristics and the performance of the account. All credit limit amendments are made subject to Rules 6.7.7, 6.7.8 and 6.7.9 of the FCA's Consumer Credit sourcebook. When changing any term, TPF, depending on the type of change and the reason for it, may be required to permit the cardholder to terminate the agreement without penalty. Where a cardholder terminates the agreement, the cardholder will still be contractually required to repay the outstanding balance on the account.

Processing

Account Management

TPF utilises an account processing system called **TS2** provided by Total Systems Services Inc. (**TSYS**). TSYS has credit card account processing capabilities in North America, Europe, Latin America and Asia Pacific. TSYS's UK office is based in London with a data centre in Knaresborough.

TSYS provides certain processing services including but not limited to:

- Maintenance of cardholder data and cardholder transaction management;
- Transmission of cardholder data to the group's appointed suppliers;
- Transmission of credit card statement data to the group's appointed statement printing and fulfilment supplier; and
- Interface to the payment schemes (VISA® and MasterCard®) enabling the processing of authorisations and settlement.

TSYS's settlement process has links to VISA® and MasterCard® to enable cardholder transactions to be transferred.

Collections and recoveries

TPF outsourced the operational servicing of Collections & Recoveries activity to Arrow Global Group plc (**AGG**) on 1 November 2021. AGG is a European regulated Credit Management company, with the head office and data centre in Manchester. TPF still maintains the contractual relationship with the customer as part of this agreement.

AGG provides a white labelled collections and recoveries service, covering the end-to end execution of TPF owned and approved credit strategies for Loans and Credit Card products. Services include, but are not limited to:

- Management of customer accounts which are not in arrears but are indicating signs of financial distress
- Management of customer accounts which are in arrears but not yet defaulted
- Management of customer accounts which remain engaged with TPF but have reached default status
- Management of customer accounts which are defined as special circumstances by TPF
- First Point Of Contact (FPOC) Complaint management

AGG utilises multiple channels to speak to customers, including inbound and outbound calls, email, mail and SMS.

Card Production

TPF utilises the services of Thales DIS UK Limited (previously Gemalto UK Limited).

Thales DIS UK Limited is an international digital security company engaged in a range of activities including credit card encoding, embossing and personalisation services through its manufacturing site in Singapore and its personalisation site in Fareham.

Thales DIS UK Limited provides certain services including, but not limited to:

- Receipt of daily transmissions from TSYS containing cardholder data relating to new cards, replacement cards and monthly re-issue cards;
- Magnetic strip and chip encoding;
- Provision of contactless cards;
- Plastic card personalised embossing;
- Matching of plastics to card carriers and insertion of relevant documentation; and
- Secure preparation of cards mail packages.

Statement Printing

Statement printing is carried out by the Adare SEC Limited print production facility, which is based in Nottingham.

PIN Production

PIN production is carried out by Paragon Customer Communication (previously RR Donnelley UK Limited), which is based in Tewksbury.

Billing and Payment

TSYS creates a monthly statement with respect to each cardholder, the details of which are transmitted daily to Adare SEC Limited print production facility, where printing, insertion and mailing are managed. Each

statement contains details of transactions on the account that have occurred since the previous statement date. Cardholders who have registered for online banking may choose to receive electronic, rather than paper, copies of their monthly statements.

Most credit card agreements issued by TPF contain terms that allow cardholders to make purchases free of interest for up to 56 days. This means that if a balance consists only of purchases, and the balance is paid in full by the due date noted on the customer statement (generally 25 days from the date of the statement), finance charges will be waived. Some agreements contain 0% introductory rates whereby purchases remain interest free for a longer period. Balance transfers/money transfers are eligible for a similar interest free period, although customers may be required to pay a fee. Cash withdrawals and cash transactions (wire or international money transfers, repaying borrowing, purchasing non-sterling currency, payments to prepaid or virtual cards, investments, share trading and spread betting) are not eligible for interest free periods, and, as such, no finance charge waivers are allowed. Under TPF's current product offering, cardholders must make a monthly payment of at least an amount equal to the greater of (a) the sum of the applicable interest and fees plus 1% of the new balance shown on their statement plus any existing arrears, (b) £25 plus any existing arrears, (c) the amount owed over the cardholder's credit limit including any over-limit fees and (d) double the total of all interest and default fees, plus £5, plus any existing arrears.

A number of charges and fees are assessed on card accounts in accordance with the terms and conditions of the product held. These fees include finance charges (interest), annual fees, cash withdrawal fees, late payment fees, over limit fees, foreign exchange fees and insurance premiums. Finance charges on purchases, cash and balance transfers are calculated using the average daily balance method on the TS2 platform. Finance charges are calculated from the date of the transaction. Finance charges are assessed monthly and are posted to the customer's account, subject to terms and conditions relating to interest-free periods and finance charge waivers.

Tesco Payment Protection Insurance

The TPF PPI product was withdrawn on 22 September 2017.

Whilst the TPF PPI product was on offer to cardholders, cardholders had the option to take out Tesco payment protection insurance when the account was first opened or at a later stage during the life of the account.

For cardholders who elected to take out TPF PPI whilst the product was on offer, Tesco payment protection insurance covers up to 10% of the outstanding credit card balance for up to 12 months, where the customer is unable to work for more than 14 (consecutive) days due to accident, illness or involuntary unemployment. This is currently underwritten by Cardif Pinnacle.

In the event of death, the policy also covers the outstanding balance at the date of death (including interest), less any sum over the agreed credit limit. This element of cover is currently provided by Cardif Pinnacle.

Premiums are charged at a monthly rate for every £100 of the highest balance during the month. These monthly charges are applied unless there is a nil balance for the full statement month.

Delinquency and Loss Experience

TPF considers an account to be contractually delinquent if the minimum payment is not received by the due date indicated on the customer's statement. TPF manages delinquent receivables at various stages of delinquency, including through statement messages, formal letters, interactive voice messaging, SMS and telephone calls generated through TPF's outsourced partnership with AGG via its TPF Operations Centre in Glasgow. AGG utilises an automated telephone dialling system to contact delinquent customers as well as maintains an inbound call centre for customers to discuss arrears. Once an account is identified as delinquent, a determination is made as to the timing and type of initial contact and frequency of subsequent

contacts based on the behavioural credit score assigned to the relevant account and the severity of cardholder misuse, if any. In addition, TPF uses an advanced computer system to attempt to detect fraudulent transactions based on an analysis of card usage patterns.

Receivables follow the Collections strategy, or if relevant, the default strategy regarding customer contact. Where there is customer engagement, TPF offers a range of forbearance measures to support circumstances arising from financial difficulties, which are set out in TPF's policies and operational process guidance. TPF defines forbearance as relief granted by a lender to assist customers in financial difficulty, through arrangements which allow the customer to pay an amount other than the contractual amounts due. Forbearance arrangements may be initiated by the customer or offered by TPF and include:

- arrangements to repay arrears over a period of time, where the customer makes payments above the contractual minimum amount to return the account to order
- short-term concessions, where the customer makes reduced repayments (or in exceptional circumstances, no repayments) on a temporary basis to assist with short-term financial hardship
- concessions on the removal of interest charged on an account where the account is more than two payments in arrears
- re-aging of arrears (in limited policy-controlled circumstances only)
- providing short term 'Breathing Space', either provided by TPF directly through customer contact or formal notification through the Debt Respite Scheme
- pay down arrangements, which are a longer-term solution (up to six years) where the monthly amount payable by a customer is reduced by applying concessions on the interest charged and the customer loses card functionality as a restriction

In addition, see the risk factors "*If cardholders are concentrated in a geographic region, economic downturn in that region may adversely affect collections of Receivables*" and "*Transferor's response to FCA COVID-19 Guidance*" for a summary of payment deferrals offered to certain customers pursuant to FCA guidance.

TPF continuously assesses customers circumstances and level of engagement post entry to Collections. This assessment could result in the termination of a customer's contract, and the subsequent movement of an account to Recoveries to collect on the full outstanding balance due. The primary drivers of termination include:

- where there is no engagement with a customer during Collections, depending on the risk segmentation applied on entry, accounts will terminate after 90/120 days past due
- where a short term concession has been unsuccessful and the outstanding arrears balance cannot be repaid, regardless of engagement, accounts may terminate after 120 days past due
- where during engagement with a customer it becomes evident that short term concessions are not appropriate or in the customer's best interest due to the long-term nature of their financial difficulties, accounts may terminate prior to 90/120 days past due and an arrangement would be set to repay the full outstanding balance and the account would be transferred to Recoveries

On termination with no engagement, or where engagement has been lost, an account will be subject to a recoveries strategy to facilitate contact with customers to support repayment of outstanding debt utilising approved debt collection agencies selected from the TPF panel. In addition, in accordance with its usual servicing procedures, TPF may sell defaulted accounts to a third party under set criteria in order to maximise recoveries on such accounts. With respect to both debt collection agencies and debt purchasers, TPF carries

out extensive due diligence as part of supplier onboarding and maintains regular robust assurance activity in line with TPF policies.

As part of standard account servicing, there may be requests for debt forgiveness. This is likely to take the form of requests from the customer, or the customer's representative, to write-off some or all amount of the outstanding debt as follows:

- Partial debt write off (commonly termed as a 'Partial Settlement'), where TPF accepts an offer of balance repayment lower than the full outstanding balance due following review of the customer's circumstances. TPF would then forgo the collection of the remainder of the balance, and TPF reserves the right to provide settlement offers directly where it is deemed to be in both the customer's and TPF's best interest
- Full debt write off, where TPF forgoes the collection of the full outstanding balance due following review of the customer's circumstances, which is reserved for customers in certain severe circumstances (e.g., bereavement, long term illness, life limiting conditions).

An account is charged-off in the month in which an account becomes 365 days delinquent. Accounts will also be charged-off on confirmation of a consumer insolvency event of the customer. Charged off accounts can never be revived.

Each Drawdown Prospectus/Final Terms/Pricing Supplement issued in connection with the issuance of a Note Series will contain, tables setting forth the delinquency and loss experience for each of the periods shown for the TPF Total Portfolio of credit card accounts. The TPF Total Portfolio's delinquency and loss experience is comprised of segments which may, when taken individually, have delinquency and loss characteristics different from those of the overall TPF Total Portfolio of credit card accounts. In addition, each Drawdown Prospectus/Final Terms/Pricing Supplement issued in connection with the issuance of a Note Series will contain tables setting forth the delinquency and loss experience for each of the periods shown for the Securitised Portfolio of credit card accounts. Because the Securitised Portfolio is only a portion of the TPF Total Portfolio, actual delinquency and loss experience with respect to the Receivables comprised therein may be different from that presented in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement for the TPF Total Portfolio. There can be no assurance that the delinquency and loss experience for the Securitised Portfolio in the future will be similar to the historical experience of the TPF Total Portfolio or the Securitised Portfolio set forth in any Drawdown Prospectus/Final Terms/Pricing Supplement.

For purposes of Article 21(9) of the UK Securitisation Regulation, the Credit Card Guidelines set out in clear and consistent terms definitions, remedies and actions relating to delinquency and default of debtors, debt restructuring, debt forgiveness, forbearance, payment holidays, losses, charge offs, recoveries and other asset performance remedies.

Interest rate methodology

Interest on the credit card Receivables is calculated by reference to Tesco Personal Finance PLC's interest rate setting policies as determined from time to time. It should be noted that the yield on the credit card portfolio is a function of a number of items which includes interest charged. See further the definition of "*Finance Charge Collections*".

Origination, Underwriting and Purchasing

TPF (as originator for the purposes of the UK Securitisation Regulation) has internal policies and procedures in relation to the granting of credit, administration of credit-risk bearing portfolios and risk mitigation which broadly include:

- (a) criteria for the granting of credit and the process for approving, amending, renewing and re-financing credits;
- (b) systems in place to administer and monitor the various credit-risk bearing exposures within its credit portfolio;
- (c) diversification within its credit portfolio given TPF's target market and overall credit strategy; and
- (d) policies and procedures in relation to risk mitigation techniques.

The Securitised Portfolio was originated in the ordinary course of TPF's business in accordance with the origination processes set out above which were applied irrespective of whether the Receivables were to be securitised.

UK CREDIT CARD REGULATION

Compliance with the technical aspects of the CCA

Credit Card Agreements are regulated by the CCA to the extent that: (a) the debtor is or includes an individual or "relevant recipient of credit" (which includes certain small partnerships and certain unincorporated associations), (b) the amount of credit does not exceed any applicable financial limit in force when the Credit Card Agreement was made (from 6 April 2008, no applicable financial limit is in force, except a limit of £25,000 for certain changes to a credit agreement), and (c) the credit agreement is not an exempt agreement (for example, certain credit agreements for business purposes with an amount of credit exceeding £25,000 are exempt agreements).

Any Credit Card Agreement that is wholly or partly regulated by the CCA or treated as such has to comply with requirements as to licensing or authorisation of lenders and brokers, documentation and procedures of credit agreements and (in so far as applicable) pre-contract disclosure. If a Credit Card Agreement does not comply with those requirements, then to the extent that the Credit Card Agreement is regulated by the CCA or treated as such, it is unenforceable against the debtor: (a) without an order of the FCA or the courts, if the lender or any broker did not hold the required licence or authorisation (at the relevant time); (b) totally, for Credit Card Agreements entered into before 6 April 2007 if the form to be signed by the debtor was not signed by the debtor personally or omits or mis-states a "prescribed term", or if the agreement is cancellable and the provision of copy credit agreements under section 62 and 63 of the CCA have not been complied with; or (c) without a court order in other cases. In addition, a borrower who is a private person may be entitled to claim damages for loss suffered as a result of any contravention by an authorised person of an FCA Rule and may set-off the amount of the claim against the amount owing by the debtor under the Credit Card Agreement or any other credit agreement the customer has taken with the authorised person.

If the regulated Credit Card Agreement was made before 6 April 2007 and is irredeemably unenforceable the court will have no power to make an enforcement order. However, the creditor can still demand payment either itself or via a third party, report to credit reference agencies, issue default notices and other pre-enforcement notices and keep payments (unless the debtor is entitled to recover payments on other grounds). In *Grace v Black Horse* [2014] EWCA Civ 1413, the Court of Appeal ruled that a lender is not entitled to register a default with a credit reference agency in relation to a borrower who does not pay under an unenforceable agreement without making reference to the fact that the agreement is unenforceable. While this decision only applies directly to agreements which are irredeemably unenforceable, the Court left open the possibility that it would also apply to agreements which are unenforceable without a court order. This may have an impact on the significance of minor documentary defects. If the FCA were to take the view that lenders are required to notify borrowers of such defects, this would represent a significant compliance cost. It is possible, therefore, that collecting debts owed under improperly executed agreements will be subject to greater restrictions in the future, potentially leading to unrecoverable losses on accounts to which such agreements apply.

In respect of credit agreements entered into on or after 6 April 2007, if such an agreement does not comply with the relevant requirements in sections 55, 61 and 61A of the CCA, it will be unenforceable unless the creditor obtains a court order (section 127(1) of the CCA). In the context of origination, defects which may render a regulated agreement enforceable on order of the court only can arise in the following circumstances: failure to provide pre-contract information (for agreements made after 31 May 2005); the agreement does not have the required content and does not adhere to the prescribed form (save that the agreement otherwise includes all of the prescribed terms and is signed by the debtor); and failure to provide copies of agreements (for agreements made after 6 April 2007).

Where the court is able to exercise its discretion, the court will take into account any prejudice suffered by the cardholder, the court's power to reduce or discharge sums owed to compensate for prejudice caused, to suspend or place conditions on enforcement or amend an agreement or security, and any culpability by the

creditor. The court has the discretion, if it appears just to do so, to amend the credit card agreement, impose conditions upon its performance or to make a time order (for example, give extra time for arrears to be cleared). Should a Credit Card Agreement be unenforceable against a cardholder without a court order, the creditor cannot guarantee that a court order could be obtained if required.

Creditors must also comply with servicing requirements. For example: (a) the credit agreement is unenforceable against the debtor for any period when the creditor fails to comply with requirements as to periodic statements, arrears notices, notices of default sums or default notices (although any such enforcement may be cured retrospectively by the creditor remedying the breach); (b) the customer is not liable to pay interest or default fees for any period when the lender fails to comply with requirements as to periodic statements or arrears notices; and (c) interest on default fees is restricted to nil until the 29th day after the day on which a notice of default fees is given and then to simple interest (i.e. interest may only be calculated on the principal amount of the default fee).

TPF has interpreted certain technical rules under the CCA in a way common with many other lenders in the credit card market. If such interpretation were held to be incorrect by a court or other dispute resolution authority, then the relevant agreement(s) would be unenforceable, as described above, potentially leading to unrecoverable losses on accounts to which such agreements apply. If such interpretation were successfully challenged by a significant number of borrowers, then this could lead to significant disruption and shortfall in the income of TPF. Court decisions have been made on technical rules under the CCA against certain lenders including credit card issuers, but such decisions are very few and are generally county court decisions which are not binding on other courts. Where agreements are unenforceable without a court order due to minor documentary defects, lenders have historically pursued such debts as though they are simply enforceable, until such time as those defects were raised by the debtor and/or the court in any claim. If, however, a court or the FCA were to take a view that lenders are required to notify borrowers of such defects before pursuing enforcement, this would represent a significant compliance cost. It should thus be borne in mind that enforcement may be a lengthier and more costly process in future.

There is also the possibility that claims management companies encourage customers to raise technical CCA compliance issues against financial institutions.

If a Credit Card Agreement related to a Designated Account has not been executed, modified or administered in accordance with the provisions of the CCA and is totally unenforceable as a result, the Principal Receivables arising thereon will be treated as Ineligible Receivables to the extent that the amount of such receivables accounts for more than 1% of the Securitised Portfolio. See "*The Receivables — Representations*".

Enforceability of unfair terms under the UTCCR

The Unfair Terms in Consumer Contracts Regulations 1994 applied to the Credit Card Agreements insofar as their terms have not been individually negotiated and they were made on or after 1 July 1995. The UTCCR revoked the Unfair Terms in Consumer Contracts Regulations 1994 with effect from 1 October 1999 and apply to Credit Card Agreements entered into before 1 October 2015 (the **CRA Commencement Date**) insofar as their terms have not been individually negotiated. The CRA applies to agreements entered into on or after the CRA Commencement Date.

Where the UTCCR or CRA apply, a consumer may challenge a standard term in a contract on the basis that it is unfair and not binding on the consumer (including credit cardholders who are natural persons acting outside their trade, business or profession), although the rest of the agreement will remain enforceable if it is capable of continuing in existence without the unfair term. Where a term in a consumer contract is susceptible of multiple different meanings, the meaning most favourable to the consumer will prevail. A term will be unfair if, contrary to the requirement of good faith, it causes a significant imbalance in the parties' rights and obligations arising under the contract, to the detriment of the consumer. The CRA also applies substantially the same test of fairness to consumer notices and generally refers to term and notices

interchangeably. In determining whether a term is fair it is necessary to: (i) take into account the nature of the subject matter of the contract; (ii) refer to all the circumstances existing when the term was agreed; and (iii) refer to all of the other terms of the contract or any other contract on which it depends. Terms written in plain and intelligible language cannot be reviewed for fairness if they relate to the definition of the main subject matter of the contract or the adequacy of the price or remuneration, as against the services provided in exchange.

The Competition and Markets Authority (the **CMA**) is the UK's national competition and consumer authority and therefore principal enforcer of the UTCCR and CRA. However, the CMA and the FCA concurrently supervise unfair terms under the UTCCR and the CRA. There is a Memorandum of Understanding dated 12 January 2016 that outlines the nature of this arrangement. Importantly, the Memorandum of Understanding clarifies that it is the FCA's responsibility to consider fairness within the meaning of the UTCCR and the CRA in financial services contracts entered into by authorised firms or appointed representatives and take action where appropriate. The CMA published guidelines on 31 July 2015 (reference CMA37) to support the CRA. On 19 December 2018, the FCA published finalised guidance outlining factors the FCA considers firms should have regard to when drafting and reviewing variation terms in consumer contracts (FG18/7). The finalised guidance relates to all financial services consumer contracts entered into since 1 July 1995. The FCA stated that firms should consider both this guidance and any other rules that apply when they draft and use variation terms in their consumer contracts.

The extremely broad and general wording of the UTCCR and CRA makes any assessment of the fairness of terms largely subjective and makes it difficult to predict whether or not a term would be held by a court to be unfair. It is therefore possible that any Credit Card Agreements covered by the UTCCR or CRA (as applicable) may contain unfair terms which may result in the possible unenforceability of the terms of the underlying Credit Card Agreements. As a result, no assurance can be given that any such changes in legislation, guidance or case law on the UTCCR or CRA will not affect any Credit Card Agreements.

See "*Risk Factors - Enforceability of unfair terms under the UTCCR*" for potential risks if any term of the Credit Card Agreements is found to be unfair for the purpose of the UTCCR or CRA or as a result of any reform of, or change in regulatory guidance.

EU directive on unfair business-to-consumer commercial practices

The Consumer Protection from Unfair Trading Regulations (the **CPR**) prohibit unfair business-to-consumer commercial practices before, during and after a consumer contract is made. Consumers may have a right to redress for prohibited practices, including a right to unwind agreements.

Breach of the CPR does not (of itself) render an agreement void or unenforceable, but the possible liabilities arising out of cardholder claims for misrepresentation or breach of contract in relation to the underlying Credit Card Agreement, for example unwinding of the transaction, discounting or damages, as appropriate, could result in the Receivables Trustee not receiving the full amount otherwise owed by cardholders.

In addition to cardholder claims under the CPR, the CPR also requires the CMA and local trading standards authorities to enforce the CPR by prosecution or by seeking an enforcement order to prevent a business from carrying on unfair practices. In addition, the FCA addresses unfair practices in its regulation of consumer finance. It is possible that regulatory action or guidance in respect of the CPR could lead to further or more closely targeted regulation of TPF's engagement with cardholders.

BEIS consultation on reforming competition and consumer policy

On 20 July 2021, BEIS (the department for Business, Energy & Industrial Strategy) published a consultation entitled "*Reforming Competition and Consumer Policy: Driving growth and delivering competitive markets*

that work for consumers". This contains a number of proposals for changes to consumer protection law, not all of which will be relevant to the consumer credit regime. However, the consultation does seek views on what changes can be made to existing consumer legislation – including the CRA15 - to remove red tape for businesses while maintaining consumer protection (without making any specific suggestions in the consultation as to what might be changed). The consultation closed on 1 October 2021 and BEIS are considering the feedback.

Remedies for the imposition of an unfair relationship

Under sections 140A-C of the CCA, a court may determine that the relationship between a creditor and a borrower arising out of a credit agreement (or the agreement taken with any related agreement) is unfair to the debtor because of:

1. any of the terms of the credit agreement or a related agreement;
2. the way in which the creditor has exercised or enforced its rights under the credit agreement or a related agreement; or
3. any other thing done (or not done) by or on behalf of the creditor either before or after the making of the credit agreement or a related agreement.

Once the debtor alleges that an unfair relationship exists, the burden of proof is on the creditor to prove the contrary.

The courts have a wide range of powers where a credit relationship is found to be unfair, including:

1. altering the terms of the credit agreement or a related agreement;
2. reducing the amount payable by the debtor;
3. requiring the creditor to refund money to the debtor;
4. removing any duty placed on the debtor under the agreement; and
5. imposing requirements on the creditor or an associate.

Plevin v Paragon Personal Finance Limited [2014] UKSC 61 (*Plevin*), a November 2014 Supreme Court judgment has clarified that compliance with the relevant regulatory rules by the creditor (or a person acting on behalf of the creditor) does not preclude a finding of unfairness, as a wider range of considerations may be relevant to the fairness of the relationship than those which would be relevant to the application of the rules, see "*Inquiries into payment protection insurance*".

In addition, it is possible that certain clauses of the Credit Card Agreement may be found to be unfair under the UTCCR or CRA (as applicable) without necessarily giving rise to an unfair relationship. For example, the term may be insufficiently central to the relationship between the parties as to make the relationship as a whole unfair to the debtor. This will depend upon the facts of the individual case. Equally, a term may not be unfair for the purposes of the UTCCR or CRA but may still trigger consideration of whether there is an unfair relationship within the meaning of the CCA. The possible unenforceability of liabilities due to an underlying Credit Card Agreement constituting an unfair relationship may result in unrecoverable losses on Designated Accounts to which such agreements apply.

Liability for a supplier's misrepresentation or breach of contract

Transactions involving the use of a credit card may constitute transactions under debtor-creditor-supplier agreements for the purposes of the creditor's liability under section 75 of the CCA. A debtor-creditor-

supplier agreement includes an agreement by which the creditor advances funds to finance the debtor's purchase of goods or services from a supplier.

Section 75 of the CCA provides that, if a supplier makes a misrepresentation or breach of contract in relation to a debtor-creditor-supplier agreement, the creditor is jointly and severally liable to the debtor for any claim against the supplier. This right extends only to claims relating to items with a cash price of between £100 and £30,000, but the liability of the creditor is not limited to the cash price. The debtor's rights under section 75 would survive the sale of the Receivables to the Delamare Cards Receivables Trust. As a result, the Receivables Trustee may not receive the full amount otherwise owed by the debtor should set off occur.

The Receivables Trustee has agreed, on a limited recourse basis, to indemnify TPF for any loss suffered by it from a borrower claim under section 75 of the CCA. This indemnity cannot exceed the original outstanding principal balance of the affected charges on a Designated Account. The Receivables Trustee's indemnity will be payable only from and to the extent of Excess Spread on the Receivables. Satisfaction by the Receivables Trustee of any such indemnity payment (as described above) could have the effect of reducing or eliminating Excess Spread which might otherwise have been available to Funding 1.

TPF will have rights of indemnity against suppliers under section 75 of the CCA. TPF may also be able to "charge-back" the transaction in dispute with the supplier under the operating regulations of VISA® or MasterCard® or by using its right of recourse against another payment service provider or intermediary (section 95 of the Payment Services Regulations 2017 (the **PSRs 2017**)). Any amounts that TPF recovers from the supplier will reduce TPF's loss for the purposes of the Receivables Trustee's indemnity.

Liability for loss caused by card fraud

The effect of sections 66, 83 and 84 of the CCA is that a cardholder's liability for loss caused by card fraud is limited in certain circumstances to £35 or nil. A cardholder is entitled to claim against the sponsor as card issuer for a refund of the transaction amount and related interest and charges caused by such fraud, and to set off the amount of the claim. As a result, the Receivables Trustee may not receive the full amount otherwise owed by the cardholder.

Regulation of payment services

The Payment Services Regulations 2009 introduced authorisation and conduct of business requirements, as well as rules covering pre-and-post contract information requirements (including with respect to variation and termination of contractual terms and information on transactions). The conduct of business provisions addressed authorisation procedures for payments, refunds, liability for unauthorised or incorrect payments, procedures for execution and value dating of payment transactions. The PSRs 2017, which mostly came into force on 13 January 2018, extended the scope of payment services regulation and expanded the application of the payment services regime (including by enhancing requirements relating to transparency and security).

From September 2019, new rules under the PSRs 2017 came into effect that affected the way banks (and other non-bank payment service providers) had to validate that the person requesting access to their account or initiating electronic payment instructions is authorised to do so – this validation process was called strong customer authentication (**SCA**). Banks (and other payment service providers) were given further time to implement these requirements provided that implementation efforts were completed by March 2020 (for mobile and online banking) and March 2022 (for e-commerce).

CCA-regulated credit card agreements are exempt from many of the key information requirements of the PSRs 2009 and PSRs 2017 and are instead subject to similar, pre-existing provisions which are found in the CCA (for example, provisions regarding changes in contractual information, termination and liability for unauthorised transactions). The FCA may take regulatory action against a payment service provider for contravention of applicable requirements, including the imposition of financial penalties, public censure and disciplinary measures. A cardholder is entitled to claim against TPF as payment services provider for loss

suffered as a result of its contravention of the PSRs 2009 and/or PSRs 2017, and to set off the amount of the claim. As a result, the Receivables Trustee may not receive the full amount otherwise owed by the cardholder.

Transfer of regulatory responsibility from the Office of Fair Trading to the Financial Conduct Authority

Responsibility for regulating consumer credit activities was transferred from the OFT to the FCA on 1 April 2014. Firms conducting consumer credit activities were required to apply for and obtain authorisation from the FCA to continue to carry on such activities. A search of the Financial Services Register shows that the Transferor has held FCA authorisation in respect of its consumer credit activities since 3 June 2016.

The FCA has the power to take a wide range of enforcement action against firms conducting consumer credit regulated activities for certain breaches of the Financial Services and Markets Act 2000 (**FSMA**), rules made by it in reliance on powers granted by FSMA (the **FCA Rules**), and the Consumer Credit Act 1974 and secondary legislation made under it (the **CCA**). In the context of consumer credit, the FCA Rules set out in the Consumer Credit sourcebook (**CONC**) form the basis for compliance and enforcement, in addition to the CCA, but the FCA may take action for breaches of its Principles for Businesses alone.

Irresponsible lending guidance

From 1 April 2014, the OFT's irresponsible lending guidance has been incorporated into the FCA Handbook in CONC. The OFT guidance has been implemented by the FCA as a combination of rules and guidance, which means that the FCA has powers of enforcement over firms that do not comply with relevant Rules. These rules, for example, preclude firms from amending the terms of a continuous payment authority without first obtaining the customer's consent. If enforcement action were taken against TPF this could affect the ability of TPF to generate receivables in respect of the Designated Accounts.

Unsolicited credit card cheques

Section 51A of the CCA (now repealed) prohibited the issuance of unsolicited credit card cheques to consumers unless the recipient had asked for them and limited the total number of such cheques which could be issued in response to each request by a customer to three. On 1 April 2014 this section was incorporated within section 2.3 of CONC. Prior to the repeal of section 51A of the CCA, breach of that provision was a criminal offence which could result in a fine. From 1 April 2014, the provision of unsolicited credit card cheques in breach of CONC 2.3.5R would entitle any customer suffering a loss as a result of that breach to bring a claim against TPF for damages.

FCA COVID-19 Guidance

The FCA published the FCA COVID-19 Guidance on 9 April 2020 and subsequently updated it on 1 July 2020 and 19 November 2020. Amongst other things, the guidance provides that UK regulated firms which offer (or have acquired) credit card products should, where a customer is experiencing or reasonably expects to experience payment difficulties as a result of circumstances relating to coronavirus/COVID-19, and wishes to receive a payment deferral, grant a customer a payment deferral for three months unless the firm (acting reasonably) determines that this is obviously not in the customer's interests to do so. The amended guidance remained in force until 31 July 2021. The effect of the FCA COVID-19 Guidance, as described in greater detail below, is that customers could seek an initial, or further, payment deferral at any point until 31 July 2021. No single payment deferral should have been granted in respect of more than three monthly payments and no payment deferral granted should have been capable of extension beyond 31 July 2021. Where a customer had been granted a payment deferral, that customer should not have been treated as being in arrears. Interest would have continued to accrue on the sum temporarily unpaid as the result of a payment deferral, however no additional fee or charge should have been levied. Where a customer remained unable to pay at the end of the initial or further deferral period, if such a customer was entitled to forbearance under existing FCA rules, TPF was expected to waive any additional interest accrued during the payment

deferral period as soon as reasonably practicable at the end of the deferment period. The effect of this was to ensure that a customer would not, in respect of the deferred payments, be in a worse position in terms of interest, than if it had paid those amounts in full in accordance with the agreement.

If a firm has already dealt with customers at the end of a payment deferral period but before the updated guidance came into force then that firm should review whether the outcome the customer received is consistent with the outcome they would likely have received under the amended guidance. If it is not consistent, the firm should make all reasonable efforts to contact the affected customers and give them the option to take up further support that they may be eligible for under the amended FCA COVID-19 Guidance.

A "payment deferral" is defined in the FCA COVID-19 Guidance as an arrangement made on or after 9 April 2020 under which a firm permits the customer to make no payments under their regulated credit agreement for a specified period without being considered to be in arrears. A "full payment deferral" means a payment deferral where the firm permits the customer to make no payments (or a token payment not exceeding £1 where firms' systems will not allow a zero payment) and "partial payment deferral" means a deferral where the firm permits the customer to make payments above £1 but under the contractual minimum repayment amount.

On 30 September 2020, the FCA published draft additional guidance for firms on what should happen at the end of the existing FCA COVID-19 Guidance. The FCA subsequently updated this guidance on 19 November 2020 and 31 January 2021 (the **Additional FCA Tailored Support Guidance**). The Additional FCA Tailored Support Guidance confirmed that the FCA COVID-19 Guidance continued to apply to providing support to newly affected customers until 31 March 2021, with consumers able to receive an initial or further payment deferral of up to 3 months until that date which could last until 31 July 2021. However, it also set out the FCA's expectations on additional tailored forbearance being granted to those who have had payment deferrals but who remain in financial difficulties or those who are not eligible for a payment deferral under the FCA COVID-19 Guidance. The FCA also published findings from a multi-firm review of firms' implementation of the Additional FCA Tailored Support Guidance on 25 March 2021, and notes that all lenders should review the FCA's findings.

The FCA COVID-19 Guidance and Additional FCA Tailored Support Guidance introduces a number of requirements on firms, as well as suspending the application of some FCA rules, to reduce the obstacles to customers obtaining payment deferrals. For example, FCA rules in relation to minimum repayment obligations have been temporarily amended allowing customers to make no repayments for a limited time. The FCA also suspended rules applying to certain customers in persistent debt who have been granted a payment deferral in accordance with the FCA COVID-19 Guidance until the deferral period ends (including where the customer has been granted two consecutive payment deferrals under the guidance) (see the section entitled "*FCA Market Study into Credit Card*" for an explanation of those rules). Firms were also required to review their prices to ensure that these are consistent with the obligation to treat customers fairly.

Firms were allowed to put in place an option other than a payment deferral, if it was appropriate to do so in the individual circumstances of the case and the firm reasonably considered it needed to do this to treat the customer fairly. This included offering a full or partial payment deferral for a period of less or more than three months, as well as alternative relief methods.

A firm was required to give customers adequate information to understand the implications of a payment deferral, including the consequences of interest that is accrued during this period and its effect on the balance due under the agreement and on future payments. Firms were also required to consider safeguards to help customers at the end of the payment deferral in the event of a sudden increase in their payments. Where customers have been granted a payment deferral under the FCA COVID-19 Guidance they should not have the use of their credit card or their credit facility suspended except where the firm is acting in accordance with section 98A of the CCA. Where a notice is given to the customer under section 98A the firm should, at the same time, ask customers to contact them urgently if they need to use their card for essential living expenses or to purchase essential items. If they do, the firm must consider lifting or delaying the suspension.

Firms should also not report a worsening status on the customer's credit file during the payment deferral. Finally, where statutory notices and statements were required to be sent under the Consumer Credit Act 1974 (CCA), firms were required to provide suitable explanations or context within these statutory notices and statements to avoid confusion. Please see the section entitled "*Compliance with the technical aspects of the CCA*" for an explanation of the statutory notices and statements, as well as the consequences of non-compliance with such requirements.

The FCA acknowledges that there are ongoing uncertainties arising from the impact of the COVID-19 pandemic and as a result, the FCA will, therefore, keep its position under review and provide new guidance, if required. Please refer to "RISK FACTORS - *If cardholders are concentrated in a geographic region, economic downturn in that region may adversely affect collections of Receivables*" above for further details.

The Woolard Review

In September 2020 the FCA's Board asked Christopher Woolard to conduct a review into change and innovation in the unsecured consumer credit market (the **Woolard Review**). The FCA published the findings from the Woolard Review on 2 February 2021 which are now being taken forward to help the FCA deliver better outcomes in consumer credit including:

- to address issues relating to debt advice, including to work with government and other agencies to ensure there is a long-term strategy to meet expected increased demand for debt advice, to ensure that suitable debt solutions are available to people in financial difficulty and to actively support efforts to ensure sustainable funding for free debt advice; and
- in the context of credit information, the need to assess if the credit information market is enabling consumers to use credit responsibly to build their credit score and access more options, to consider introducing a mandatory reporting requirement, to consider introducing rules requiring creditors to report to courts upon full or partial satisfaction of county court judgments, and to identify and address barriers to open banking data.

The FCA plans to publish an interim report on the Credit Information Market Study it launched in 2019, before pausing it in April 2020 due to the pandemic and subsequently restarting it in July 2021. The FCA has explained that the study will take account of the Woolard Review's recommendations to the FCA in this area, and the interim report will set out the FCA's vision for the credit information sector, its emerging findings and its early thinking on potential remedies.

FCA Finalised Guidance on Vulnerable Consumers

On 23 February 2021, the FCA published finalised guidance for firms on the fair treatment of vulnerable consumers (FG 21/1). This publication follows on from the FCA's previous work on this topic. While the guidance does not change the existing definition of a vulnerable customer, it outlines the FCA's expectations on how firms can comply with the Principles for Businesses and the overarching requirement to treat vulnerable customers fairly. In particular, the finalised guidance sets out the FCA's expectations on the following:

- Understanding the nature and scale of characteristics of vulnerability in target markets and customer base and the impact of vulnerability on consumers' needs.
- Embedding the fair treatment of vulnerable consumers across the workforce and ensuring that frontline staff have the necessary skills and capability to recognise vulnerability.
- Meeting customers' needs through the design of products and services, their customer services and their communications.

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

All FCA firms dealing with consumers are expected to comply with this guidance and firms can expect to be asked to demonstrate to the FCA how they have complied with the guidance. The guidance may also be relevant to enforcement cases and may be used by the FCA to determine whether a firm's conduct fell below the standards the Principles for Businesses require.

For the risks associated with the above regulatory considerations, please refer to the section entitled "*RISK FACTORS – Adverse legal or regulatory developments or exposure to legal or regulatory risk could have a material adverse effect on TPF's ability to perform its roles under the Programme*".

Breathing Space Regulations

On 17 November 2020, the Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020 (the **Breathing Space Regulations**) were made which implemented a new breathing space scheme from 4 May 2021. The scheme allows individuals in England and Wales struggling with problem debt an extra 60 days to get their finances under control, while they receive debt advice via professional debt advice providers in order to enter an appropriate debt solution. The scheme also provides for an alternative means to access the protections of a moratorium where individuals are receiving mental health crisis treatment, which will enable the protections to be in place for the duration of their crisis treatment. No interest and fees on debts can be charged and almost all enforcement action will be paused during the moratorium period. However individuals would not be protected from enforcement action on any debts arising from failure to pay ongoing household liabilities, such as rent or mortgage payments.

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

In addition to implementing a breathing space, the government committed to implementing a statutory debt repayment plan (**SDRP**). The SDRP will enable an individual in problem debt to enter into a formal agreement with their creditors to repay all of their debts over a manageable time period, whilst receiving protections from creditor action for the duration of their plan. The Government is proposing to publish a technical consultation on regulations introducing SDRPs early in 2022 with the regulations being laid by the end of 2022.

For the risk associated with above please see "*RISK FACTORS – Future changes of law and regulation affecting consumer credit agreements and related matters*".

Consumer Duty of Care

On 14 May 2021, the FCA published a consultation paper on proposals for a Consumer Duty (CP 21/13), which aims to set clear and higher expectations for firms' standards of care towards consumers. This new consumer duty would apply to all products and services sold to "retail clients", which is wider than the traditional definition of "consumer" and includes all clients other than professional clients (such as large corporates and government bodies) and eligible counterparties.

The consultation paper provided that the Consumer Duty will have three key elements: (1) A Consumer Principle, which sets a clear tone and uses language that reflects the overall standards of behaviour the FCA expect from firms; (2) 'Cross-cutting Rules', which develop and clarify the Consumer Principle's overarching expectations of firm conduct and set out how it should apply in practice; and (3) the 'Four outcomes', a suite of rules and guidance that set more detailed expectations for firm conduct in relation to four specific

outcomes for the key elements of the firm-customer relationship – Communications, Products and Services, Customer Service and Price and Value. The overarching Consumer Principle would either be "*a firm must act to deliver good outcomes for retail clients*" or "*a firm must act in the best interests of retail clients*". The FCA has been clear that it sees the introduction of this consumer duty as a paradigm shift in the expectations of firms.

The FCA had also previously said (in Feedback Statement 19/02) that they would consider the potential merits and unintended consequences of introducing a private right of action for breaches of the FCA's Principles, including any new Principles the FCA might propose. Currently, section 138D of FSMA allows the FCA to determine, for each of their rules, whether individuals have a right of action for damages for loss caused by a breach of that rule (subject to some limited exceptions). This right applies to most FCA rules, but does not currently apply for breaches of FCA Principles.

On 7 December 2021, the FCA published a second consultation and feedback statement on the Consumer Duty (CP21/36). The consultation period closed on 15 February 2022 and the FCA is aiming to publish its policy statement summarising responses and making any new rules by 31 July 2022. In CP21/36 the FCA makes clear that it wants to set a higher expectation for the standard of care that retail firms give to consumers and that the FCA is seeking to bring about a fairer, more consumer-focused and level playing field. The FCA aims to do this by:

- explicitly setting a higher standard of care across all retail markets, informed by the FCA's work on behavioural biases and vulnerability;
- extending rules focused on product governance and fair value, which already exist in certain sectors, across all sectors;
- focusing on matters of market practice (eg sludge practice) that interfere in consumer decision making and, by doing so, cause harm;
- ensuring firms consider the needs of their customers – including those with characteristics of vulnerability – and how they behave, at every stage of the product or service lifecycle, and
- requiring all firms to focus on good customer outcomes and whether those outcomes are met.

The second consultation paper sets out the FCA's new rules and guidance detailing the FCA's revised proposals for the Consumer Duty. CP21/36 provides that the revised Consumer Duty will comprise:

- a Consumer Principle that "*a firm must act to deliver good outcomes for retail clients*";
- Cross-cutting Rules requiring firms to (i) act in good faith towards retail customers; (ii) avoid foreseeable harm to retail customers; and (iii) enable and support retail customers to pursue their financial objections; and
- Four Outcomes, namely: Products and Services, Price and Value, Consumer Understanding and Consumer Support. The Four Outcomes have been updated to replace the proposed outcomes of Communications and Customer Service with Consumer Understanding and Consumer Support. In relation to the former, the FCA's aim is to build on and go further than Principle 7 by requiring firms to focus much more on consumer outcomes and understanding throughout the customer journey. With regard to the outcome on Price & Value, the FCA notes that fair value is about more than just price and that firms are not expected to charge the same price to all customers. The FCA does not intend to set prices and the focus is on firms ensuring that the price of their products and services are proportionate to their value.

The FCA is not branding the Consumer Duty as a ‘duty of care’, nor do the proposals comprise a one line duty. Rather, the FCA describes the Consumer Duty as a ‘package of measures’ designed to tackle consumer harms. The consultation paper confirms that the FCA will align the scope of the Consumer Duty with the existing scope of the FCA’s sectoral sourcebooks.

The Consumer Duty will apply in full for any products or services sold or renewed after the duty comes into effect. Firms will need to review their products and services during the implementation period, which might involve updating terms and conditions before products can continue to be sold to new or existing customers. Following the implementation period, firms will need to comply with the Consumer Duty on a forward-looking basis for customers with existing contracts.

Furthermore, the FCA notes that given the overlap between the new higher standard set by the Consumer Duty and Principles 6 and 7 of the FCA’s Principles for Businesses, the FCA plans to disapply both Principles 6 and 7 where the Consumer Duty applies. Principles 6 and 7 will therefore continue to apply to conduct outside the scope of the Consumer Duty, for example, in relation to certain SMEs.

The FCA is not planning to provide a private right of redress for breaches of the Consumer Duty, at this time but will keep this under review. The FCA expects firms to fully embed the Consumer Duty into their processes and it will use its regulatory tools to make this happen. The FCA expects the implementation of the Consumer Duty to be ‘iterative’ but that all firms should have fully implemented the requirements by 30 April 2023. The FCA is considering whether and how it can give more regular updates on what they are seeing and their views to provide further clarity to firms on regulatory expectations.

For the risks associated with the implementation of the Consumer Duty please see “*RISK FACTORS – Future changes of law and regulation affecting consumer credit agreements and related matters .*”

Decisions of the Financial Ombudsman Service (the FOS) could lead to some terms of the Credit Card Agreements being varied

The Financial Services Act 2012 provides for formalised cooperation to exist between the FCA and the FOS, particularly where issues identified potentially have wider implications, with a view to the FCA requiring affected firms to operate consumer redress schemes. Under the FSMA, the FOS is required to make decisions on (among other things) complaints relating to the terms in agreements under its jurisdiction on the basis of what, in the FOS's opinion, would be fair and reasonable in all circumstances of the case, taking into account (among other things) law and guidance.

The FOS may make a money award to a borrower, giving rise to a risk that the Receivables Trustee does not receive the full amount otherwise owed by the cardholder. The FCA published final rules in December 2018 extending access to FOS compensation to more SMEs, as well as larger charities and trusts, and a new category of personal guarantors. The rules came into force on 1 April 2019. In March 2019, the FCA published Policy Statement PS 19/8 entitled "Increasing the award limit for the Financial Ombudsman Service". New rules have been introduced with effect from 1 April 2019 which increase the maximum level of compensation which can be awarded by the FOS to (i) £350,000 for complaints about acts or omissions by firms on or after 1 April 2019 and (ii) £160,000 for complaints about acts or omissions by firms before 1 April 2019 and which are referred to the FOS after that date. For claims brought before 1 April 2019 in respect of acts or omissions by firms which also took place before that date, the old limit of £150,000 would still apply. Additionally, the compensation limit will be automatically adjusted each year for inflation from 1 April 2020 onwards. Given the way the FOS makes its decisions, it is not possible to predict how any future decision of the FOS would affect TPF's ability to generate Receivables.

Sections 77/78/79 of the CCA 1974

Sections 77 to 79 of the CCA set out the creditor's duty to give a true copy of the credit agreement and statements of account. The sanction for non-compliance with the relevant section is unenforceability of the

credit agreement, for as long as the creditor or owner fails to comply with its duty, thus restricting the debt collection activities that can be undertaken. Where there is such a failure, the courts have no discretion to allow enforcement, however, a creditor is able to request repayment and to record any arrears or default with a credit reference agency.

From 1 April 2014, the OFT's guidance on sections 77/78/79 of the CCA 1974 has been incorporated into the FCA Handbook in CONC. Although the FCA is unlikely to bring enforcement action where guidance has not been followed, it could still take action for breach of one or more of the Principles for Businesses. See "*Risk Factors – Sections 77/78/79 of the CCA 1974*" for the potential risk to the Securitised Portfolio.

Interchange fees

Since 2004 (VISA®) and 2005 (MasterCard®), the OFT (and subsequently the CMA) had been investigating (under the Competition Act 1998 and Article 101 of the Treaty on the Functioning of the European Union) the interchange fee arrangements for UK domestic point-of-sale transactions made using MasterCard® and VISA® consumer payment cards. Interchange fees are fees paid by payment service providers (many of whom are either banks or affiliates thereof) that acquire and settle transactions for merchants to card issuers (such as TPF) as partial compensation for, among other things, taking credit risk and absorbing fraud losses. The OFT's successor, the CMA, decided on 4 November 2014 not to progress its investigations into interchange fees for the time being, given the entering into force of the EU Interchange Fees Regulation (see below) and other matters described below, but may pursue these investigations further in future.

In July 2013, the European Commission adopted its proposal for a Regulation on interchange fees for consumer credit card or debit card based payment transactions (the **EU Interchange Fees Regulation**), with the aim of stipulating technical and business requirements for payment card transactions within the EU. The EU Interchange Fees Regulation was published in the Official Journal of the European Union on 19 May 2015 and entered into force on 8 June 2015. The EU Interchange Fees Regulation was onshored in the UK from the end of the Brexit transition period (the **UK Interchange Fees Regulation**). The UK Interchange Fees Regulation only caps UK transactions where the point of sale, acquirer and card issuer are all based in the UK; this means that interchange fee caps do not apply to card-not-present cross-border transactions between the UK and the EU.

Each of the EU Interchange Fees Regulation and the UK Interchange Fees Regulation regulates, amongst other things, the level of fee paid per transaction by introducing maximum interchange fee levels that may be set. Since 9 December 2015, the interchange fee caps for EU and UK consumer credit card transactions have been 0.3 per cent of the value of the transaction; a similar cap has been imposed in respect of EU and UK consumer debit card transactions of 0.2 per cent of the value of the transaction.

The European Commission published a report on the impact of the EU Interchange Fees Regulation in June 2020. The report concludes that the main objectives of the Regulation have been achieved, as interchange fees for consumer cards have decreased, leading to reduced merchants' charges for card payments, and ultimately resulting in improved services to consumers and lower consumer prices. However, the report noted that further monitoring and reinforced data gathering were necessary in some areas, including those where only limited time has elapsed since the Regulation entered into force. Given the EU Commission's assessment of the positive impact of the Regulation and the need for more time to see the full effects of the Regulation, the report was not accompanied by a revision legislative proposal.

The UK Payment Systems Regulator (**PSR**) indicated in its annual report for 2020/21 that it has been monitoring proposed fee increases resulting from the UK's withdrawal from the EU and the consequent non-application of the EU fee cap (in the EU Interchange Fees Regulation) in the UK. The PSR continues to explore the impact these proposals could have on businesses and consumers. See "*Risk Factors – Interchange fees*" for the potential risk to the Securitised Portfolio.

UK Payment Systems Regulator

The PSR's statutory objectives include (i) ensuring payment systems are operated in a way that considers and promotes the interests of businesses and consumers that use them, (ii) promoting effective competition in payment systems and services markets and (iii) promoting innovation, particularly in payment infrastructure. The PSR has a range of regulatory and competition powers available to meet these statutory objectives including (without limitation) the power to give directions to take action and set standards, to impose requirements regarding system rules, to require operators to provide direct access to payment systems, to amend agreements relating to payment systems including fees and charges, to investigate behaviour which is not consistent with the PSR's directions and to act where it sees anti-competitive behaviour. The PSR is also the lead competent authority for interchange fee regulation in the UK. The PSR therefore monitors and can take enforcement action in respect of breaches of interchange fee regulation in the UK. In relation to EU regulation of interchange fees, see "*Interchange fees*" above for further details.

The PSR has been carrying out a market review into the supply of card-acquiring services (the **Market Review**), being those services typically provided by third party providers for the acceptance and processing of card payments for and on behalf of merchants. The Market Review was intended to examine whether the supply of card-acquiring services is working well for merchants, and ultimately consumers. As part of this review, the PSR has looked at how the level of the fees merchants pay for card-acquiring services (the merchant service charge) responded to changes in the fees acquirers pay to card system operators (scheme fees) and card issuers (interchange fees). On 15 September 2020, the PSR published its interim report, which shows that merchants could make savings by shopping around and either switching or negotiating with their current provider – although many small and medium merchants do not do this. On 3 November 2021, the PSR published its final report, which sets out the PSR's overall conclusion that the supply of card-acquiring services does not work well for small and medium-sized merchants and large markets with annual card turnover up to £50 million. The PSR published a remedies consultation on 26 January 2022, in which it seeks views and information from stakeholders, with the expectation that the payments industry will play a key role in developing effective and proportionate measures that increase merchant engagement and ultimately improve choice and prices. Following this, the PSR will publish a provisional decision on remedies (and potentially a draft remedies notice) for consultation later that year.

UK Supreme Court judgment – Sainsbury's Supermarkets Ltd and others v Visa Europe / Mastercard

The U.K. Supreme Court has recently ruled predominantly in favour of a group of British retailers against Visa Europe and Mastercard (the Schemes) finding that the default "multilateral interchange fees" (**MIFs**) set by Mastercard and Visa and charged by issuers (like TPF) to acquirers restrict competition, in contravention of Article 101(1) of the EU Treaty on the Functioning of the European Union (the **TFEU**) and are not exempted under Article 101(3).

Some actions brought by retailers may proceed to a trial (if not settled) for the assessment of quantum of damages. This means that retailers must now demonstrate the losses they claim to have suffered as a consequence of the restriction of competition. Any damages would be payable by the Schemes and (to a lesser extent) merchant acquirers, rather than issuers who already may only receive interchange payments at the capped rates under the EU Interchange Fee Regulation.

The Supreme Court's judgment could have consequences for follow-on damages actions and parties beyond this case; in addition to the continued potential for claims and class actions by retailers, further antitrust developments in the 'MIF space' continue and could form the basis of future claims. The Schemes have also entered into legally binding commitments with the Commission in April 2019 to reduce their inter-regional MIFs (i.e. MIFs applied to payment made in the EEA with debit and credit cards issued outside the EEA) by approximately 40% on average (these commitments are applicable for five and a half years).

The abovementioned claims may have medium-to-long-term impacts in how the Schemes address pricing for card transactions and may give rise to changes to their already complex ruleset which regulate TPF's provision of credit card services.

Class Action against Mastercard

On 11 December 2020, the Supreme Court handed down its ruling in *Merricks v Mastercard*, ordering the Competition Appeal Tribunal (CAT) to reconsider whether to certify the circa £14 billion class action brought by Walter Merricks, the former head of the UK Financial Ombudsman Service, on behalf of 46.2 million consumers against Mastercard for overcharging on interchange fees. Following a rehearing on 18 August 2021, the CAT conditionally granted Merricks a collective proceedings order, which paves the way for a trial in the future. Should any subsequent trial judgment go against Mastercard there is a risk that Mastercard would seek to pass on any losses to its members, including TPF which could adversely affect TPF's ability to perform its obligations under the Transaction.

FCA Market Study into Credit Cards

On 25 November 2014, the FCA published terms of reference for a market study into credit cards. This market study follows on from previous work in which the FCA formed the view that certain aspects of the credit card market may not be working in the interests of some consumers. The focus of the market study was on the use of credit cards as a form of revolving credit, specifically, the extent to which consumers drive effective competition, how credit card issuers recover costs across different customer groups and the impact of this on the market, whether some consumers are over-borrowing/under-repaying, and whether firms have incentives to provide unaffordable lending that results in customer detriment.

The FCA published its final report on 27 July 2016 and found that while competition in the credit card market was working fairly well for most consumers, competition was not working as well for higher risk consumers. The final report stated that the FCA was significantly concerned about the nature, extent and scale of problem credit card debt and firms' incentives to reduce this. The FCA found that firms do not routinely address the behaviour of consumers with persistently high levels of credit card debt or who repeatedly make minimum payments. The final report therefore set out a package of proposed remedies to address these issues.

To address issues identified as part of the market study, the FCA published policy statement PS18/4 "Persistent debt and earlier intervention – feedback to CP17/43 and final rules" on 27 February 2018 (PS18/4) detailing final rules and guidance regarding persistent debt and earlier intervention remedies. The core aspects of the final rules and guidance include (i) a definition of persistent debt together with rules relating to the treatment of customers whose debts meet this definition, which includes showing forbearance where customers are unable to make increased payments as well as requirements on firms to assist customers in persistent debt to repay the debt more quickly (ii) a requirement on firms to identify customers at risk of financial difficulty earlier and take appropriate steps, and (iii) new rules to provide customers with greater control around how and when they can be offered credit limit increases. The FCA has also agreed a series of measures with industry bodies to address some of the issues identified by the market study including a commitment to notify consumers before the expiry of any promotional offer, alerting customers at a set point of their credit limit utilisation and allowing customers to request a "later than" payment date to fit with the customer's pay day. The FCA has carried out behavioural trials with some firms to test different ways of presenting payment options. If the FCA decides the most appropriate way to achieve outcomes would be a change to rules and guidance, the FCA will issue a further consultation and any change could include increasing the customer's minimum monthly payments.

The persistent debt rules came into force in March 2018, triggering the requirement for ongoing regulatory communications to customers that meet the persistent debt definition, encouraging increased payments. Customers began to meet the 36 month definition of persistent debt triggering account suspension provisions from March 2020; however, these provisions were suspended by the FCA, in order to ensure customers

negatively impacted by COVID-19 continued to have access to credit. The delayed provisions took effect from October 2020.

On 5 March 2019, the FCA published a letter to firms setting out the results of its review of credit card fees and charges. The FCA had found that some customers were charged fees on multiple occasions and sometimes multiple fees in a single billing cycle, which should have been indicators of financial difficulty. Firms were requested to consider whether their policies and procedures in relation to fees and charges result in fair customer outcomes and are compliant with the rules and guidance provided in CONC 7 around debt recovery and customer arrears/default. Examples of effective policies and procedures would be where firms treat multiple fees and charges signs of actual or possible financial difficulties or where firms flag on their systems customers who are repeatedly incurring fees on their account. The letter also required firms to satisfy themselves that they have the capability to act in accordance with the requirements of CONC 7 where customers are in actual or potential financial difficulty.

The FCA intends to review the effectiveness of the credit card market study remedies in 2022 after such remedies have been fully implemented by firms and in operation for long enough for the FCA to assess consumer outcomes. The FCA is proposing to publish an interim report on its findings during summer 2022.

It is difficult to predict the full impact that the package of remedies detailed in the final report and PS18/4 will have on the Receivables (including as a result of managing accounts which remain in persistent debt for extended periods) or if any further changes to the rules and guidance would be made.

Inquiries into payment protection insurance

Credit card issuers, including TPF, continue to see a volume of claims for redress made by claimants who claim they were mis-sold payment protection insurance (**PPI**). Such PPI claims were typically made by way of a complaint to the credit card issuer or the Financial Ombudsman Service (the **FOS**) but, for the reason explained below, are now being made via the courts.

In November 2015, the FCA published its Consultation Paper CP 15/39 entitled "Rules and guidance on payment protection insurance complaints" (**CP 15/39**). On 2 August 2016, the FCA published feedback to CP 15/39, together with a further consultation paper, Consultation Paper CP 16/20, on changes to the proposed rules and guidance concerning the handling of PPI complaints in light of Plevin. The results of the consultation and the final rules and guidance, Policy Statement PS 17/3, were published on 3 March 2017 and may result in an increase in the volume of 'Plevin-based' unfair relationship claims brought against the lenders who failed to disclose significant PPI commissions when entering into credit agreements (see "*UK Credit Card Regulation - Remedies for the imposition of an unfair relationship*" above). A key aspect of the FCA's final rules was a PPI complaints deadline falling two years from 29 August 2017 when the new rules came into force – hence PPI consumers had until 29 August 2019 to complain to the firm or to Financial Ombudsman Service (the **FOS**). However, such complaints deadline did not impact or prohibit the consumers' ability to bring legal proceedings against the firm in respect of a PPI claim.

In November 2018, the FCA published a further Consultation Paper CP 18/33 entitled "Regular premium PPI complaints and recurring non-disclosure of commission – Feedback on CP18/18, final guidance, and consultation on proposed mailing requirements" (CP 18/18). Broadly speaking, the final guidance in CP 18/33 proposes that in the case of regular premium PPI complaints, recurring non-disclosure of commission is a kind of omission or omissions that can make a credit relationship unfair, and accordingly should be assessed by firms when they handle regular premium PPI complaints, notwithstanding the focus of point of sale in *Plevin* and in the FCA's PPI-specific rules and guidance. Assessment of recurring non-disclosure should be done under the FCA's general, non-PPI specific compliant handling rules. The 29 August 2019 complaints deadline applied equally to regular premium PPI complaints.

In April 2020, the FCA published a final report entitled "Payment protection insurance complaints deadline – Final Report" which details the FCA's findings following a review of the impact of the 29 August 2019

complaints deadline. In the report, the FCA notes that the publicity campaign and complaints deadline prompted millions of customers to act and that firms are continuing to handle the resulting complaints which have been made. The report also explains how the FCA will continue, as part of its business as usual supervision, to ensure that firms complete their handling of the remaining PPI complaints fairly but also notes that some consumers are pursuing PPI claims in the courts as such right to do so was not impacted by the 29 August 2019 complaints deadline.

PPI redress is generally paid by cheque to each individual claimant as a matter of course, except where the account is overlimit or delinquent, in which case the cardholder will be advised that redress is to be set-off against the balance unless the cardholder opts to have it paid by cheque. Generally, it is within claimants' rights to request that their PPI redress is set-off against their balance. TPF ceased sales of PPI in September 2011 and reintroduced sales of a revised PPI product in June 2012. TPF ceased all PPI sales on 22 September 2017.

THE NOTE TRUSTEE AND SECURITY TRUSTEE

The information contained in this section related to The Bank of New York Mellon has been obtained from The Bank of New York Mellon and is furnished solely to provide limited information regarding The Bank of New York Mellon and does not purport to be comprehensive.

The Bank of New York Mellon, (formerly The Bank of New York) acts as Note Trustee and Security Trustee in this Programme. The Note Trustee acts as trustee for the secured creditors of the Issuer and also will hold the Security in respect of the notes under the terms of the Note Trust Deed and any Note Trust Deed Supplement (see "*Overview of the Notes*" and "*The Note Trust Deed*"). As the Security Trustee, it will act as trustee for the benefit of the secured creditors of Funding 1 which will include the Issuer (in the Issuer's capacity as beneficial holder of the Loan Notes) and also will hold the Loan Note Security created by Funding 1 in respect of the Loan Notes under the terms of the STDCMA (see "*Overview of Global Loan Note No.1*"). See also "*The Security Trust Deed and Cash Management Agreement*" and "*The Loan Notes*".

The Bank of New York Mellon, a wholly owned subsidiary of The Bank of New York Mellon Corporation, is incorporated, with limited liability by Charter, under the Laws of the State of New York by special act of the New York State Legislature, Chapter 616 of the Laws of 1871, with its Head Office situate at One Wall Street, New York, NY 10286, USA and having a branch registered in England and Wales with FC No 005522 and BR No 000818 with its principal office in the United Kingdom situated at One Canada Square, London E14 5AL.

The Bank of New York Mellon's corporate trust business services \$12 trillion in outstanding debt from 55 locations around the world. It services all major debt categories, including corporate and municipal debt, mortgage-backed and asset-backed securities, collateralised debt obligations, derivative securities and international debt offerings. The Bank of New York Mellon's corporate trust and agency services are delivered through The Bank of New York Mellon and The Bank of New York Mellon Trust Company, N.A.

BNY Mellon is a global investments company dedicated to helping its clients manage and service their financial assets throughout the investment lifecycle. Whether providing financial services for institutions, corporations or individual investors, BNY Mellon delivers informed investment management and investment services in 35 countries and more than 100 markets. As of Dec. 31, 2017, BNY Mellon had \$33.3 trillion in assets under custody and/or administration, and \$1.9 trillion in assets under management. BNY Mellon can act as a single point of contact for clients looking to create, trade, hold, manage, service, distribute or restructure investments. BNY Mellon is the corporate brand of The Bank of New York Mellon Corporation (NYSE: BK). Additional information is available on www.bnymellon.com

The information contained in this section relating to The Bank of New York Mellon has been provided by The Bank of New York Mellon for use in this Base Prospectus. Except for the information in the foregoing paragraphs in this section relating to The Bank of New York Mellon, The Bank of New York Mellon and its respective affiliates have not been involved in the preparation of, and do not have responsibility for, any information contained in this Base Prospectus.

THE BANK ACCOUNTS

As part of the programme, there are a number of bank accounts required through which money will flow on either a daily, monthly, quarterly or annual basis. These accounts are described below.

Issuer Distribution Account

The Issuer has established and will maintain the Issuer Distribution Accounts at one or more Qualified Institutions in England and Wales (currently HSBC Bank plc at its branch located at 8 Canada Square, London E14 5HQ, The Bank of New York Mellon acting through its London branch at One Canada Square, London E14 5AL and Elavon Financial Services DAC, UK Branch at 125 Old Broad Street, Fifth Floor, London EC2N 1AR) (each an **Issuer Distribution Account**) and the term "Issuer Distribution Account" shall refer to the Issuer Distribution Account held at the relevant Account Bank (as applicable). The Issuer Distribution Accounts were established pursuant to (i) the Issuer Distribution Account Bank Agreement dated 24 April 2013 between, *inter alios*, the Issuer, the Note Trustee and HSBC Bank plc as an Issuer Account Bank as amended, restated or supplemented from time to time, (ii) the Issuer Distribution Account Bank Agreement dated 1 November 2017 between, *inter alios*, the Issuer, the Note Trustee and The Bank of New York Mellon acting through its London branch as an Issuer Account Bank as amended, restated or supplemented from time to time and (iii) the Issuer Distribution Account Bank Agreement dated 11 October 2019 between, *inter alios*, the Issuer, the Note Trustee and Elavon Financial Services DAC, UK Branch as an Issuer Account Bank as amended, restated or supplemented from time to time, each an **Issuer Distribution Account Bank Agreement**.

Call Protection Accumulation Deposit Account

The Issuer may, if required, establish and maintain the Call Protection Accumulation Deposit Account at a Qualified Institution in England and Wales (currently HSBC Bank plc at its branch located at 8 Canada Square, London E14 5HQ) (**Call Protection Accumulation Deposit Account**). The Call Protection Accumulation Deposit Account was established pursuant to the Call Protection Accumulation Deposit Account Bank Agreement dated 24 April 2013 between, *inter alios*, the Issuer, the Issuer Account Bank and the Note Trustee as amended, restated or supplemented from time to time in relation to all Notes of a Note Series with a Swap Agreement, with call protection for that Series (the **Call Protection Accumulation Deposit Account Bank Agreement** and together with the Issuer Distribution Account Bank Agreement, the **Issuer Account Bank Agreements**). As at the date of this Base Prospectus, it is not intended that any Swap Agreement will have call protection for the related Note Series or that any funds will be credited to the Call Protection Accumulation Deposit Account.

Issuer Swap USD Account

The Issuer has established and will maintain the Issuer Swap USD Account at one or more Qualified Institutions in England and Wales (currently The Bank of New York Mellon acting through its London branch at One Canada Square, London E14 5AL) (the **Issuer Swap USD Account**). The Issuer Swap USD Account was established pursuant to the Issuer Swap USD Account Bank Agreement dated 1 November 2018 between, *inter alios*, the Issuer, the Note Trustee and The Bank of New York Mellon acting through its London branch as an Issuer Account Bank as amended, restated or supplemented from time to time (the **Issuer Swap USD Account Bank Agreement**).

Swap Collateral Accounts

The Issuer has established and will maintain a Swap Collateral Account at one or more Qualified Institutions in England and Wales (currently The Bank of New York Mellon acting through its London branch at One Canada Square, London E14 5AL) (each a **Swap Collateral Cash Account**) and the term "Swap Collateral Cash Account" shall refer to the Swap Collateral Cash Account held at the relevant Account Bank (as

applicable). A Swap Collateral Cash Account was established pursuant to the Swap Collateral Account Bank Agreement dated 1 November 2018 between, *inter alios*, the Issuer, the Note Trustee and The Bank of New York Mellon acting through its London branch as an Issuer Account Bank as amended, restated or supplemented from time to time (the **Swap Collateral Account Bank Agreement**).

The Issuer may, if required, establish and maintain one or more additional Swap Collateral Accounts for the purposes of the Issuer depositing any required collateral amounts pursuant to the terms of the relevant Swap Agreement.

The Issuer Distribution Accounts, the Call Protection Accumulation Deposit Account, the Issuer Swap USD Account and the Swap Collateral Cash Account are collectively referred to as the **Issuer Accounts**.

Accumulation Reserve Account

Funding 1 has established and will maintain Accumulation Reserve Accounts at one or more Qualified Institutions in England and Wales (currently HSBC Bank plc at its branch located at 8 Canada Square, London E14 5HQ and Elavon Financial Services DAC, UK Branch at 125 Old Broad Street, Fifth Floor, London EC2N 1AR) (each an **Accumulation Reserve Account**). Funding 1 will also establish ledgers in respect of the Accumulation Reserve Account in respect of each Loan Note specified as an **Accumulation Reserve Account Ledger** in respect of the relevant Loan Note. Each Accumulation Reserve Account Ledger will be established to assist with the payment by Funding 1 of the Monthly Distribution Amount for the relevant Loan Note during the Accumulation Period for that Loan Note. The Accumulation Reserve Accounts were established pursuant to (i) the Loan Note Issuer No.1 Account Bank Agreement dated 24 April 2013 between, *inter alios*, Funding 1 and HSBC Bank plc as an Account Bank as amended, restated or supplemented from time to time and (ii) the Loan Note Issuer No.1 Account Bank Agreement dated 11 October 2019 between, *inter alios*, the Issuer, the Note Trustee and Elavon Financial Services DAC, UK Branch as an Account Bank as amended, restated or supplemented from time to time, each a **Loan Note Issuer No.1 Account Bank Agreement**.

Series Cash Reserve Account

Funding 1 has established and will maintain separate cash reserve accounts at one or more Qualified Institutions in England and Wales (currently HSBC Bank plc at its branch located at 8 Canada Square, London E14 5HQ and Elavon Financial Services DAC, UK Branch at 125 Old Broad Street, Fifth Floor, London EC2N 1AR) (each a **Series Cash Reserve Account**) for the purpose of providing credit enhancement for an individual Loan Note (or, if specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, for Loan Notes of more than one series) issued. Funding 1 will also establish a ledger in the Series Cash Reserve Account in respect of such Loan Note (or Loan Notes) and specify such ledger as a **Series Cash Reserve Account Ledger**. There may be more than one Series Cash Reserve Account Ledger in the Series Cash Reserve Account. Each Series Cash Reserve Account Ledger will be established to assist with the payment by Funding 1 of amounts payable on the relevant Loan Note (or Loan Notes) and will be considered to be a separate Series Cash Reserve Account. The Series Cash Reserve Accounts were established pursuant to (i) the Loan Note Issuer No.1 Account Bank Agreement dated 24 April 2013 between, *inter alios*, Funding 1 and HSBC Bank plc as an Account Bank as amended, restated or supplemented from time to time and (ii) the Loan Note Issuer No.1 Account Bank Agreement dated 11 October 2019 between, *inter alios*, the Issuer, the Note Trustee and Elavon Financial Services DAC, UK Branch as an Account Bank as amended, restated or supplemented from time to time, each a **Loan Note Issuer No.1 Account Bank Agreement**.

Programme Reserve Account

Funding 1 has established and will maintain programme reserve accounts at one or more Qualified Institutions in England and Wales (currently HSBC Bank plc at its branch located at 8 Canada Square, London E14 5HQ and Elavon Financial Services DAC, UK Branch at 125 Old Broad Street, Fifth Floor,

London EC2N 1AR) (each a **Programme Reserve Account**). The Programme Reserve Account will be established to assist with the payment by Funding 1 of amounts payable on each Loan Note. The Programme Reserve Accounts were established pursuant (i) the Loan Note Issuer No.1 Account Bank Agreement dated 24 April 2013 between, *inter alios*, Funding 1 and HSBC Bank plc as an Account Bank as amended, restated or supplemented from time to time and (ii) the Loan Note Issuer No.1 Account Bank Agreement dated 11 October 2019 between, *inter alios*, the Issuer, the Note Trustee and Elavon Financial Services DAC, UK Branch as an Account Bank as amended, restated or supplemented from time to time, each a **Loan Note Issuer No.1 Account Bank Agreement**.

Principal Funding Account

Funding 1 has established and will maintain the Principal Funding Accounts at one or more Qualified Institutions in England and Wales (currently HSBC Bank plc at its branch located at 8 Canada Square, London E14 5HQ, The Bank of New York Mellon acting through its London branch at One Canada Square, London E14 5AL and Elavon Financial Services DAC, UK Branch at 125 Old Broad Street, Fifth Floor, London EC2N 1AR) (each a **Principal Funding Account**) and the term "Principal Funding Account" shall refer to the Principal Funding Account held at the relevant Account Bank (as applicable). Funding 1 will also establish a separate ledger in relation to each Loan Note (including Loan Notes which are tranches of global loan notes other than Global Loan Note No. 1) (each, a **Principal Funding Account Ledger**). Amounts will be accumulated in a Principal Funding Account Ledger during an Accumulation Period for a Loan Note or when Targeted Pre-Funding Amount is greater than zero (see "*The Loan Notes – Pre-funding*" and "*The Loan Notes – Controlled deposit amount*"). The Principal Funding Accounts were established pursuant to (i) the Loan Note Issuer No. 1 Account Bank Agreement dated 24 April 2013 between, *inter alios*, the Loan Note Issuer No.1, the Security Trustee and HSBC Bank plc as an Account Bank as amended, restated or supplemented from time to time, (ii) the Loan Note Issuer No.1 Account Bank Agreement dated 1 November 2017 between, *inter alios*, the Loan Note Issuer No.1, the Security Trustee and The Bank of New York Mellon acting through its London branch as an Account Bank as amended, restated or supplemented from time to time and (iii) the Loan Note Issuer No.1 Account Bank Agreement dated 11 October 2019 between, *inter alios*, the Issuer, the Note Trustee and Elavon Financial Services DAC, UK Branch as an Account Bank as amended, restated or supplemented from time to time (each a **Loan Note Issuer No.1 Account Bank Agreement**).

Funding 1 Distribution Account

Funding 1 has established and will maintain the Funding 1 Distribution Accounts at one or more Qualified Institutions in England and Wales (currently HSBC Bank plc at its branch located at 8 Canada Square, London E14 5HQ and The Bank of New York Mellon acting through its London branch at One Canada Square, London E14 5AL) (each a **Funding 1 Distribution Account**) and the term "Funding 1 Distribution Account" shall refer to the Funding 1 Distribution Account held at the relevant Account Bank (as applicable). The Funding 1 Distribution Accounts will be used by Funding 1 to discharge amounts due by Funding 1 which Funding 1 receives in accordance with its beneficial entitlement in respect of the De-Linked Trust Series. The Funding 1 Distribution Accounts were established pursuant to the respective Loan Note Issuer No.1 Account Bank Agreement.

Loan Note Issuer Custody Account

Funding 1 may, if required, establish and maintain a custody account with a Qualified Institution in England and Wales (currently HSBC Bank plc at its branch located at 8 Canada Square, London E14 5HQ and The Bank of New York Mellon acting through its London branch at One Canada Square, London E14 5AL) for the purposes of Funding 1 making Permitted Investments in accordance with the terms of the STDCMA (the **Loan Note Issuer Custody Account**).

The Accumulation Reserve Account, the Series Cash Reserve Account, the Programme Reserve Account, the Principal Funding Account, the Funding 1 Distribution Account and the Loan Note Issuer Custody Account are collectively referred to as the **Funding 1 Accounts**.

Trustee Collection Account

The Receivables Trustee has established and will maintain collection accounts (each a **Trustee Collection Account**) at one or more Qualified Institutions in England and Wales (currently HSBC Bank plc at its branch located at 8 Canada Square, London E14 5HQ and The Bank of New York Mellon acting through its London branch at One Canada Square, London E14 5AL) in which there is established a Principal Collections Ledger and a Finance Charge Collections Ledger to which Principal Collections and Finance Charge Collections are credited respectively. The term "Trustee Collection Account" shall refer to the Trustee Collection Account held at the relevant Account Bank (as applicable). The Servicer is tasked to ensure that all amounts representing the Collections in respect of the Designated Accounts are transferred from the Collection Account to one or more Trustee Collection Accounts within one London Business Day after the Date of Processing in respect of such Collections. The Trustee Collection Accounts were established pursuant to (i) the Receivables Trust Accounts Bank Agreement dated 24 April 2013 between, *inter alios*, the Receivables Trustee and HSBC Bank plc as a Receivables Trustee Account Bank as amended, restated or supplemented from time to time and (ii) the Receivables Trust Accounts Bank Agreement dated 1 November 2017 between, *inter alios*, the Receivables Trustee and The Bank of New York Mellon acting through its London branch as a Receivables Trustee Account Bank as amended, restated or supplemented from time to time, each a **Receivables Trust Accounts Bank Agreement**.

Trustee Investment Account

The Receivables Trustee will also open and maintain an investment account at a Qualified Institution in England and Wales (currently HSBC Bank plc at its branch located at 8 Canada Square, London E14 5HQ) (the **Trustee Investment Account**) to which are credited all amounts allocated as available to fund the purchase of Receivables. The Trustee Investment Account was established pursuant to the Receivables Trust Accounts Bank Agreement.

Receivables Trustee Consideration Account

The Receivables Trustee has established and will maintain a consideration account with a Qualified Institution in England and Wales (currently HSBC Bank plc at its branch located at 8 Canada Square, London E14 5HQ) (the **Receivables Trustee Consideration Account**) that will accumulate funds which will then be used by the Receivables Trustee to make payments of Deferred Consideration (other than Deferred Consideration Loss Make-Up) to the Transferor, under the terms of the RSD. The Receivables Trustee Consideration Account was established pursuant to the Receivables Trust Accounts Bank Agreement.

Trustee Custody Account

The Receivables Trustee may, if required, establish and maintain a custody account with a Qualified Institution in England and Wales (currently HSBC Bank plc at its branch located at 8 Canada Square, London E14 5HQ and The Bank of New York Mellon acting through its London branch at One Canada Square, London E14 5AL) for the purposes of the Receivables Trustee making Permitted Investments in accordance with the terms of the RTDSA (the **Trustee Custody Account**).

The Trustee Collection Account, the Trustee Investment Account, the Receivables Trustee Consideration Account, the Trustee Custody Account and any Additional Trust Accounts are collectively referred to as the **Trust Accounts**. The Receivables Trustee, as trustee of the Delamare Cards Receivables Trust, possesses all legal right, title and interest in all funds on deposit from time to time in each Trust Account and in all proceeds thereof.

Collection Account

The Collection Account has been established and is held in the name of the Transferor (currently with HSBC Bank plc at its branch located at 8 Canada Square, London E14 5HQ) (the **Collection Account Bank** and such account the **Collection Account**). Collections from cardholders are currently initially paid to a number of suspense accounts of the Transferor before such amounts are cleared and transferred into the Collection Account on a same-day basis.

Other Accounts

Each of the Receivables Trustee and the Loan Note Issuer may establish additional bank accounts with the same or different account banks from time to time and make any corresponding modifications to the Transaction Documents (other than a Basic Terms Modification), and the Security Trustee will be obliged to concur therewith provided that, inter alia: (1) the Transferor certifies to the Security Trustee and the Loan Note Issuer in writing that any modification proposed in relation to Transaction Documents is required solely to enable the additional bank account or new account banks to be added to the transaction and any secured creditor that would be materially prejudiced by the proposed modification (other than the Security Trustee and Loan Note Issuer) has either consented to the proposed modification or is a party to the Transaction Document to be modified; and (2) the Transferor either: (a) obtains from each of the Rating Agencies written confirmation that such modification would not result in (i) a downgrade, withdrawal or suspension of the then current ratings assigned to any class of the Notes by such Rating Agency or (ii) such Rating Agency placing any Notes on rating watch negative (or equivalent), or (b) certifies in writing to the Security Trustee and the Loan Note Issuer that it has notified the Rating Agencies of the proposed modification and in its opinion, formed on the basis of due consideration, such modifications would not result in (i) a downgrade, withdrawal or suspension of the then current ratings assigned to any class of the Notes by any Rating Agency or (ii) any Rating Agency placing any Notes on rating watch negative (or equivalent).

Similarly, the Issuer may establish additional bank accounts with the same or different account banks from time to time and make any corresponding modifications to the Transaction Documents (other than a Basic Terms Modification), and the Note Trustee will be obliged to concur therewith provided that (inter alia): (1) the Issuer or the Cash Manager certifies to the Note Trustee in writing that any modification proposed in relation to the Transaction Documents is required solely to enable the additional bank account or new account banks to be added to the transaction and any secured creditor that would be materially prejudiced by the proposed modification (other than the Note Trustee and the Noteholders) has either consented to the proposed modification or is a party to the Transaction Document to be modified; and (2) the Issuer or the Cash Manager either: (a) obtains from each of the Rating Agencies written confirmation that such modification would not result in (i) a downgrade, withdrawal or suspension of the then current ratings assigned to any class of the Notes by such Rating Agency or (ii) such Rating Agency placing any Notes on rating watch negative (or equivalent), or (b) certifies in writing to the Note Trustee that it has notified the Rating Agencies of the proposed modification and in its opinion, formed on the basis of due consideration, such modification would not result in (i) a downgrade, withdrawal or suspension of the then current ratings assigned to any class of the Notes by any Rating Agency or (ii) any Rating Agency placing any Notes on rating watch negative (or equivalent). See further Condition 14(f) (*Modifications to Account Bank Arrangements*).

Qualified Institution

A **Qualified Institution** is (i) an institution which at all times has a short term unsecured debt rating of at least A-1 by S&P (or, where no short-term unsecured debt rating by S&P is available, a long term unsecured debt rating of at least A by S&P), P-1 by Moody's and F1 by Fitch (or such other short-term ratings as may be required by the Rating Agencies from time to time) and a long-term unsecured debt rating of at least A2 by Moody's and A by Fitch (or such other long-term ratings as may be required by the Rating Agencies from time to time) or (ii) such other institution, provided that the Servicer has confirmed that in its opinion,

formed on the basis of due consideration, the appointment of such other institution will not result in the downgrade or withdrawal by the Rating Agencies of the ratings of any Associated Debt.

Termination and replacement of Account Bank upon the occurrence of certain events

Issuer Account Bank Termination Event

Following the occurrence of an Issuer Account Bank Termination Event (as defined below), the Issuer or the Bank Account Operator on behalf of the Issuer (with the prior written consent of the Note Trustee) or, following steps being taken by the Note Trustee to enforce the Security, the Note Trustee may terminate the appointment of the Issuer Account Bank by notice in writing to the Issuer Account Bank (such termination to take effect from the date (not earlier than the date of the notice) specified in the notice) subject to a successor account bank having been appointed in accordance with the terms of the relevant Issuer Account Bank Agreement.

Issuer Account Bank Termination Event means any one of the following circumstances:

- (a) if a deduction or withholding for or on account of any tax, or otherwise pursuant to, FATCA is imposed, or it appears likely that such a deduction or withholding will be imposed, in respect of the interest payable on any of the Issuer Accounts; or
- (b) any of the following occurs:
 - (i) an order is made or an effective resolution passed for the winding up of the Issuer Account Bank;
 - (ii) the Issuer Account Bank ceases or threatens to cease to carry on its business or stops payment or threatens to stop payment of its debts or is deemed unable to pay its debts within the meaning of any applicable insolvency laws in its jurisdiction of incorporation or any other jurisdiction proceedings of the type referred to in (iii) below may be commenced against it or becomes unable to pay its debts as they fall due or the value of its assets falls to less than the amounts of its liabilities (taking into account, for both these purposes, contingent and prospective liabilities) or otherwise becomes insolvent; or
 - (iii) proceedings shall be initiated against the Issuer Account Bank under any applicable liquidation, insolvency, composition, reorganisation (other than a reorganisation where the Issuer Account Bank is solvent) or other similar laws (including, but not limited to, presentation of a petition for the appointment of an administrator, examiner or liquidator or the filing of documents with the court for the appointment of an administrator) and such proceedings are not being disputed in good faith with a reasonable prospect of success, or an administration order shall be granted or the appointment of an administrator takes effect or an administrative receiver or other receiver, liquidator or other similar official shall be appointed in relation to the Issuer Account Bank or in relation to the whole or any substantial part of the undertaking or assets of the Issuer Account Bank, or an encumbrancer shall take possession of the whole or any substantial part of the undertaking or assets of the Issuer Account Bank, or a distress, execution, diligence or other process shall be levied or enforced upon or sued against the whole or any substantial part of the undertaking or assets of the Issuer Account Bank and such possession or process (as the case may be) shall not be discharged or otherwise ceases to apply within 30 days, or the Issuer Account Bank initiates or consents to judicial proceedings relating to itself under applicable liquidation, insolvency, composition, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of its creditors (or any class thereof) generally or enters into a composition or similar arrangement with its creditors or takes step with a view to obtaining a moratorium in respect of its indebtedness (including, without limitation, the filing of documents with the

court), or any event occurs or proceedings are taken with respect to the Issuer Account Bank in any jurisdiction to which it is subject or in which it has assets which has and effects similar to or any one of the foregoing events; or

- (c) if the Issuer Account Bank fails to perform any of its obligations under the relevant Issuer Account Bank Agreement and such failure remains unremedied for three Business Days after the Issuer Account Bank has received notice of such failure from the Issuer, the Bank Account Operator or the Note Trustee.

Within two Business Days after the Issuer Account Bank becomes aware of any Issuer Account Bank Termination Event or event which, with the giving of notice or lapse of time, would constitute an Issuer Account Bank Termination Event, the Issuer Account Bank must give written notice thereof to the Issuer, the Bank Account Operator, the Note Trustee and the Rating Agencies.

The Issuer Account Bank may also resign its appointment on no less than 45 days' prior written notice to the Issuer, the Bank Account Operator and the Note Trustee provided that such resignation will not take effect until a successor has been duly appointed by the Issuer or the Bank Account Operator on behalf of the Issuer (with the prior approval of the Note Trustee), in accordance with the terms of the relevant Issuer Account Bank Agreement. If, by the day falling 10 days before the expiry of any notice, the Issuer and the Bank Account Operator have not appointed a successor account bank then the Issuer Account Bank shall be entitled, on behalf of the Issuer to appoint in its place as a successor account bank a reputable financial institution of good standing, subject to and in accordance with the terms of the relevant Issuer Account Bank Agreement, which the Issuer, the Bank Account Operator and the Note Trustee shall approve and provided that such approval may not be unreasonably withheld.

Funding 1 Account Bank Termination Event

Following the occurrence of a Funding 1 Account Bank Termination Event (as defined below), Funding 1 or the Bank Account Operator on behalf of Funding 1 (with the prior written consent of the Security Trustee) or, following steps being taken by the Security Trustee to enforce the Security, the Security Trustee may terminate the appointment of the Funding 1 Account Bank by notice in writing to the Funding 1 Account Bank (such termination to take effect from the date (not earlier than the date of the notice) specified in the notice) subject to a successor account bank having been appointed in accordance with the terms of the Loan Note Issuer No.1 Account Bank Agreement.

Funding 1 Account Bank Termination Event means any of the events specified in paragraphs (a) to (c) of the definition of Issuer Account Bank Termination Event (see above) except that references therein to:

- (a) "*the Issuer*" shall be to "*Funding 1*";
- (b) "*Issuer Accounts*" shall be to "*Funding 1 Accounts*";
- (c) "*Issuer Account Bank*" shall be to "*Funding 1 Account Bank*";
- (d) "*relevant Issuer Account Bank Agreement*" shall be to "*the Loan Note Issuer No.1 Account Bank Agreement*"; and
- (e) "*Note Trustee*" shall be to "*Security Trustee*".

Within two Business Days after the Funding 1 Account Bank becomes aware of any Funding 1 Account Bank Termination Event or event which, with the giving of notice or lapse of time, would constitute a Funding 1 Account Bank Termination Event, the Funding 1 Account Bank must give written notice thereof to Funding 1, the Bank Account Operator, the Security Trustee and the Rating Agencies.

The Funding 1 Account Bank may also resign its appointment on no less than 45 days' prior written notice to Funding 1, the Bank Account Operator and the Security Trustee provided that such resignation will not take effect until a successor has been duly appointed by Funding 1 or the Bank Account Operator on behalf of Funding 1 (with the prior approval of the Security Trustee), in accordance with the terms of the Loan Note Issuer No.1 Account Bank Agreement. If, by the day falling 10 days before the expiry of any notice, Funding 1 and the Bank Account Operator have not appointed a successor account bank then the Funding 1 Account Bank shall be entitled, on behalf of Funding 1 to appoint in its place as a successor account bank a reputable financial institution of good standing, subject to and in accordance with the terms of the Loan Note Issuer No.1 Account Bank Agreement, which Funding 1, the Bank Account Operator and the Security Trustee shall approve and provided that such approval may not be unreasonably withheld.

Receivables Trustee Account Bank Termination Event

Following the occurrence of a Receivables Trustee Account Bank Termination Event (as defined below), the Receivables Trustee or the Bank Account Operator on behalf of the Receivables Trustee may terminate the appointment of the Receivables Trustee Account Bank by notice in writing to the Receivables Trustee Account Bank (such termination to take effect from the date (not earlier than the date of the notice) specified in the notice) subject to a successor account bank having been appointed in accordance with the terms of the Receivables Trust Accounts Bank Agreement.

Receivables Trustee Account Bank Termination Event means any of the events specified in paragraphs (a) to (c) of the definition of Issuer Account Bank Termination Event (see above) except that references therein to:

- (a) "*Issuer*" shall be to "*Receivables Trustee*";
- (b) "*Issuer Accounts*" shall be to "*Trust Accounts or the Receivables Trustee Account*";
- (c) "*Issuer Account Bank*" shall be to "*Receivables Trustee Account Bank*";
- (d) "*relevant Issuer Account Bank Agreement*" shall be to "*the Receivables Trust Accounts Bank Agreement*"; and
- (e) "*the Issuer, the Bank Account Operator or the Note Trustee*" shall be to "*the Receivables Trustee or the Bank Account Operator*".

Within two Business Days after the Receivables Trustee Account Bank becomes aware of any Receivables Trustee Account Bank Termination Event or event which, with the giving of notice or lapse of time, would constitute a Receivables Trustee Account Bank Termination Event, the Receivables Trustee Account Bank must give written notice thereof to the Receivables Trustee, the Bank Account Operator and the Rating Agencies.

The Receivables Trustee Account Bank may also resign its appointment on no less than 45 days' prior written notice to the Receivables Trustee and the Bank Account Operator provided that such resignation will not take effect until a successor has been duly appointed by the Receivables Trustee or the Bank Account Operator on behalf of the Receivables Trustee in accordance with the terms of the Receivables Trust Accounts Bank Agreement. If, by the day falling 10 days before the expiry of any notice, the Receivables Trustee and the Bank Account Operator have not appointed a successor account bank then the Receivables Trustee Account Bank shall be entitled, on behalf of the Receivables Trustee to appoint in its place as a successor account bank a reputable financial institution of good standing, subject to and in accordance with the terms of the Receivables Trust Accounts Bank Agreement, which the Receivables Trustee and the Bank Account Operator shall approve and provided that such approval may not be unreasonably withheld.

In addition, each of the Issuer Account Bank, the Funding 1 Account Bank and the Receivables Trustee Account Bank may be replaced if it ceases to be a Qualified Institution. See "*Rating Trigger Table*" above.

THE RECEIVABLES

Assignment of Receivables to the Receivables Trustee

Receivables and Future Receivables (comprising Principal Receivables and Finance Charge Receivables) arising under certain MasterCard® and VISA® revolving credit card accounts (the **Accounts**) selected from time to time from the total portfolio of MasterCard® and VISA® Accounts originated (or acquired) by TPF (the **TPF Total Portfolio**) together with certain rights and cashflows have been and (in the case of Additional Accounts) may be, from time to time in the future, assigned to the Receivables Trustee without undue delay.

The Receivables that have been and will be originated and offered to the Receivables Trustee from time to time are governed by the laws of England and Wales, Scotland or Northern Ireland.

Any reference in this Base Prospectus to Receivables being sold or assigned to the Receivables Trustee shall be deemed to mean, in respect of those Receivables that are governed by the laws of Scotland, a declaration of trust over those Receivables.

The term **Designated Account** means each Account which has been designated from the TPF Total Portfolio of the Transferor and identified by a specific number identifying such Account and in relation to which the Receivables arising thereunder have been (or will, upon coming into existence, be) assigned to the Receivables Trustee as a result of acceptance of any Offer in accordance with the terms of the RSD and includes each additional Account relating to an Offer which is accepted in accordance with the terms of the RSD, but does not include any Redesignated Account (as described below).

Each Drawdown Prospectus and/or Final Terms/Pricing Supplement relating to a Note Series will contain information on the then aggregate principal amount of Receivables in the Securitised Portfolio.

Under the terms of the RSD, the Transferor also has the right to nominate additional Accounts from time to time and to offer to sell and assign to the Receivables Trustee, the Receivables arising from time to time on those additional Accounts. An additional Account will become a Designated Account if such Offer is accepted on the Addition Date relating thereto. No additional Account shall be nominated as a Designated Account upon such acceptance (if any) unless the Transferor has:

- (i) provided a solvency certificate to the Receivables Trustee;
- (ii) confirmed in the relevant Offer either (a) that the Offer of the additional Accounts satisfies the Maximum Addition Amount criteria or (b) that the Offer of such additional Accounts does not satisfy the Maximum Addition Amount criteria but that either (1) each Rating Agency has confirmed that such inclusion will not result in a reduction or withdrawal of its then current rating of any outstanding Associated Debt, or (2) the Transferor has provided to the Receivables Trustee a certificate stating that in its opinion, formed on the basis of due consideration, the proposed inclusion would not result in the downgrade of the then current ratings of the Notes; and
- (iii) obtained a legal opinion addressed, and reasonably satisfactory, to the Receivables Trustee regarding any Receivables arising in a Permitted Additional Jurisdiction.

Any one or more of these pre-conditions to the designation of Accounts as Designated Accounts following the acceptance (if any) of an Offer may be waived by the Receivables Trustee subject to either the Rating Agencies confirming that such inclusion will not result in a reduction or withdrawal of its then current rating of any outstanding Associated Debt or the Transferor having provided to the Receivables Trustee a certificate stating that in its opinion, formed on the basis of due consideration, the proposed inclusion would not result in the downgrade of the then current ratings of the Notes. Each Account must also comply with the eligibility criteria described below in "*Representations*" as at the time of its designation.

Additional Accounts may have been originated by the Transferor using credit criteria different from the credit criteria applied by the Transferor to the Designated Accounts, or may have been acquired by the Transferor from an institution which may have had different credit criteria. Consequently, additional Accounts designated in the future may not be of the same credit quality as Designated Accounts existing as of the relevant Addition Date.

If for any reason any Receivable arising on a Designated Account is not duly assigned to the Receivables Trustee, the Transferor will hold such Receivable and all Collections relating thereto on trust for the Receivables Trustee and all such Collections will be applied as if such Receivable had been validly and duly assigned.

The term **Material Adverse Effect** shall mean a material adverse effect on the interests of any Investor Beneficiary which shall be construed to include any Investor Beneficiary which has a Trust Series Investor Interest with Related Debt outstanding as more particularly specified in any related Supplement to the RTDSA.

The term **Related Debt** means, with respect to a Trust Series Investor Interest, any Loan Notes issued by any of Funding 1 or Funding 2 as the Investor Beneficiary in respect of such Trust Series Investor Interest, as further specified in the related Supplement for such Trust Series.

The term **Maximum Addition Amount** means for any Addition Date, the number of additional Accounts nominated by the Transferor as Designated Accounts without prior Rating Agency confirmation and will:

- (a) for the period of three consecutive Monthly Periods ending with the Monthly Period that includes such Addition Date, be equal to 15 per cent. of the number of Designated Accounts as of the later of (i) the first day of such three-month period and (ii) the first day of the first Monthly Period following the most recent Addition Date where each Rating Agency issued or confirmed the ratings of any Note Series; and
- (b) for the period of twelve consecutive Monthly Periods ending with the Monthly Period that includes such Addition Date, be equal to 20 per cent. of the number of Designated Accounts as of the later of (i) the first day of such twelve-month period and (ii) the first day of the first Monthly Period following the most recent Addition Date where each Rating Agency issued or confirmed the ratings of any Note Series,

provided however, that, for the avoidance of doubt, in calculating the Maximum Addition Amount for an Addition Date during either period specified above, the number of additional Accounts previously nominated by the Transferor as Designated Accounts without prior Rating Agency confirmation during the relevant period shall be added to the number of additional Accounts that are to be nominated on that Addition Date when determining whether the Maximum Addition Amount is exceeded on that Addition Date.

The terms of the RSD provide that any Offer of Receivables to the Receivables Trustee (an **Offer**) will comprise an offer to sell and assign:

- (i) all existing receivables on certain Accounts nominated by the Transferor as at the opening of business on the relevant proposed Addition Date (in the case of each subsequent Offer) (the **Existing Receivables**);
- (ii) all Future Receivables under such Accounts which are not Finance Charge Receivables in respect of Principal Receivables until the earliest of (a) such time as such Designated Accounts become Redesignated Accounts, or (b) the termination of the Delamare Cards Receivables Trust;
- (iii) all Future Receivables under such Accounts which are Finance Charge Receivables in respect of Receivables which have been assigned to the Receivables Trustee pursuant to (i) or (ii) above; and

- (iv) (to the extent that the same are capable of assignment or being held on trust without prior consent of the relevant guarantors or insurance underwriters) the benefit of each guarantee or insurance policy obtained by the Transferor in respect of the obligations of a cardholder to make payments on such Designated Accounts.

The date specified in the Offer as the proposed addition date is an **Addition Date**.

The Initial Offer made by the Transferor also constituted an offer to assign Acquired Interchange in respect of each Monthly Period. Future Receivables are automatically assigned in equity to or held on trust for the Receivables Trustee when they come into existence. The term **Future Receivables** means all Receivables in a Designated Account which are not Existing Receivables. For the purposes of Article 20(8) of the UK Securitisation Regulation, as far as the Transferor is aware, the Receivables contain obligations that are in all material respects contractually binding and enforceable, with full recourse against Obligor in respect of payments due under Credit Card Agreements for the provision of credit for the purchase of goods and services and cash advances (and the related periodic finance charges and fees), subject to any laws and applicable regulations from time to time in effect relating to (i) applicable bankruptcy insolvency, reorganisation, moratorium or other similar laws affecting the rights of creditors generally and (ii) general equitable principles and other limitations arising on enforcement in the jurisdiction of the relevant cardholder's jurisdiction of residence.

In order to identify all Receivables which have been assigned to or held on trust for the Receivables Trustee, the Servicer has agreed to maintain a computer system which will identify the beneficial ownership of the Receivables under such Accounts. See "*— Redesignation and removal of Accounts*" below for a summary of the circumstances in which such designation will be removed.

Throughout the term of the Delamare Cards Receivables Trust, the Accounts from which the Receivables arise will be such Designated Accounts plus any additional Accounts, minus any Redesignated Accounts (as discussed below).

Existing Receivables and Future Receivables arising under the Designated Accounts are either Principal Receivables or Finance Charge Receivables (together, the **Receivables**).

Average Principal Receivables means, for any period, an amount equal to the sum of the aggregate outstanding face amount of Eligible Principal Receivables at the end of each day during such period divided by the number of days in such period

Principal Receivables comprise all Receivables arising under a Designated Account other than Finance Charge Receivables and primarily comprise amounts owing in respect of the acquisition of merchandise (including foreign exchange commission charged by the Transferor) and services by cardholders and the obtaining by cardholders of cash advances. The amount of Principal Receivables on a Designated Account on any day is reduced by the amount of any credit balance on that Designated Account on that day.

Finance Charge Receivables means all Receivables under a Designated Account which comprise amounts relating to transaction fees, Periodic Finance Charges, charges for credit insurance, Special Fees (see "*— Special fees*" below) and Annual Fees (see "*— Annual fees*" below) and, in respect of any Monthly Period, includes Discount Option Receivables.

Under the terms of the RSD, any Offer of Receivables made by the Transferor shall be accepted by the Receivables Trustee by executing a contract to such effect. Upon such acceptance, the Receivables Trustee will be bound to pay the Purchase Price to the Transferor. Payment for Future Receivables is made not later than the London Business Day after the Date of Processing in relation to when such Receivables come into existence (or within such longer period of time as may be agreed upon by the Transferor and the Receivables Trustee) and as specified in a daily report prepared and maintained by the Servicer. Such payment also

comprises consideration for the assignment of the benefit of Acquired Interchange to the Receivables Trustee.

Purchase Price means an amount equal to the outstanding face amount of the Existing Receivables referred to in the relevant Offer (if any) which are Principal Receivables (excluding any Receivables which have, prior to the time of acceptance, been identified by the Transferor or the Servicer as being Ineligible Receivables).

The amount which the Receivables Trustee must pay to the Transferor in order to accept an Offer or in payment for Future Receivables as described above is reduced by the amount of any shortfall funded by the Transferor as a beneficiary, **provided that** the Transferor's beneficial interest in the Delamare Cards Receivables Trust is increased accordingly.

Redesignation and removal of Accounts

Each Designated Account will continue to be a Designated Account until such time as it becomes a Cancelled Account, a Zero Balance Account, a Defaulted Account or until the Transferor reclassifies it as being no longer a Designated Account (each of the foregoing a **Redesignated Account**).

A **Cancelled Account** is a former Designated Account which has had its charging privileges permanently withdrawn.

A **Defaulted Account** is a former Designated Account in respect of which the Servicer has written off the Receivables in such account as uncollectible in accordance with the Credit Card Guidelines or the Servicer's customary and usual servicing procedures for servicing credit card Receivables comparable to the Receivables assigned to the Receivables Trustee.

A **Zero Balance Account** is a former Designated Account specified by the Servicer as having had a nil balance of Receivables generated thereon or outstanding thereunder for such period of time that the Servicer has identified such account as a Zero Balance Account pursuant to the Credit Card Guidelines or the Servicer's customary and usual servicing procedures and has removed such account from the pool index file and the computer master file of Accounts used by the Servicer on such date specified by the Servicer.

In the case of a Cancelled Account, a Defaulted Account or a Zero Balance Account, such account shall automatically become a Redesignated Account as at the date on which it becomes a Cancelled Account, Defaulted Account or a Zero Balance Account, as the case may be.

Except in the case of Cancelled Accounts, Defaulted Accounts or Zero Balance Accounts, a Designated Account will become a Redesignated Account as of such date (the **Removal Date**) as is specified by the Transferor to the Receivables Trustee in the two circumstances outlined below.

First, from time to time, the Receivables Trustee may purchase from the Transferor Receivables which are subject to third party arrangements between the Transferor and third parties. These arrangements may require that the Transferor will procure the assignment or transfer to such third parties of Accounts that may have been identified in the Securitised Portfolio as Designated Accounts. If such a situation occurs, the Receivables Trustee has agreed that it will assign or release the relevant Receivables to the relevant third party and that the Servicer will update its records to redesignate the selected group of Accounts that are subject to the arrangement with such third party. However, Receivables will not be assigned or released by the Receivables Trustee and no such Designated Account shall be redesignated unless:

- (i) the removal of any Receivables related to such proposed Redesignated Accounts shall not, in the reasonable belief of the Transferor (1) cause a Pay Out Event to occur on the Removal Date, (2) cause the Adjusted Transferor Interest as a percentage of the aggregate amount of Principal Receivables to be less than the Minimum Adjusted Transferor Interest on the relevant Removal Date

or (3) cause the aggregate amount of Principal Receivables to be less than the Minimum Aggregate Principal Receivables;

- (ii) the Transferor confirms in writing that in its opinion, formed on the basis of due consideration, that the proposed redesignation will not result in a downgrade or withdrawal of the then current rating of any outstanding Associated Debt; and
- (iii) the Transferor has confirmed in writing that all the prerequisites in (i) and (ii) have been satisfied.

Second, if a Designated Account is to become a Redesignated Account in circumstances other than those described above, no such Designated Account shall be redesignated unless either:

- (a)
 - (i) such redesignation will not, in the reasonable belief of the Transferor, cause a Pay Out Event to occur;
 - (ii) the Transferor has represented and warranted that the Designated Accounts to be redesignated have been selected by the Transferor at random and that the Transferor has secured all necessary regulatory consents for the Designated Accounts to be redesignated;
 - (iii) the Transferor confirms in writing that in its opinion, formed on the basis of due consideration, that the proposed redesignation will not result in a downgrade or withdrawal of the then current rating of any outstanding Associated Debt;
 - (iv) either (A) the Transferor and the Servicer can confirm in writing that Collections (equal to the outstanding face amount of each Principal Receivable and the outstanding balance of each Finance Charge Receivable) have been received by the Receivables Trustee in respect of every Receivable assigned to or held on trust for the Receivables Trustee in respect of that account other than Receivables that have been charged-off as uncollectible or (B) the Transferor has paid to the Receivables Trustee an amount equal to the outstanding face amount of each Principal Receivable; and
 - (v) the Transferor has confirmed in writing that all such prerequisites have been satisfied; or
- (b) the Transferor has confirmed in writing to the Receivables Trustee that such Receivables were sold in breach of the eligibility criteria and the Transferor has made certain payments in respect of such breaches as set out in the RSD.

Notwithstanding the above, the provision in (a)(ii) above (which requires that the Designated Accounts to be redesignated have been selected by the Transferor at random) is not required in respect of the redesignation of Accounts which the Transferor considers to be Non-Compliant Accounts, which are subject to the arrangements set out in "*Regulatory Considerations – Redesignation of Non-Compliant Accounts for the purposes of the UK LCR Regulation, Solvency II Regulation and/or the UK Securitisation Regulation*" for further information.

The **Minimum Adjusted Transferor Interest** shall mean the aggregate of (A) 9% (or, subject as provided below, such other percentage as specified in any related Trust Supplement) of the Average Principal Receivables and (B) the product of (x) 1.05 and (y) the Additional Percentage multiplied by the Average Principal Receivables provided, however, that the Transferor may reduce the Minimum Adjusted Transferor Interest upon (i) 30 days' prior notice to the Receivables Trustee, each Rating Agency and any enhancement provider entitled to receive such notice pursuant to the relevant Trust Supplement, (ii) the Transferor confirming in writing that in its opinion, formed on the basis of due consideration, such reduction will not result in the reduction or withdrawal of the then current rating of any Associated Debt and (iii) delivery to the Receivables Trustee and each such enhancement provider of an officer's certificate stating that the Transferor reasonably believes that such reduction will not, based on the facts known to such officer at the

time of such confirmation, then or thereafter cause a Pay Out Event to occur with respect to any Investor Beneficiary provided further, however, that the Minimum Adjusted Transferor Interest shall not at any time be less than 2% of the Average Principal Receivables.

The **Additional Percentage** means the percentage equivalent of a fraction, the numerator of which is the aggregate across all cardholders of Designated Accounts in relation to which the deposit account balances of such cardholder are greater than the FSCS Limit of the lower of (1) the total deposit account balances of such cardholder minus the FSCS Limit and (2) the aggregate card balance of such cardholder and the denominator of which is the aggregate outstanding face amount of Principal Receivables as at the close of business on the day prior to the relevant date of determination.

The **FSCS Limit** means, at the relevant date of determination, the then maximum compensation level available pursuant to the Financial Services Compensation Scheme.

The **Minimum Aggregate Principal Receivables** means, unless otherwise provided in a Supplement relating to any Trust Series, as of any date of determination, an amount equal to the sum of the numerators used in the calculation of the Principal Investor Percentages for all outstanding Trust Series on such date (as to which see "*Receivables Trustee Cashflows — Terms of the De-Linked Supplement relating to Funding I*") **provided, however, that** with respect to any outstanding Trust Series with an Investor Interest as of such date of determination equal to the balance standing to the credit of the Principal Funding Account relating to such outstanding Trust Series, the numerator used in the calculation of the Principal Investor Percentage relating to such outstanding Trust Series shall, solely for the purpose of the definition of Minimum Aggregate Principal Receivables, be deemed to equal zero.

All Principal Receivables which come into existence under a Designated Account prior to the date of redesignation thereof (and which will have automatically been assigned to or held on trust for the Receivables Trustee) will be paid for by the Receivables Trustee in accordance with the terms of the RSD.

All Future Receivables which are Finance Charge Receivables which (i) relate to Receivables which were in existence prior to such date of redesignation and (ii) came into existence on or following such date of redesignation, will continue to be assigned to or held on trust for the Receivables Trustee.

The Servicer will ensure that each Redesignated Account shall remain identified on its system as a Designated Account until a collection has been received in respect of each such Receivable assigned to or held on trust for the Receivables Trustee in respect of that account (equal to the outstanding face amount of each such Principal Receivable and the amount outstanding of each such Finance Charge Receivable) other than Receivables charged-off as being uncollectible by the Servicer or until a Transferor payment has been received in respect of the relevant Principal Receivable or otherwise until such time as all Receivables outstanding on such account which constitute trust property have been reassigned or released to the Transferor (see "*— Representations*" below). Once such Collections or Transferor payments have been received or such reassignment or release has occurred, the Servicer may update its systems to reflect such redesignation and give notice to that effect to the Receivables Trustee, in which case such account shall cease to be trust property.

All Future Receivables which come into existence under a Designated Account after the date of redesignation thereof which are Principal Receivables or Finance Charge Receivables in respect of Receivables which were not in existence prior to such date of redesignation will not be assigned to or held on trust for the Receivables Trustee and will be released thereby.

Discount Option Receivables

The Transferor may, by giving not less than 30 days' notice to the Servicer, the Receivables Trustee and the Rating Agencies, nominate a fixed or variable percentage that will never be less than zero of Principal Receivables arising in Designated Accounts (a **Discount Percentage**) or, where a Discount Percentage has

been nominated previously, extend the period for which it is to apply. With effect from such date and for such period of time as shall be specified by the Transferor in such notice (i) the amount payable by the Receivables Trustee to accept an Offer of Receivables and the amount payable from time to time by the Receivables Trustee for Future Receivables will be reduced by a percentage equal to the Discount Percentage and (ii) consequently, a percentage of such Principal Receivables equal to the Discount Percentage (**Discount Option Receivables**) shall be treated by the Receivables Trustee as Finance Charge Receivables. No nomination of a Discount Percentage or increase in the time for which it is to apply will be effective unless the Transferor confirms in writing that in its opinion, formed on the basis of due consideration, that such proposed nomination or increase will not result in a downgrade or withdrawal of the then current rating of any outstanding Associated Debt and the Transferor has confirmed in writing to the Receivables Trustee (a) the size of the Discount Percentage is not intended solely to accelerate amounts payable to the Transferor as Deferred Consideration and (b) the solvency of the Transferor, including solvency of the Transferor as a result of such nomination or increase.

Special fees

The Transferor may in the future levy fees on Accounts (including Designated Accounts) (**Special Fees**) whether at one time or on an ongoing basis. Such Special Fees as arise on Designated Accounts shall be regarded as Finance Charge Receivables and Collections in respect thereof as Finance Charge Collections. The Transferor may, however, designate Special Fees as being Principal Receivables, by making such a request in writing to the Receivables Trustee, in which case Collections thereon will be allocated accordingly **provided however that** any such designation shall have effect only in relation to Receivables which were acquired by the Receivables Trustee after the time such written request was made. However, the Transferor may not so designate Special Fees unless it confirms in writing that it has received an opinion from legal advisers that such Special Fees constitute for the purpose of tax in the United Kingdom, repayment in whole or in part of an advance to a cardholder.

Interchange

As an issuer of credit cards in the MasterCard® and VISA® credit card systems, the Transferor is entitled to receive fees (**Interchange**) from merchant acquiring banks which clear credit card transactions on behalf of merchants who are customers of such merchant acquiring banks, such Interchange being payable in respect of transactions involving the use of a credit card issued (or acquired), by the Transferor. Interchange fees are calculated as a percentage of the amount of each credit card transaction comprising an acquisition of goods or services. The rate of Interchange fees may vary from time to time.

On each Transfer Date, the Transferor will deposit into the Trustee Collection Account an amount equal to the amount of Acquired Interchange for the preceding Monthly Period. **Acquired Interchange** means, in respect of a Monthly Period, an amount of Interchange equal to the product of (i) the total amount of Interchange paid or payable to the Transferor with respect to transactions having a Date of Processing relating to such Monthly Period, and (ii) a fraction the numerator of which is the aggregate amount of cardholder charges for goods and services eligible for Interchange in the Designated Accounts with respect to such Monthly Period, and the denominator of which is the aggregate amount of cardholder charges for goods and services eligible for Interchange in all MasterCard® and VISA® credit card accounts owned by the Transferor (including Designated Accounts) with respect to such Monthly Period. A **Transfer Date** means, in relation to any Monthly Period, the day that is one Business Day prior to the Distribution Date in the calendar month immediately following such Monthly Period.

Defaulted Receivables

The Transferor has entered into a call option arrangement (the **Call Option Agreement (Defaulted Receivables)**) under an agreement made between the Transferor and the Receivables Trustee. Under the terms of such Call Option Agreement (Defaulted Receivables), the Transferor may, from time to time, exercise its option to purchase from the Receivables Trustee the Receivables arising on any Defaulted

Account (**Defaulted Receivables**) for nominal consideration which shall include any recoveries (excluding insurance proceeds) received by the Transferor with respect to such Defaulted Receivables and any consideration subsequently received by the Transferor from any third party in respect of any sale of those acquired Defaulted Receivables. For the purposes of the UK LCR Regulation and UK STS securitisations, Accounts where the cardholders are credit impaired or defaulted within the meaning of those regulations are also subject to the arrangements set out in the Repurchase Deed, as more particularly described in "*Regulatory Considerations – Redesignation of Non-Compliant Accounts for the purposes of the UK LCR Regulation, Solvency II Regulation and/or the UK Securitisation Regulation*".

Transferor Call Option

The Transferor has entered into a call option arrangement under agreement with the Receivables Trustee which grants the Transferor the option, to purchase from the Receivables Trustee Receivables other than Defaulted Receivables arising on a Designated Account at a purchase price being the aggregate principal balance of the Principal Receivables arising on those Designated Accounts. The exercise of the option by the Transferor is subject to the following conditions:

- (i) the removal of such Receivables will not, in the reasonable belief of the Transferor, cause a Pay Out Event to occur;
- (ii) the Transferor has represented and warranted that it has secured all necessary regulatory consents for the Designated Accounts to be repurchased;
- (iii) the Transferor confirms in writing that in its opinion, formed on the basis of due consideration, that the proposed redesignation will not result in a downgrade or withdrawal of the then current rating of any outstanding Associated Debt; and
- (iv) the Transferor has confirmed in writing that all such prerequisites have been satisfied.

Annual fees

The Transferor does not presently charge annual fees on the majority of the TPF Total Portfolio (but reserves the right in the Credit Card Agreements to do so). The Receivables assigned to or held on trust for, or to be assigned to or to be held on trust for, the Receivables Trustee include all fees, if any, charged by the Transferor to cardholders by way of annual fees (**Annual Fees**). The Transferor may, by notice in writing to the Servicer, the Receivables Trustee and the Rating Agencies, designate whether Annual Fees will be treated as Finance Charge Receivables or Principal Receivables by providing a written designation to the Receivables Trustee. However, in the absence of such written designation, such Annual Fees will be treated as Finance Charge Receivables and any such designation shall have effect only in relation to Receivables which were acquired by the Receivables Trustee after the time such certificate was issued. No designation of Annual Fees as Principal Receivables will be effective unless the Transferor has confirmed in writing that it has received legal advice that such Annual Fees constitute, for the purpose of tax in the United Kingdom, repayment in whole or in part of an advance to a cardholder.

Reductions in Receivables, early Collections and Credit Adjustments

If any Principal Receivable assigned to or held on trust for the Receivables Trustee is reduced (other than in respect of a liability of the Transferor under section 75 of the Consumer Credit Act 1974 (a **Transferor Section 75 Liability**) or a Credit Adjustment) by reason of any set-off, counterclaim or any other matter between a cardholder and the Transferor and the Transferor has received a benefit, in money or money's worth thereby, the Transferor will pay to the Receivables Trustee an amount equal to that reduction.

If, in respect of any existing Receivable which the Transferor has purported to assign to or hold on trust for the Receivables Trustee, the Transferor has received a partial or full collection prior to the date on which that

Receivable was purportedly assigned to or held on trust for the Receivables Trustee, the Transferor will pay to the Receivables Trustee an amount equal to the amount of that early collection.

If any Principal Receivable assigned to or held on trust for the Receivables Trustee is reduced by reason of a Credit Adjustment, the Transferor will pay to the Receivables Trustee an amount equal to such Credit Adjustment. A **Credit Adjustment** is the amount of the outstanding face amount of a Principal Receivable (i) which was created in respect of merchandise refused or returned by a cardholder or in respect of which the cardholder has asserted any defence, dispute, set-off or counterclaim (including, in respect of a Transferor Section 75 Liability, all amounts in excess of the credit advance relating to the transaction giving rise to that Transferor Section 75 Liability) or (ii) which is reduced by the Transferor or the Servicer granting any rebate, refund, chargeback or adjustment (including Servicer errors) or (iii) which is a fraudulent or counterfeit charge.

In respect of each category of reduction of a Principal Receivable, early collection and Credit Adjustment referred to above, the obligation of the Transferor to make a payment in respect thereof to the Receivables Trustee is in addition to the obligation of the Transferor to pay all other amounts paid or payable in respect of the Receivable concerned to the Receivables Trustee.

The obligations of the Transferor to make payments in respect of such reductions, early Collections and Credit Adjustments may be satisfied in whole or in part by a reduction in the amount of Transferor's beneficial interest in the Delamare Cards Receivables Trust, **provided that** such decrease does not cause the Adjusted Transferor Interest to be decreased to an amount of less than zero.

Representations

Under the terms of the RSD, the Transferor will represent certain matters in relation to the Existing Receivables comprised in an Offer which are Principal Receivables (other than such Existing Receivables which are specified in that Offer as being Ineligible Receivables), such representations being given as of the Addition Date (if any) relating thereto or, in respect of Existing Receivables comprised in the Initial Offer, as of the date(s) on which such Existing Receivables were originally transferred to the Jersey Receivables Trustee or the date on which the Offer of the related Account was originally accepted by the Jersey Receivables Trustee, as the case may be. The Transferor also represents to the Receivables Trustee certain matters as to Future Receivables which are Principal Receivables (other than those which are specified as being Ineligible Receivables in a daily report prepared by the Servicer) such representations being made as of the Date of Processing of the Future Receivable concerned.

The representations by the Transferor include:

- (a) that (unless identified as an Ineligible Receivable) each Existing Receivable which is a Principal Receivable offered to the Receivables Trustee thereunder is, at the relevant Addition Date relating thereto, an Eligible Receivable and has arisen from an Eligible Account in the amount specified in the Offer and, unless specified in any daily Servicer report provided to the Receivables Trustee by the Servicer, each Future Receivable which is a Principal Receivable is on the relevant Date of Processing an Eligible Receivable and has arisen from an Eligible Account in the amount specified in such daily Servicer report;
- (b) the assignment of each Receivable the subject of an Offer will be effective to pass to the Receivables Trustee good and marketable title thereto and each Scottish declaration of trust will be effective to hold good and marketable title for that Receivable on trust for the Receivables Trustee, in each case together with the benefit thereof (including, in such context, any Collections and other rights in connection therewith such as related guarantees and insurance proceeds), free of any encumbrances in favour of any person claiming through or under the Transferor or any of its affiliates to the Receivables Trustee and (except in certain cases where a court order may be required under the term of the Consumer Credit Act 1974, as amended by the Consumer Credit Act 2006) no further act,

condition or thing will be required to be done in connection therewith to enable the Receivables Trustee to require payment of any such Receivable or to enforce any such right in the courts of England and Wales or Scotland or Northern Ireland or any Permitted Additional Jurisdiction without the participation of the Transferor other than payment of any applicable United Kingdom stamp duty, execution of an assignation in respect of Scots law governed Receivables and the giving of a Notice of Assignment, or the joining of the Transferor as a party to Proceedings by the Receivables Trustee against the relevant cardholder;

- (c) the assignment and the Scottish declaration of trust comply with all applicable laws on, respectively, the date of assignment and the date of the Scottish declaration of trust;
- (d) that no procedures adverse to the beneficiaries were used by the Transferor in selecting the Designated Accounts from the TPF Total Portfolio;
- (e) the Transferor is the person in whom the legal title to the Designated Accounts and related Credit Card Agreements is held; and
- (f) no more than 1% of the aggregate Principal Receivables owned by (or to be owned by, should the relevant Receivables be transferred) the Receivables Trustee are, at the relevant proposed Addition Date or Date of Processing, as applicable, Non-Conforming Receivables.

The representation referred to in (d) above is only given on each Offer date as of the date on which the related Accounts were nominated to become Designated Accounts pursuant to an Offer or, in respect of the Initial Offer, as of the date on which the related Accounts were originally nominated to become Designated Accounts prior to the relevant Receivables being transferred to the Jersey Receivables Trustee.

If a representation in respect of any Principal Receivable proves to have been incorrect when made the Transferor is deemed to have received a collection of the face value of that Principal Receivable and is obliged to pay that amount to the Receivables Trustee not later than the Distribution Date following the Monthly Period during which the representation becomes known to the Transferor to have been incorrect when made. The Principal Receivable will, thereafter, be treated as an Ineligible Receivable assigned to, or in the case of Receivables governed by Scots law, held on trust for, the Receivables Trustee by the Transferor and, except as referred to below, such Principal Receivable will not be re-assigned or released by the Receivables Trustee to the Transferor.

The obligation of the Transferor to make a payment to the Receivables Trustee in respect of any breach of representation may be fulfilled, in whole or in part, by a reduction in the amount of the Transferor's beneficial interest in the Delamare Cards Receivables Trust. However, the Adjusted Transferor Interest may not thereby be decreased to an amount less than zero. Fulfilment of any such payment obligation by the Transferor will be in full satisfaction of any rights or remedies which the Receivables Trustee may have as a result of the representation concerned being incorrect. However, in certain circumstances, if the Transferor fails to comply with its obligation to pay the face value of the relevant Principal Receivable(s) in relation to which the breach of representation relates to the Receivables Trustee (and does not otherwise fulfil such obligation, in whole or in part, by a reduction in the amount of the Transferor's beneficial interest in the Delamare Cards Receivables Trust) in accordance with the provisions of the RSD, such failure may constitute a Trust Pay Out Event (see "*The Delamare Cards Receivables Trust — Trust Pay Out Events and Series Pay Out Events*").

If (*inter alia*) (i) all Principal Receivables arising under a Designated Account are Ineligible Receivables as a result of representations in relation thereto being incorrect when made, (ii) such account has become a Redesignated Account and (iii) the Transferor has complied with the payment obligations with respect to such Ineligible Receivables as described above, then the Transferor may require the Receivables Trustee to reassign or release all such Receivables (including the related Finance Charge Receivables) to the Transferor.

The Receivables Trustee has not made and will not make any initial or periodic general examination of the Receivables or any records relating to the Receivables for the purpose of establishing the presence or absence of defects therein, compliance with the Transferor's representations and warranties or for any other purpose.

Breach of Transferor's representations

If any representation made by the Transferor in respect of any Principal Receivable assigned to the Receivables Trustee proves to have been incorrect when made, the Transferor shall be treated as having received by way of a Collection the outstanding face amount of such Principal Receivable and shall be obliged to pay by no later than the Distribution Date following the Monthly Period during which such representation becomes known to the Transferor to be incorrect, an amount equal to the outstanding face amount of such Principal Receivable to the Trustee Collection Account, provided, however, that such Principal Receivable and any related Finance Charge Receivables shall not be reassigned or released from trust to the Transferor but such Principal Receivable shall thereafter be treated as an Ineligible Receivable unless and until all Receivables outstanding on the relevant Account are reassigned or released from trust to the Transferor in certain circumstances. The obligation of the Transferor to make such payment to the Receivables Trustee may be fulfilled in whole or in part by a reduction in the amount of the Transferor Interest; provided, however, that such decrease will not cause the Transferor Interest to be decreased to an amount less than zero.

Eligible Account

The term **Eligible Account** means, as at the beginning of the day on the relevant Addition Date for that account (or, in respect of Receivables comprised in the Initial Offer, as at the date on which the offer of the related account was accepted by the Jersey Receivables Trustee), an account:

- (a) where the cardholder is not a company, a local authority or a partnership for the purposes of Section 874 of the Income Tax Act 2007;
- (b) which was in existence and maintained with the Transferor prior to or at the time of its designation as a Designated Account;
- (c) which is payable in Pounds Sterling or the lawful currency of a Permitted Additional Jurisdiction (where the account is in a Permitted Additional Jurisdiction);
- (d) which is governed by a Credit Card Agreement as amended from time to time (provided that no amendments may be made to terms and conditions relating to the governing law of the agreement, the assignability thereof or the ability of the Transferor to provide information regarding cardholders to any person assuming the Transferor's rights under the agreement, in each case only to the extent that such amendment would have a Material Adverse Effect) or else, if acquired by the Transferor, is governed by contractual terms not materially different from such Credit Card Agreement in relation to such matters;
- (e) which is governed in whole or in part by the Consumer Credit Act 1974 as amended by the Consumer Credit Act 2006 and creates legal, valid and binding obligations between the Transferor and the relevant cardholder and (except in the case of Non-Conforming Accounts) is enforceable against the relevant cardholder in accordance with the Credit Card Agreement and the Consumer Credit Act 1974 as amended by the Consumer Credit Act 2006, subject to applicable bankruptcy laws, other similar laws affecting creditors' rights, general equitable principles and other limitations on enforcement in the jurisdiction of the relevant cardholder and was otherwise created and complies with all other applicable laws;

- (f) where the cardholder's most recent billing address is located in either England and Wales, Scotland or Northern Ireland and/or in a Permitted Additional Jurisdiction;
- (g) which has not been classified by the Transferor as counterfeit, cancelled, fraudulent, stolen or lost;
- (h) which has been originated or acquired by the Transferor;
- (i) which has been operated by the Transferor in all material respects in accordance with the Transferor's Credit Card Guidelines and usual practices for the operation of its credit card business; and
- (j) any Receivables in respect of which have not been charged-off by the Transferor on the date on which the Account is specified as a Designated Account.

Non-Conforming Account means an account where the relevant credit agreement would be enforceable on an order of the court only but where the court would not have discretion to grant an enforcement order in respect of such credit agreement as of the relevant Addition Date or Date of Processing, as applicable, and **Non-Conforming Receivables** means Receivables arising in respect of such Non-Conforming Account.

Under the terms of the RSD, an account may be an Eligible Account even if one or more of the above is not satisfied if the Transferor confirms in writing that in its opinion, formed on the basis of due consideration, such designation as an Eligible Account will not result in the withdrawal or downgrading by the Rating Agencies of any Associated Debt then outstanding. As at the date of this Base Prospectus, the Transferor has not confirmed and does not intend to confirm the designation of any accounts as Eligible Accounts where one or more of the criteria set out in the definition of "Eligible Account" above is not satisfied in respect of such accounts.

The term **Permitted Additional Jurisdiction** means a jurisdiction (other than England and Wales, Scotland or Northern Ireland) agreed by the Transferor and the Receivables Trustee, provided that the Transferor confirms in writing that in its opinion, formed on the basis of due consideration, designating such jurisdiction a Permitted Additional Jurisdiction will not result in the downgrade or withdrawal of the then current rating of any Associated Debt. As at the date of this Base Prospectus, the Transferor and the Receivables Trustee have not agreed any Permitted Additional Jurisdictions and the Transferor does not intend to propose or agree a Permitted Additional Jurisdiction.

The term **Notice of Assignment** means a notice given to any cardholder of the assignment or assignation of the Receivables paid or payable by that cardholder (and the benefit of any related guarantees) to the Receivables Trustee.

The **Date of Processing** means, in respect of any transaction relating to an account (including, receipt of any Collections), the Business Day after the overnight processing which resulted in that transaction being first recorded on the computer master file of Accounts used by the Servicer or, as the case may be, the Transferor (without regard to the effective date of such recording). Any reference to the date on which any Collections or transactions are processed will be taken, for the purposes of the TPF Total Portfolio and the Securitised Portfolio, as referring to the Date of Processing relative to such Collections or (as the case may be) transactions.

The term **Eligible Principal Receivables** means Principal Receivables which are Eligible Receivables.

The term **Recoveries** means all amounts recovered in respect of:

- (a) Defaulted Receivables; and

- (b) credit card receivables which have been charged-off in accordance with the Transferor's Credit Card Guidelines or the Servicer's customary and usual servicing procedures for servicing credit card receivables,

and shall include any amounts recovered or received in respect of Defaulted Receivables following any assignment or release of such Defaulted Receivables to the Transferor as contemplated in the Call Option Agreement (Defaulted Receivables).

Eligible Receivables

The term **Eligible Receivable** means a Receivable which, as at the beginning of the day on the relevant Addition Date (or, in respect of Existing Receivables comprised in the Initial Offer, as at the date(s) on which such Existing Receivables were originally transferred to the Jersey Receivables Trustee), or in the case of Future Receivables, as at the Date of Processing relating to when such Future Receivable comes into existence:

- (a) has arisen under an Eligible Account;
- (b) was otherwise created and complies with all other applicable laws and all consents, licences, approvals, authorisations, registrations or declarations required to be obtained, effected or given, and are in full force and effect as of the date of creation;
- (c) (i) was originated in accordance with and is governed by the Transferor's standard Credit Card Agreement without waiver or amendment in respect of the following matters: governing law, assignment and disclosure of information to persons who may assume rights under the Credit Card Agreement or else, if the related account was acquired by the Transferor, under such terms without waiver or amendment in any material respect to the Transferor's standard Credit Card Agreement in relation to those matters listed previously, in each case only to the extent that such waiver or amendment would have a Material Adverse Effect; (ii) is governed in whole or in part by the Consumer Credit Act 1974, as amended by the Consumer Credit Act 2006, and creates legal, valid and binding obligations between the Transferor and the relevant cardholder and is enforceable (except in the case of a Non-Conforming Receivable) against the relevant cardholder in accordance with the Credit Card Agreement and the Consumer Credit Act 1974, as amended by the Consumer Credit Act 2006, subject to applicable bankruptcy laws, other similar laws affecting creditor's rights, general equitable principles and other limitations on enforcement in the jurisdiction of the relevant cardholder and was otherwise created and complies with all other applicable laws; and (iii) was originated in all material respects in accordance with the Consumer Credit Act 1974, as amended by the Consumer Credit Act 2006 and the Credit Card Guidelines and usual practices for the Transferor's credit card business (or, in respect of a Receivable which has arisen on an Account acquired by the Transferor prior to the date of acquisition by the Receivables Trustee, it was, to the best of the Transferor's knowledge and belief, originated in all material respects in accordance with Consumer Credit Act 1974 as amended by the Consumer Credit Act 2006 and the credit card guidelines of the originator of such Account);
- (d) is free and clear of any encumbrances exercisable against the Transferor or the Receivables Trustee arising under or through the Transferor (or any of its respective affiliates) and to which, at the time of its creation (or, at the time of its acquisition by the Transferor, if such Receivable was originated by any person other than the Transferor) and at all times thereafter, the Transferor or the Receivables Trustee had good and marketable title;
- (e) is not a Receivable in a Defaulted Account;
- (f) constitutes the legal, valid, and binding obligations of the relevant cardholder, enforceable (except in the case of a Non-Conforming Receivable) in accordance with the terms of the relevant Credit Card

Agreement and the Consumer Credit Act 1974 as amended by the Consumer Credit Act 2006, subject only to (i) applicable bankruptcy insolvency, reorganisation, moratorium or other similar laws affecting the rights of creditors generally and (ii) general equitable principles and other limitations arising on enforcement in the jurisdiction of the relevant cardholder's jurisdiction of residence;

- (g) is not currently subject to any right of rescission, defence, dispute, set-off, counterclaim or enforcement order; and
- (h) has not been waived or modified except as permitted in accordance with the terms of the RTDSA.

As is the market practice for credit card securitisation transactions in the United Kingdom generally, Principal Receivables which are delinquent for payment will still be Eligible Receivables if they otherwise comply with the definition of Eligible Receivable. Obligations enforceable with a court order will be construed as enforceable for the purposes of the definitions of Eligible Receivables and Eligible Accounts.

The term **Ineligible Receivables** means Principal Receivables which arise under a Designated Account but which do not comply with all of the criteria set out in the definition of Eligible Receivables.

Amendments to Credit Card Agreements and Credit Card Guidelines

The Transferor may amend the terms and conditions of the Credit Card Agreements and the Credit Card Guidelines. Such amendments may include reducing or increasing the amount of monthly minimum required payments or amendments to Periodic Finance Charges or other charges assessed on Designated Accounts (see "*Risk Factors — Ability to change terms of the Credit Card Agreements*"). When changing any term, TPF, depending on the type of change and the reason for it, may be required to permit the cardholder to terminate the agreement without penalty. Where a cardholder terminates the agreement, the cardholder will still be contractually required to repay the outstanding balance on the account. For purposes of Article 20(10) of the UK Securitisation Regulation, any material changes to the underwriting standards set out in the Credit Card Guidelines will be disclosed to investors in accordance with the securities law requirements applicable to the notes then in issue.

Summary of Securitised Portfolio

Each Drawdown Prospectus/Final Terms/Pricing Supplement issued in connection with the issuance of a Note Series will contain tables summarising information in relation to Designated Accounts on which Receivables that have been assigned to, or in the case of Receivables governed by Scots law, held on trust for, the Receivables Trustee arise (this information being defined collectively as the **Securitised Portfolio**). The tables will contain information in relation to various criteria as of a particular date that is relevant to such Drawdown Prospectus/Final Terms/Pricing Supplement. Tables will indicate, amongst other things, composition by account balance, composition by credit limit, composition by period of delinquency, composition by account age, composition by payment behaviour, geographic distribution of Accounts as well as other information that may be described from time to time.

SERVICING OF RECEIVABLES

General

Tesco Personal Finance PLC has been appointed by the Receivables Trustee as servicer (the **Servicer**) under the terms of the RTDSA. TPF has expertise in servicing the Securitised Portfolio and TPF's wider credit card portfolio and has well-documented and adequate policies, procedures and risk-management controls relating to the servicing of Securitised Portfolio and TPF's wider credit card portfolio.

The Servicer services the Receivables and collects payments due in respect of the Receivables in accordance with its customary and usual servicing procedures for servicing credit card receivables comparable to the Receivables and in accordance with the Credit Card Guidelines. The Servicer has full power and authority, acting alone or through any party properly designated by it, to do any and all things in connection with the servicing of the Receivables as it may deem necessary or desirable.

Among other things, the Servicer's functions include crediting and debiting cardholders' accounts as appropriate.

The Servicer is at all times required to take all practicable steps to:

- (a) ensure that payments made to the Transferor by or on behalf of cardholders are received into the Collection Account;
- (b) identify any funds in the Collection Account which are required to be transferred to the Trustee Collection Account for the benefit of the beneficiaries; and
- (c) instruct the Receivables Trustee and direct the Transferor to make withdrawals from the Collection Account to ensure that such funds are so transferred when required.

The Servicer will provide information to the Cash Manager in respect of Collections to enable the Cash Manager to prepare monthly reports and to determine the allocations to be made to each Trust Series Investor Interest.

The Servicer will indemnify the Receivables Trustee and the Delamare Cards Receivables Trust from and against all reasonable loss, liability, expense, damage or injury suffered or sustained by reason of any fraud, wilful misconduct or negligent acts or omissions of the Servicer with respect to the activities of the Receivables Trustee or the Delamare Cards Receivables Trust. However, the Servicer will not indemnify:

- (a) the Receivables Trustee if such acts or omissions constitute or are caused by fraud, negligence or wilful misconduct by the Receivables Trustee or its agents;
- (b) the Delamare Cards Receivables Trust or any Investor Beneficiary for any liabilities, costs or expenses of the Delamare Cards Receivables Trust with respect to any action taken by the Receivables Trustee at the request of any Investor Beneficiary in respect of any outstanding Trust Series;
- (c) the Receivables Trustee, the Delamare Cards Receivables Trust or any Investor Beneficiary as to any losses, claims or damages incurred by any of them in their capacity as beneficiaries, including, without limitation, losses incurred as a result of Receivables in Defaulted Accounts; or
- (d) the Receivables Trustee, the Delamare Cards Receivables Trust or the Investor Beneficiaries for any liabilities, costs or expenses of the Receivables Trustee, the Investor Beneficiaries or the Delamare Cards Receivables Trust arising under any tax law (or any interest or penalties with respect thereto or arising from a failure to comply therewith) required to be paid by the Receivables Trustee, the

Delamare Cards Receivables Trust or the Investor Beneficiaries in connection with the RTDSA to any taxing authority.

The Servicer will not be liable to the Receivables Trustee, the Delamare Cards Receivables Trust, the Investor Beneficiaries, any Enhancement Provider or any other person under the RTDSA or pursuant to any document delivered pursuant to the RTDSA, except in the case of fraud, wilful misconduct, bad faith or gross negligence of the Servicer in the performance of duties under the RTDSA.

Any person into which, in accordance with the RTDSA, the Servicer may be merged or consolidated or any person resulting from any merger or consolidation to which the Servicer is a party, or any person succeeding to the business of the Servicer, upon execution of a Supplement to the RTDSA and delivery of a legal opinion with respect to the compliance of the succession with the applicable provisions of the RTDSA, will be the successor to the Servicer under the RTDSA.

The Servicer will not resign from its obligations and duties as Servicer under the RTDSA, except upon determination that performance of its duties is no longer permissible under applicable law and there is no reasonable action which the Servicer could take to make the performance of its duties permissible by law. No such resignation will become effective until a Successor Servicer (see "*Termination of appointment of Servicer*" below) has assumed the Servicer's responsibilities and obligations under the RTDSA.

Servicing compensation

As full compensation for its servicing duties and activities and as reimbursement for any expense incurred by it in connection therewith, the Servicer is entitled to receive a fee (the **Servicing Fee**) from the Receivables Trustee (solely to the extent of payments received from the beneficiaries utilising trust property for that purpose as provided in the RTDSA and any Supplement thereto) with respect to each Monthly Period. The Servicing Fee is payable monthly on the Transfer Date relating to each Monthly Period in an amount (inclusive of value added tax, if any) equal to one-twelfth of the sum of:

- (a) the product of:
 - (i) the weighted average of the percentages specified in each Supplement as being the Series Servicing Fee Percentage with respect to each outstanding Trust Series in each case weighted by the proportion that the Investor Interest of such Trust Series bears to the sum of the Aggregate Investor Interests of all Investor Beneficiaries as of the last day of the relevant Monthly Period (or, if TPF is the Servicer, such other percentage as may be agreed by the Servicer and the Receivables Trustee and with the prior written consent of all the beneficiaries, **provided that** the Servicer has confirmed in writing that in its opinion, formed on the basis of due consideration, such proposed percentage will not result in a downgrade or withdrawal of its then current rating of any outstanding Associated Debt rated by such Rating Agency); and
 - (ii) the average daily aggregate outstanding face amount of Principal Receivables comprised in the trust property during such Monthly Period; and
- (b) any additional amount agreed from time to time between the Receivables Trustee and the Servicer.

An amount equal to the portion of the Servicing Fee payable by the Receivables Trustee to the Servicer in respect of which the Receivables Trustee is to be reimbursed from payments made by the Investor Beneficiaries in respect of a particular Trust Series (with respect to each Transfer Date) is called the **Investor Servicing Fee Amount** and will be determined in accordance with each relevant Supplement. The Investor Beneficiaries will pay the Investor Servicing Fee Amount to the Receivables Trustee, in respect of each Trust Series, by way of Additional Funds for the grant of the relevant Investor Interest. The Investor Servicing Fee Amount will be inclusive of value added tax, if any.

An amount equal to the portion of the Servicing Fee (with respect to any Monthly Period) in respect of which the Receivables Trustee is not reimbursed from payments made by the Investor Beneficiaries in respect of each outstanding Trust Series is called the **Transferor Servicing Fee Amount**. The Transferor Servicing Fee Amount shall be paid to the Receivables Trustee by the Transferor Beneficiary using amounts from the Transferor Finance Charge Amount and the Transferor Acquired Interchange Amount or Other Trust Property allocable to the Transferor Beneficiary on the related Transfer Date (or from any other property of the Transferor Beneficiary which may be available for such purpose). The Transferor Servicing Fee Amount will be inclusive of value added tax, if any. In no event shall any Investor Beneficiary or any Enhancement Provider be liable to reimburse the Receivables Trustee for the share of the Servicing Fee (with respect to any Monthly Period) in respect of which the Receivables Trustee was to be reimbursed from payments to be made by the Transferor Beneficiary.

De-Linked Trust Series Investor Servicing Fee Amount

The portion of the Servicing Fee to be met in respect of the De-Linked Trust Series with respect to any Transfer Date (the **De-Linked Trust Series Investor Servicing Fee Amount**) is specified in the De-Linked Supplement to the RTDSA and is calculated to be an amount (inclusive of value added tax, if any) equal to one-twelfth of the product of (A) the Series Servicing Fee Percentage specified in the Supplement to the RTDSA and (B) the weighted average Floating Calculation Investor Interest Amount for the Monthly Period preceding the relevant Transfer Date.

The **Series Servicing Fee Percentage** applicable to the De-Linked Trust Series and specified in the De-Linked Supplement to the RTDSA is 1.0 per cent. (or such other percentage as may be specified in a variation to the De-Linked Supplement).

Payment of the De-Linked Trust Series Investor Servicing Fee Amount

The De-Linked Trust Series Investor Servicing Fee Amount will be payable to the Receivables Trustee solely to the extent amounts are available from LNI Available Funds (taking into account reallocated Principal Collections) as set out in "*Funding 1 Cashflows — Application of LNI Available Funds*" below.

Except as specifically described above, to the extent that the amounts payable by the Receivables Trustee to the Servicer in respect of Servicing Fees exceed amounts which are reimbursable as provided above, the Receivables Trustee shall be liable to pay such further Servicing Fees only if and to the extent that it is entitled to be reimbursed for the same by the Transferor Beneficiary and the Investor Beneficiaries of other outstanding Trust Series using cash flows from the Delamare Cards Receivables Trust allocated to the Transferor Beneficiary and such other Investor Beneficiaries in relation to such Trust Series (as provided in the related Supplements). In no event shall either Funding 1, the Delamare Cards Receivables Trust or the Receivables Trustee be liable for any Servicing Fees in amounts exceeding those described above.

Termination of appointment of Servicer

The appointment of TPF as Servicer under the RTDSA and the appointment of any person as Servicer of the Receivables in succession to TPF or the then Servicer (a **Successor Servicer**), may be terminated upon the occurrence of a Servicer Default (as defined below). Where a Servicer Default has not been remedied, the Beneficiaries (or while the Servicer is TPF, the Investor beneficiaries) may by unanimous vote resolve to terminate all of the rights and obligations of the Servicer as Servicer under the RTDSA by notice then given in writing to the Servicer (a **Termination Notice**).

Servicer Default means any one of the following events:

- (a) any failure by the Servicer to instruct or give notice to the Receivables Trustee (or the Bank Account Operator acting on the Receivables Trustee's behalf) pursuant to an agreed schedule of collections and allocations or to instruct the Receivables Trustee (or the Bank Account Operator acting on the

Receivables Trustee's behalf) to make any required drawing, withdrawal or payment pursuant to the relevant documents including under any enhancement on or before the date occurring five Business Days after the date such payment, transfer, deposit, withdrawal or drawing or such instruction or notice is required to be made or given, as the case may be, under the terms of the RTDSA or any relevant document;

- (b) failure on the part of the Servicer duly to observe or perform in any respect any other covenants or agreements of the Servicer set forth in the RTDSA or any Relevant Document which has a Material Adverse Effect on the interests of the Investor Beneficiaries of any outstanding Trust Series and which failure, if capable of remedy, continues unremedied for a period of 60 days or more after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Servicer by the Receivables Trustee, or to the Servicer and the Receivables Trustee by the Investor Beneficiary or Investor Beneficiaries holding 50 per cent. or more of the Investor Interests in respect of any outstanding Trust Series adversely affected thereby, and continues to have a Material Adverse Effect on the interests of such Investor Beneficiary in respect of such outstanding Trust Series for such period;
- (c) delegation by the Servicer of its duties under the RTDSA to any other entity, except as permitted by the RTDSA where such default goes unremedied for a period of 60 days or more;
- (d) any relevant representation, warranty or certification made by the Servicer in the RTDSA or in any certificate delivered pursuant hereto proves to have been incorrect when made, which has a Material Adverse Effect on the interests of the Investor Beneficiaries in respect of any outstanding Trust Series and, if capable of remedy, continues to be incorrect in any material respect for a period of 60 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Servicer by the Receivables Trustee or to the Servicer and the Receivables Trustee by an Investor Beneficiary or Investor Beneficiaries in respect of more than 50 per cent. or more of the Investor Interests of any outstanding Trust Series adversely affected thereby and continues to have a Material Adverse Effect on the interests of an Investor Beneficiary in respect of any outstanding Trust Series affected for such period;
- (e) the Servicer shall consent to or take any corporate action relating to the appointment of a receiver, administrator, administrative receiver, liquidator, trustee or similar officer of it or relating to all or substantially all of its revenues and assets;
- (f) an order of the court is made for the winding-up, dissolution, administration, bank insolvency, bank administration or reorganisation (except for a solvent re-organisation) of the Servicer and such order shall have remained in force undischarged or unstayed for a period of 60 days;
- (g) a receiver, administrator, administrative receiver, liquidator, trustee or similar officer is legally and validly appointed over the Servicer or relating to all of the Servicer's revenues and assets; or
- (h) a duly authorised officer of the Servicer shall admit in writing that the Servicer is unable to pay its debts as they fall due within the meaning of Section 123(1) of the Insolvency Act 1986 or the Servicer makes a general assignment or trust for the benefit of or a composition with its creditors or voluntarily suspends payment of its obligations with a view to the general readjustment or rescheduling of its Indebtedness.

However, a delay or failure to perform any matters referred to in (i) (a) above, if capable of remedy, remaining unremedied for a period of 5 Business Days or (ii) (b), (c) or (d) above, if capable of remedy, remaining unremedied for a period of 60 Business Days (in addition to any period provided in (a), (b), (c) or (d) above), will not be a Servicer Default if such delay or failure is caused by an event amounting to force majeure (as listed in the RTDSA) and that delay or failure could not have been prevented by the exercise of reasonable diligence by the Servicer.

Within two Business Days after the Servicer becomes aware of any Servicer Default, the Servicer must give prompt written notice thereof to the Receivables Trustee, each Investor Beneficiary, each Rating Agency and any Enhancement Provider. The Receivables Trustee must give each Investor Beneficiary notification of any removal of the Servicer or appointment of a Successor Servicer. The Receivables Trustee must give each Rating Agency notification of any removal of the Servicer.

Under the terms of the RTDSA, the beneficiaries adversely affected by any default by the Servicer may, with the prior written consent of all the other beneficiaries, instruct the Receivables Trustee to waive in writing any default by the Servicer in the performance of its obligations under the RTDSA or in any other relevant document and its consequences. However, a default which results directly in a failure by the Receivables Trustee to make any required deposits or distributions of Finance Charge Collections or Principal Collections relating to a Trust Series adversely affected will not be permitted to be waived in any circumstances. Upon any such waiver of a past default, such default shall be deemed not to have occurred. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon except to the extent expressly so waived.

Pursuant to the terms of the Beneficiaries Deed, the beneficiaries of the Delamare Cards Receivables Trust have agreed that where an Investor Beneficiary is adversely affected by a default of the Servicer, such Investor Beneficiary must represent in aggregate no less than 66 2/3 per cent. of the Investor Interest of each outstanding Trust Series in order to instruct the Receivables Trustee to waive any such default. As noted above, in no such case shall a waiver of default relating to a failure to make any required deposits or distributions relating to a Trust Series be permitted.

Following its receipt of a Termination Notice, the Servicer will continue to act as Servicer until a date specified in the Termination Notice or otherwise agreed by the Receivables Trustee and the Servicer. The Receivables Trustee must attempt to appoint a Successor Servicer which must, at the time of its appointment, be an Eligible Servicer. The Successor Servicer Facilitator shall, as promptly as possible after the giving of a Termination Notice, use best efforts to identify, on behalf of the Receivables Trustee and the beneficiaries, a suitable Successor Servicer which is an Eligible Servicer. The Successor Servicer Facilitator shall be paid a quarterly fee (the **Successor Servicer Facilitator Fee**) by the Receivables Trustee. The Successor Servicer Facilitator Fee shall be included in the calculation of the Aggregate Trustee Payment Amount. After receipt of a Termination Notice and the appointment of a Successor Servicer (as referred to below), the function of acting as Servicer of the Receivables under the RTDSA will pass from the then Servicer to the Successor Servicer. The RTDSA sets out certain requirements in respect of such transfer of the servicing role, including (without limitation) as to the transfer of authority over Collections, the transfer of electronic records and as to the disclosure of information.

Eligible Servicer means an entity which, immediately preceding its appointment as Servicer, (a) is servicing a portfolio of consumer revolving credit card accounts or other consumer revolving credit accounts, (b) is legally qualified and has the capacity to service the Accounts and (c) is qualified (or licensed) to use the software that the Servicer is then currently using to service the Accounts or obtains the right to use, or has its own software which is adequate to perform its duties under the RTDSA.

Reporting under the UK Securitisation Regulation

TPF has appointed the Servicer to perform all of TPF's obligations as the designated entity pursuant to Article 7(2) of the UK Securitisation Regulation and the Servicer has accepted such appointment.

The Servicer will (on behalf of TPF) procure the publication of:

- (a) an investor report on each Interest Payment Date or shortly thereafter (and at the latest one month after the relevant Interest Payment Date) as required by and in accordance with Article 7(1)(e) of the UK Securitisation Regulation; and

- (b) certain loan-by-loan information in relation to the Securitised Portfolio as required by and in accordance with Article 7(1)(a) of the UK Securitisation Regulation (at the latest one month after the relevant Interest Payment Date and simultaneously with the investor report provided pursuant to paragraph (a) above),

in each case subject to any requirement of law applicable to the Transferor or Servicer and in accordance with any applicable guidance in relation to it that is then current and issued by the Financial Conduct Authority, and provided that neither the Transferor nor the Servicer will be in breach of such undertaking if it fails to so comply due to events, actions or circumstances beyond its control, provided further that the Transferor and Servicer would only be required to do so to the extent that such disclosure requirements or guidance remain in effect and apply to the Programme. The Servicer shall procure that such information is published on the European DataWarehouse website at <https://editor.eurodw.co.uk/esma/viewdeal?edcode=CREMUK000535100120131> or as otherwise required by the UK Securitisation Regulation. For the avoidance of doubt, this website and the contents thereof do not form part of this Base Prospectus.

The Servicer will also procure:

- (a) the publication of any information required to be reported pursuant to Articles 7(1)(f) or 7(1)(g) (as applicable) of the UK Securitisation Regulation without delay; and
- (b) that copies of the documents required pursuant to the UK Securitisation Regulation (including the documents required under Articles 7(1)(a) and 7(1)(b) of the UK Securitisation Regulation) are made available (in draft form, if applicable) prior to the pricing of any Note Series issued after 1 January 2019 (and in final form, if applicable, at the latest 15 days after the closing of any Note Series); and
- (c) that each UK STS notification is made available prior to the pricing of any such Note Series in accordance with Article 7(1)(d) of the UK Securitisation Regulation,

in each case on the European DataWarehouse website at <https://editor.eurodw.co.uk/esma/viewdeal?edcode=CREMUK000535100120131> or as otherwise required by the UK Securitisation Regulation and subject to the proviso described in the preceding paragraph above.

If the issue of Notes is expected to meet the requirements of a simple, transparent and standardised non-ABCP transaction pursuant to Articles 18, 19, 20, 21 and 22 of the UK Securitisation Regulation, to the extent required by the UK Securitisation Regulation, the Servicer shall (and the Transferor will procure that the Servicer shall):

- (a) make available all information required to be made available by the Transferor pursuant to and at the times and in the manner required under Articles 20(10), 21(9) and 22(1)-(5) of the UK Securitisation Regulation.
- (b) provide in respect of each relevant issuance of Notes an STS notification as defined in and as contemplated by Article 27 of the UK Securitisation Regulation, and file such STS notification with the Financial Conduct Authority at the time and in the manner required under Article 27 of the UK Securitisation Regulation; and
- (c) notify the Financial Conduct Authority of the relevant issuance of Notes if the Servicer becomes aware that such Notes no longer meet the requirements of Articles 18, 19, 20, 21 and 22 of the UK Securitisation Regulation, to the extent and at the time and in the manner required under Article 27(4) of the UK Securitisation Regulation.

The Servicer will make the information referred to above available to the holders of any of the Notes, relevant competent authorities and, upon request, to potential investors in the Notes. Any documents provided in draft form are subject to amendment and completion without notice.

For the avoidance of doubt, neither the Issuer nor the Transferor shall comply with, or provide to Noteholders any additional data and information referred to in, the requirements of the EU Securitisation Regulation.

Verification of data

Prior to the issuance of any notes, the Transferor may cause representative sample of the relevant Securitised Portfolio (including the data disclosed in the applicable Final Terms/Pricing Supplement/Drawdown Prospectus in respect of the Securitised Portfolio as at the relevant cut-off date) to be subject to external verification by one or more appropriate and independent third parties (such as a review of a representative sample of the relevant Securitised Portfolio based on agreed upon procedures and/or a verification of the stratification tables set out in the applicable Terms/Pricing Supplement/Drawdown Prospectus) for the purposes of Article 22(2) of the UK Securitisation Regulation, the details of which shall be set out in the applicable Terms/Pricing Supplement/Drawdown Prospectus.

Liability cashflow model

To the extent the Transferor seeks a UK STS designation with respect to a series of Notes, the Transferor shall make a liability cash flow model available to investors, either directly or indirectly through one or more entities who provide such liability cash flow models to investors generally, which precisely represents the contractual relationship between the underlying exposures and the payments flowing between the Transferor, investors in the notes, other third parties and the Issuer, (i) prior to pricing of the notes, to potential investors and (ii) on an on-going basis, to investors in the notes and to potential investors in the notes upon request.

Monthly Servicer's Report

In addition to the above, the Servicer will, on a monthly basis, provide a report (the **Monthly Servicer's Report**) setting out, among other things:

- (a) the aggregate amount of Collections representing trust property processed;
- (a) the aggregate amount of Eligible Principal Receivables and Finance Charge Receivables processed as of the end of the last day of the preceding Monthly Period;
- (b) the aggregate amount of Receivables representing trust property processed by the Servicer; and
- (c) the aggregate of all amounts allocated to each Investor Beneficiary on such Transfer Date and credited to the Principal Collections Ledger with respect to each Outstanding Series.

The Monthly Servicer's Report will be made available (i) in electronic form on the following websites: <https://bank.tescoplc.com/financial-information/debt-investors/securitisation/> and/or <https://editor.eurodw.co.uk/esma/viewdeal?edcode=CREMUK000535100120131> and (ii) for inspection during normal business hours and upon reasonable notice at the registered office of the Issuer or such other location as the Issuer may notify to Noteholders from time to time.

THE DELAMARE CARDS RECEIVABLES TRUST

General Legal Structure

The receivables trust (the **Delamare Cards Receivables Trust** or the **Receivables Trust**) was constituted pursuant to a receivables trust deed and servicing agreement dated 24 April 2013 (as amended and/or varied or supplemented and/or novated from time to time) (the **RTDSA**) and made among the Receivables Trustee, TPF, Funding 1 and Funding 2, and consists of trusts declared under English law by the Receivables Trustee in favour of the initial beneficiaries. Funding 1 and Funding 2 (each an **Investor Beneficiary**) and TPF (in its capacity as Transferor Beneficiary) were the initial beneficiaries of the Delamare Cards Receivables Trust. The Delamare Cards Receivables Trust was declared for the purposes of the structure described in this Base Prospectus.

Receivables (and related rights and cashflows) assigned to or held on trust for the Receivables Trustee on the terms and subject to the conditions of the RSD form the assets of the Delamare Cards Receivables Trust, along with any cash contributions made at any time and certain other items.

The terms and conditions of the Delamare Cards Receivables Trust are set out in the RTDSA (the principal contents of which are described in this section of this Base Prospectus), as varied and supplemented from time to time by the execution of a supplement thereto (a **Supplement**). Under the RTDSA, which is governed by English law, the Receivables Trustee declares that it will hold all trust property upon the trusts set out in the RTDSA for the Transferor Beneficiary and each Investor Beneficiary as the initial beneficiaries and for each other person which from time to time becomes an additional beneficiary (an **Additional Beneficiary**) in accordance with the terms of the RTDSA. As at the date of this Base Prospectus, there have been no Additional Beneficiaries.

Each beneficiary (other than the Transferor Beneficiary) belongs or will belong to either of two categories of beneficiary, namely: (i) any person in its capacity as an Investor Beneficiary, or (ii) an Enhancement Provider, if the related Supplement provides for that Enhancement Provider to be a beneficiary. TPF, its successors and permitted assigns, in its capacity as holder of the Transferor's beneficial interest in the Delamare Cards Receivables Trust (the **Transferor Beneficiary**) belongs to its own unique category of beneficiary.

Each Supplement will define an interest in the property of the Delamare Cards Receivables Trust (each a **Trust Series**) and, for each respective Trust Series, create a Trust Series Investor Interest (see "*Additional Beneficiaries and Investor Beneficiaries – Contributions to trust property*" below). On the date of execution of the RTDSA, a De-Linked Supplement was entered into creating a Trust Series (the **De-Linked Trust Series**) in the Delamare Cards Receivables Trust which formed a Trust Series Investor Interest in favour of Funding 1 (the **Funding 1 Beneficial Interest**). It is not envisaged, at the date of this Base Prospectus, that any further Trust Series will be created as the Investor Interest represented by the Funding 1 Beneficial Interest may increase or decrease in accordance with the De-Linked Supplement which initially created the Funding 1 Beneficial Interest (see "*Beneficial entitlement of Funding 1 to trust property*").

Additional Beneficiaries and Investor Beneficiaries – Contributions to trust property

If the prior written consent of all existing beneficiaries is received by the Receivables Trustee, a person may become an Additional Beneficiary, or an existing Investor Beneficiary may increase its existing beneficial interest in the Delamare Cards Receivables Trust by becoming a member of a new Trust Series:

- (a) by making a payment to the Receivables Trustee as a Contribution to trust property; or
- (b) by such other method as the existing beneficiaries may agree between themselves and jointly direct the Receivables Trustee to implement **provided that** the Transferor has confirmed in writing that in

its opinion, formed on the basis of due consideration, use of such other method will not result in a reduction or withdrawal of each Rating Agency's then current rating of any outstanding Associated Debt,

(in each case, a **Contribution**). The prior written consent of all existing beneficiaries will not be required where the additional Contribution is made from Additional Funds.

In the case of an initial Contribution by a beneficiary other than the Transferor Beneficiary, in order for such Contribution to be effective, the Receivables Trustee shall issue a certificate to an Investor Beneficiary (the **Investor Certificate**) evidencing a beneficial interest in the Delamare Cards Receivables Trust created by such Contribution and shall record such beneficial interest in the trust property register (the **Trust Property Register**).

If a Contribution is to take place, the relevant Supplement to the RTDSA will govern the portion of beneficial entitlement (the **Investor Interest**) that will be created by such Contribution and the related set of financial calculations that would be required in relation to such Trust Series. The Investor Interest in respect of a Trust Series is called the **Trust Series Investor Interest**. Each specific Trust Series Investor Interest will be identified by the Trust Series name.

An Investor Beneficiary or Enhancement Provider may be a member of more than one Trust Series. If an Investor Beneficiary is to become a member of more than one Trust Series, it shall do so by, from time to time, making a further Contribution to the Delamare Cards Receivables Trust and entering into a new Supplement in respect of the new Trust Series which will have the effect of increasing its Investor Interest. Whilst it is possible for Funding 1 to enter into a new Supplement to create a new Trust Series this is not envisaged owing to its ability to increase the size of its Funding 1 Beneficial Interest through Contributions funded by the issuance of Loan Notes forming notional tranches of Global Loan Note No.1.

The Receivables Trustee will authenticate and deliver an Investor Certificate in respect of any new Trust Series entered into by an Additional Beneficiary or will record an increase in the Aggregate Investor Interest of any existing Investor Beneficiary in the Trust Property Register only when the Receivables Trustee has first received:

- (a) unless such Contribution is made pursuant to the terms of an existing Trust Supplement, a Supplement specifying the principal terms of the Trust Series executed by the parties thereto (including the Transferor Beneficiary, all Investor Beneficiaries and the Receivables Trustee);
- (b) the applicable Trust Series specific credit enhancement, if any;
- (c) the agreement, if any, pursuant to which the Enhancement Provider, if any, agrees to provide enhancement;
- (d) written confirmation from the Servicer that in its opinion, formed on the basis of due consideration, the Contribution will not result in the Rating Agency reducing or withdrawing its then current rating on any outstanding Associated Debt; and
- (e) any legal opinions which it may require in relation to the creation of that new Trust Series or increase in any existing Trust Series.

Each Supplement executed in order to effect a Contribution by an Investor Beneficiary or an Additional Beneficiary shall specify the principal terms for the Trust Series which it constitutes. Each Trust Series may have the benefit of enhancement which is available only to such Trust Series. The Receivables Trustee shall hold any such form of enhancement only on behalf of the Trust Series with respect to which it relates. For the purposes of calculation, certain Trust Series may be subordinated to other Trust Series and notional classes established for calculation purposes within a Trust Series may have different priorities. Whether or

not a Trust Series is subordinated will be set out in the related Supplement. There will be no limit on the number of Contributions that may be made to the Delamare Cards Receivables Trust or the number of additional beneficiaries that may be added.

The Receivables Trustee will be entitled to arrange for additional supplements to be executed if it obtains the consent of all the beneficiaries to the Delamare Cards Receivables Trust (such consent to be evidenced by each beneficiary executing such additional Supplement). The terms of the Beneficiaries Deed state that each existing Investor Beneficiary agrees that it shall consent in accordance with the direction of the Transferor Beneficiary if pre-conditions for additional supplements to be executed (described in the RTDSA) are met. These preconditions are described in (a) through (e) above. In any case, the Receivables Trustee shall not accept any Contribution unless it receives confirmation from the Servicer that in its opinion, formed on the basis of due consideration, the related Contribution will not result in such Rating Agency reducing or withdrawing its then current rating on any outstanding Associated Debt.

General entitlement of beneficiaries to trust property

By making Contributions to the Delamare Cards Receivables Trust, the Transferor Beneficiary and each Investor Beneficiary has an undivided interest in the Delamare Cards Receivables Trust, as referred to above. However, in addition to trust property that is held by the Receivables Trustee on an undivided basis for all beneficiaries, certain trust property (including amounts of cash) may be held in bank accounts or credited to ledgers within bank accounts on a segregated basis for a particular beneficiary only and may be held in respect of a particular Trust Series only.

Broadly, trust property comprises:

- (a) a pool of Eligible Receivables and any amounts paid by a beneficiary as a Contribution (the **Undivided Bare Trust** and trust property therein being **Undivided Bare Trust Property**) — held on an undivided basis for each Investor Beneficiary and the Transferor Beneficiary in accordance with their respective beneficial interests as determined by the RTDSA and each Supplement thereto;
- (b) a pool of Ineligible Receivables and Ineligible Collections related to such Ineligible Receivables (the **Ineligible Bare Trust** and trust property therein being **Ineligible Bare Trust Property**) — held on a segregated basis for the sole benefit of the Transferor Beneficiary;
- (c) property specifically allocated in accordance with the RTDSA and each Supplement thereto to be held on a segregated basis for an Investor Beneficiary or the Transferor Beneficiary (as the case may be) (the **Segregated Bare Trust** and trust property therein being **Segregated Bare Trust Property**) — held on a segregated basis for the sole benefit of the relevant beneficiary in accordance with the RTDSA or the relevant Supplement;
- (d) property which derives from Additional Funds (other than Additional Funds Trustee Payments and Additional Funds Loss Make-Up and Refunded Utilised Principal Collections) received by the Receivables Trustee as Additional Funds paid by an Investor Beneficiary for the grant of its Investor Interest pursuant to the terms of each relevant Supplement (the **Deferred Payment Bare Trust** and trust property therein being **Deferred Payment Bare Trust Property**) — held on a segregated basis for the sole purpose of paying Deferred Consideration to the Transferor Beneficiary in accordance with the terms of the RSD and each relevant Supplement; and
- (e) other property which is expressly segregated by the Receivables Trustee for the benefit of a beneficiary according to the terms of any Supplement (each an **Other Trust** and trust property therein being **Other Trust Property**) — held on a segregated basis for the relevant beneficiary.

See "*The Loan Notes*" for a description of the beneficial entitlement of Funding 1 as Investor Beneficiary to Receivables and for a description of the manner in which calculations will be made and Collections will be distributed to Funding 1.

Additional Funds Trustee Payments means such amount of Additional Funds which are paid to the Receivables Trustee and which represent, *inter alios*, Investor Trustee Payment Amount, Investor Servicing Fee Amount and Investor Indemnity Payment Amount.

Additional Funds Loss Make-Up means all amounts of Additional Funds which are characterised as such pursuant to the relevant De-linked Supplement, as described in more detail in "*Additional funds payable by Funding 1*" below.

The Transferor in its capacity as such will have no beneficial entitlement under the Delamare Cards Receivables Trust as to available spread. Available spread is the amount of the trust property calculated as allocable to an Investor Beneficiary, less (i) that portion of the costs and expenses of the Receivables Trustee that is borne by the Investor Beneficiary and (ii) amounts calculated as allocable to the Investor Interest of each Trust Series. However, the Transferor will be contractually entitled to receive payment of amounts from the Receivables Trustee equal to amounts of additional consideration (**Excess Spread**) paid by an Investor Beneficiary to the Receivables Trustee as Additional Funds for the granting of its Investor Interests. The Transferor will receive such payments from the Receivables Trustee as **Deferred Consideration** under the terms of the RSD.

Beneficial entitlement of the Transferor Beneficiary to the trust property

The beneficial entitlement of the Transferor Beneficiary at any time is:

- (i) in respect of Undivided Bare Trust Property, (excluding Finance Charge Collections, Acquired Interchange, income on Permitted Investments and interest earned on monies deposited in the Trust Accounts), that proportion which the Adjusted Transferor Interest bears to the sum of the Combined Aggregate Adjusted Investor Interest and the Adjusted Transferor Interest, except that, if at any time each of the Combined Aggregate Adjusted Investor Interest and the Adjusted Transferor Interest are zero, and the Undivided Bare Trust Property at that time includes Principal Collections, such Principal Collections shall be identified as Unavailable Principal Collections and will be available for distribution to the Transferor Beneficiary in accordance with the provisions of the RTDSA;
- (ii) in respect of Undivided Bare Trust Property which consists of Finance Charge Collections, Acquired Interchange, income on Permitted Investments and interest earned on monies deposited in the Trust Accounts (except income on Permitted Investments made using monies deposited in the Trust Accounts and interest earned on monies deposited in the Trust Accounts and in each case credited to ledgers held on segregated trust on a segregated basis for a particular beneficiary only), the Floating Transferor Percentage for that Monthly Period in which such Finance Charge Collections, Acquired Interchange, income on Permitted Investments and interest earned on monies deposited in the Trust Accounts arise;
- (iii) in respect of Ineligible Bare Trust Property, the Ineligible Receivables originated by the Transferor and all Ineligible Collections related to such Ineligible Receivables;
- (iv) in respect of Deferred Payment Bare Trust Property, any trust property held in the Deferred Payment Bare Trust; and
- (v) in respect of Segregated Bare Trust Property or Other Trust Property, any trust property expressly segregated and held for the benefit of the Transferor Beneficiary.

The term **Adjusted Transferor Interest** means, in summary, in relation to the Transferor Beneficiary, at any time the sum of (i) the aggregate, as at any date of determination, of the outstanding face amount of Receivables that are Principal Receivables assigned by the Transferor as Eligible Receivables minus (ii) the Aggregate Adjusted Investor Interest as at that date of determination for all Investor Beneficiaries.

For the definitions of the terms "Adjusted Investor Interest", "Aggregate Adjusted Investor Interest" and "Combined Aggregate Adjusted Investor Interest", see "*Beneficial entitlement of Funding 1 to trust property*" below.

The term **Floating Transferor Percentage** shall mean, in respect of any date of determination during any Monthly Period and in respect of the Transferor, the percentage resulting from the calculation of (1) 100 per cent. minus (2) the aggregate of the Floating Investor Percentages of each Investor Beneficiary provided that, if the relevant Trust Series has a Net Floating Investor Percentage, the reference to Floating Investor Percentage shall mean, for such Trust Series, the Net Floating Investor Percentage when calculating the Floating Transferor Percentage in respect of Acquired Interchange, Default Amount, income on Permitted Investments and interest earned on monies deposited in the Trust Accounts.

The Transferor is not beneficially entitled to investment earnings on Permitted Investments made using monies deposited in the Trust Accounts or interest earned on monies deposited in the Trust Accounts where such monies are credited to ledgers held on segregated trust on a segregated basis for a particular beneficiary only. However, the Transferor will have the right to payments of Deferred Consideration from the Receivables Trustee. The payments of Deferred Consideration will include, *inter alia*, amounts equal to monies distributed by the Receivables Trustee to the Investor Beneficiaries as earnings on Permitted Investments made using monies deposited in the Trust Accounts and interest earned on monies deposited in the Trust Accounts where such monies are credited to ledgers held on segregated trust on a segregated basis for a particular beneficiary, unless the relevant Supplement for a particular Trust Series states otherwise. (See "*Receivables Trustee Cashflows*").

The Transferor Beneficiary has the option under the terms of the RTDSA to elect to have its beneficial interest in the Delamare Cards Receivables Trust evidenced fully or partially (or not at all) in certificated form. Other beneficiaries do not have this option.

Refinancing Contribution and Refinancing Distribution

On any Distribution Date, the Transferor Beneficiary may, but shall not be obliged to, make a Refinancing Contribution by making a payment to the Receivables Trustee as a contribution to Trust Property which shall be held by the Receivables Trustee on an undivided basis on trust for the benefit of the Undivided Bare Trust beneficiaries and applied in accordance with the provisions of the RTDSA. Upon receipt of the Refinancing Contribution, the Receivables Trustee shall make a Refinancing Distribution to the relevant Investor Beneficiary (the **Recipient Investor Beneficiary**) in an amount equal to such Refinancing Contribution which the Recipient Investor Beneficiary shall apply to repay its indebtedness in whole or in part.

A Refinancing Contribution and Refinancing Distribution must not be made unless:

- (a) the Transferor Beneficiary has given not less than eight Business Days' prior written notice to the Receivables Trustee and the Recipient Investor Beneficiary (copied to the Security Trustee, the Note Trustee the relevant Loan Note Holder and the Cash Manager) that it intends to make a Refinancing Contribution and designating the relevant Loan Note or Loan Notes (such notice a **Refinancing Notice**);
- (b) immediately prior to receiving any Refinancing Distribution, the Recipient Investor Beneficiary has delivered a solvency certificate, executed by an authorised signatory of the Recipient Investor Beneficiary, to the Receivables Trustee, the Transferor Beneficiary and the Security Trustee; and

- (c) the Recipient Investor Beneficiary is able to redeem the relevant Loan Note or Loan Notes on the date of such redemption and the Repayment Tests will be satisfied in respect of the redemption of the relevant Loan Note or Loan Notes on the date of such redemption.

Amounts Paid Pursuant to a Refinancing Contribution

Upon receipt of a Refinancing Distribution from the Receivables Trustee, the relevant Investor Beneficiary must apply the proceeds thereof on the relevant Distribution Date to (i) repay in whole or in part only the Loan Note or Loan Notes previously designated by the Transferor Beneficiary and (ii) to the extent there are any remaining amounts following the redemption in limb (i), to make a Contribution to the Receivables Trust.

A Refinancing Contribution by the Transferor Beneficiary shall cause an increase in the Transferor Interest in the Delamare Cards Receivables Trust in an amount equal to such Refinancing Contribution and the Receivables Trustee (or the Servicer on its behalf) shall reflect such increase in the Trust Property Register.

Refinancing Contribution means a Contribution by way of cash payable made by the Transferor Beneficiary to the Receivables Trustee pursuant to RTDSA.

Refinancing Distribution means an amount allocated and paid by the Receivables Trustee to the Recipient Investor Beneficiary pursuant to the RTDSA equal to the amount held by the Receivables Trustee on any date in respect of any Refinancing Contribution paid by the Transferor Beneficiary to the Receivables Trustee.

Beneficial entitlement of Funding 1 to trust property

Funding 1 is an Investor Beneficiary of the Delamare Cards Receivables Trust.

On the initial Issue Date, Funding 1 made its initial Contribution to the trust property of the Delamare Cards Receivables Trust and thereby increased its Aggregate Investor Interest in the trust property. The increase in the beneficial entitlement of Funding 1 was pursuant to a supplement to the RTDSA designated the **De-Linked Supplement**. Thereafter, on each subsequent Issue Date, the proceeds from the issue of the Loan Notes to the Issuer on the relevant Issue Date have been and will be used by Funding 1 on the relevant Issue Date to fund its further Contribution in respect of the Funding 1 Beneficial Interest to the Delamare Cards Receivables Trust; thereby increasing the Aggregate Investor Interest of Funding 1 in the trust property (see "*The Receivables — Assignment of Receivables to the Receivables Trustee*" and "*The Delamare Cards Receivables Trust - Additional Beneficiaries and Investor Beneficiaries – Contributions to trust property*").

The parties to the De-Linked Supplement are the Receivables Trustee, TPF (as the Transferor Beneficiary, the Servicer and the Transferor), Funding 1 as an Investor Beneficiary and Funding 2 as an Investor Beneficiary.

Upon a further Contribution occurring, the Receivables Trustee will procure that the increase in the Aggregate Investor Interest of Funding 1 is recorded in the Trust Property Register.

The Funding 1 Beneficial Interest will be included in Group One and will not be subordinated to any other Investor Beneficiary or Trust Series.

Group One means any outstanding Trust Series in respect of Funding 1 or Funding 2 including the Funding 1 Beneficial Interest and each other Trust Series specified in any Supplement to be included in Group One.

Additional funds payable by Funding 1

Funding 1 will be obliged each month to make certain further payments to the Receivables Trustee (to the extent it has funds available for that purpose as calculated by the Receivables Trustee in accordance with the

De-Linked Supplement). Such further payments will be paid by Funding 1 to the Receivables Trustee and will be described in this Base Prospectus as **Additional Funds**.

Additional funds are made up of a number of different elements, with the different possible categories:

- (a) "Investor Trustee Payment Amount";
- (b) "Investor Servicing Fee Amount";
- (c) "Loss Make-Up (Default)";
- (d) "Loss Make-Up (Charge-Offs)";
- (e) "Refunded Utilised Principal Collections";
- (f) "Excess Spread";
- (g) "Accumulation Reserve Account Surplus Amount";
- (h) "Programme Reserve Account Surplus Amount";
- (i) "Series Cash Reserve Account Surplus amount";
- (j) "Investment Proceeds" (to the extent not included in Excess Spread);
- (k) "investor indemnity payment amount"; and
- (l) "excess pre-funding Collections amount".

Each constituent element of any payment of Additional Funds shall be paid, when due, by Funding 1 to the Receivables Trustee, in the following manner:

- (a) in respect of Loss Make-Up (Default), Loss Make-Up (Charge-Off) and Refunded Utilised Principal Collections, by depositing such amounts in the Trustee Investment Account. The payment of these categories of Additional Funds will constitute a further Contribution by Funding 1 in respect of its interest in the Delamare Cards Receivables Trust;
- (b) in respect of Investor Trustee Payment Amounts, Investor Servicing Fee Amounts and investor indemnity payment amounts, by depositing such amounts in a specified account of the Receivables Trustee for payment to the Receivables Trustee; and
- (c) in respect of Excess Spread, Accumulation Reserve Account Surplus Amount, Programme Reserve Account Surplus Amount, Series Cash Reserve Account Surplus amount, Investment Proceeds and excess pre-funding Collections amounts, by depositing such amounts in the Receivables Trustee Consideration Account.

The part of Funding 1's beneficial entitlement to different categories of trust property in the Delamare Cards Receivables Trust referable to the De-Linked Trust Series (the **Funding 1 Beneficial Interest**) will be calculated by the Servicer on behalf of the Receivables Trustee by applying the relevant Investor Percentage for the De-Linked Trust Series. This beneficial entitlement, on each day up to (and including) the Funding 1 Termination Date, shall be as set out below:

- (a) the Adjusted Investor Interest;

- (b) in respect of (i) that Undivided Bare Trust Property which consists of Finance Charge Collections received during any Monthly Period, the Floating Investor Percentage and (ii) that Undivided Bare Trust Property which consists of Acquired Interchange, income on Permitted Investments and interest earned on monies deposited in the Trust Accounts received during any Monthly Period, the Net Floating Investor Percentage, in each case, for the De-Linked Trust Series for that Monthly Period; and
- (c) in relation to Segregated Bare Trust Property held for Funding 1, the Segregated Bare Trust Property held absolutely for Funding 1 from time to time.

For further explanation of the Floating Investor Percentage, see "*Receivables Trustee Cashflows — Terms of the De-Linked Supplement relating to Funding 1*" below.

The beneficial entitlement of Funding 1 to trust property shall terminate on the day immediately following the Funding 1 Termination Date.

The following definitions are necessary to understand the calculations described above.

The **Adjusted Investor Interest** shall mean, at any time, in respect of Undivided Bare Trust Property other than Finance Charge Collections, Acquired Interchange, income on Permitted Investments and interest earned on monies deposited in the Trust Accounts (primarily, Principal Collections), that proportion which the Aggregate Investor Interest for an Investor Beneficiary bears to the sum of the Combined Aggregate Adjusted Investor Interest and the Adjusted Transferor Interest on that day (**provided that**, for the avoidance of doubt, in the calculation of the Combined Aggregate Adjusted Investor Interest (and in the equivalent provision which is applicable to each other Trust Series of the Investor Interest of the Investor Beneficiaries), the **Adjusted Investor Interest** for the De-Linked Trust Series shall be an amount equal to the Investor Interest).

The **Aggregate Adjusted Investor Interest** shall mean, at any time, in respect of an Investor Beneficiary, the sum of the Adjusted Investor Interests of all outstanding Trust Series in respect of such Investor Beneficiary.

The **Aggregate Investor Interest** shall mean, at any time, in respect of an Investor Beneficiary, the sum of the Investor Interests of all outstanding Trust Series in respect of such Investor Beneficiary.

The **Combined Aggregate Adjusted Investor Interest** shall mean, at any time, the sum of the Aggregate Adjusted Investor Interests for all Investor Beneficiaries.

The **Initial Investor Interest** shall mean in this Base Prospectus, in relation to Funding 1, an amount denominated in Sterling equal to the initial Contribution by Funding 1 in respect of the De-Linked Supplement.

The term **Investor Charge-Off** means, on any Transfer Date, the amount by which the LNI Available Principal Amounts following the transfer of LNI Available Funds for the previous Monthly Period was unable to cover the aggregate Investor Default Amount for such period.

The term **Default Amount** means, with respect to any Defaulted Account, the amount of Principal Receivables (other than Ineligible Receivables) in such Defaulted Account on the day such account became a Defaulted Account.

The term **Investor Default Amount** means, with respect to any Defaulted Account, an amount equal to the product of (a) the Default Amount and (b) the Net Floating Investor Percentage on the day during the Monthly Period in which such account became a Defaulted Account.

In respect of Funding 1, the term **Investor Interest** shall mean, on any date of determination, an amount (without double counting) equal to the Initial Investor Interest as increased by:

- the aggregate amount of any Investor Interest Contribution Increases;

and as reduced by:

- the aggregate of:
 - (a) Principal Collections (but excluding, for the avoidance of doubt, amounts which are not Principal Collections but are expressed to be treated as such for the purpose of the calculations set out in the De-Linked Supplement) distributed to Funding 1 in respect of the De-Linked Trust Series (with the effect that the aggregate amount of Funding 1's beneficial entitlement in the Undivided Bare Trust in respect of the De-Linked Trust Series is reduced) prior to such date;
 - (b) Principal Collections used by Funding 1 in respect of the De-Linked Trust Series as Utilised Required Retained Principal Collections as reduced by the aggregate of that part of the Additional Funds paid by Funding 1 in accordance with the De-Linked Supplement identified as "Refunded Utilised Principal Collections";
 - (c) Investor Default Amounts as reduced by the aggregate of (i) that part of any Additional Funds paid by Funding 1 in accordance with the De-Linked Supplement identified as "Loss Make-Up (Default)" referable to the De-Linked Trust Series and (ii) the amount of any Investor Charge-Offs identified on any Transfer Date in respect of such Investor Default Amounts;
 - (d) Investor Charge-Offs as reduced by the aggregate of that part of any Additional Funds paid by Funding 1 in accordance with the De-Linked Supplement identified as "Loss Make-Up (Charge-Off)"; and
 - (e) any Refinancing Distribution which has been made by the Receivables Trustee to Funding 1,

all calculated as at that date. In respect of any other Investor Beneficiary (other than Funding 1), the term "Investor Interest" will have the meaning given in the relevant Supplement.

On or before each Transfer Date, the Receivables Trustee will calculate the aggregate Investor Default Amount for the preceding Monthly Period. On each Transfer Date, if the aggregate Investor Default Amount exceeds the amount of LNI Available Principal Amounts following the transfer of LNI Available Funds available to cover such aggregate Investor Default Amount, the amount of such Investor Charge-Off will reduce the Funding 1 Beneficial Interest. If the Investor Interest has been reduced by the amount described above, then it will be reinstated on any subsequent Transfer Date by the amount of Additional Funds identified as "Loss Make-Up Charge-Offs", paid to the Receivables Trustee by Funding 1.

The term **Loss Make-Up (Charge-Offs)** shall mean a constituent element of any payment of Additional Funds paid by Funding 1 to the Receivables Trustee by credit to the Trustee Investment Account in accordance with the De-Linked Supplement. In broad terms, it represents an amount equal to the aggregate amount of Investor Charge-Offs which have not been previously reinstated, if any, which, following the application of LNI Available Principal Amounts, is paid by Funding 1 to the Receivables Trustee and can therefore be used to reinstate, in whole or in part, the Investor Interest.

The term **Loss Make-Up (Default)** shall mean a constituent element of any payment of Additional Funds paid by Funding 1 to the Receivables Trustee by credit to the Trustee Investment Account in accordance with the De-Linked Supplement. In broad terms, it represents an amount equal to the Investor Default Amount, if any, for the preceding Monthly Period which, following the application of LNI Available

Principal Amounts, is paid by Funding 1 to the Receivables Trustee and can therefore be used to reinstate, in whole or in part, the Investor Interest as reduced by the Investor Default Amount.

The term **Monthly Period** means, the period from (and including) the first day of a calendar month to (and including) the last day of the same calendar month, except that the first Monthly Period with respect to any calculation in respect of the De-Linked Trust Series shall begin on (and include) the Issue Date and shall end on and include the date specified in the first Drawdown Prospectus/Final Terms/Pricing Supplement.

The term **Refunded Utilised Principal Collections** shall mean a constituent element of any payment of Additional Funds paid by Funding 1 to Receivables Trustee by credit to the Trustee Investment Account in accordance with the De-Linked Supplement. In broad terms, it represents the amount of Principal Collections, if any, which, following the application of the Utilised Required Retained Principal Collections as reallocated Principal Collections, is reimbursed by Funding 1 to the Receivables Trustee and can therefore be used to reinstate the Investor Interest.

With respect to Principal Collections that may be utilised as reallocated Principal Collections (as to which see "*Funding 1 Cashflows — Use of LNI Available Principal Amounts*"), amounts will only be transferred to Funding 1 with respect to the De-Linked Trust Series to the extent there is a shortfall in distributions of Finance Charge Collections in respect of the De-Linked Trust Series. The maximum amount of Principal Collections that can be distributed to Funding 1 in respect of the De-Linked Trust Series during any Monthly Period will be determined by reference to the Principal Investor Percentage (subject to the sharing of Principal Collections with other Investor Beneficiaries in Group One).

Without prejudice to the above, each beneficiary will be entitled to all trust property from time to time which is expressly held on bare trust for the sole benefit of such beneficiary.

Investor Interest Contribution Increases

On any Business Day, subject to the satisfaction of the Increase Conditions (as defined below) and such other conditions as may be required to be satisfied in connection with Related Debt following notice from Funding 1, the Funding 1 Beneficial Interest shall be increased by the amount of any Additional Contribution made by Funding 1 on such Business Day (such Business Day being the **Funding 1 Contribution Increase Date** for such Investor Interest Contribution Increase) by the deposit of such Additional Contribution into the Trustee Investment Account on the Funding 1 Contribution Increase Date and the recording of such Additional Contribution in the Trust Property Register (subject to the Increase Conditions). This increase is referred to as an **Investor Interest Contribution Increase**.

For the purposes of calculating an Investor Interest Contribution Increase the following terms are applicable:

The term **Additional Contribution** shall mean, with respect to any date of determination during any Monthly Period in respect of any payment to be made to the Receivables Trustee, each of the following:

- the payment of an amount by Funding 1 utilising the proceeds of an increase in the amount of the Related Debt;
- the payment of an amount by Funding 1 utilising the release of pre-funding amounts (other than, for the avoidance of doubt, pre-funding amounts retained in the undivided Principal Collections Ledger during such Monthly Period) from a Principal Funding Account Ledger for any Loan Note during such Monthly Period; and
- the payment of an amount by Funding 1 as Loss Make-Up (Default), Loss Make-Up (Charge-Off) or Refunded Utilised Principal Collections utilising amounts available following application of LNI Available Principal Amounts.

The term **Increase Conditions** means, with respect to any Investor Interest Contribution Increase, the following:

- with respect to an Additional Contribution by way of the payment of an amount by Funding 1 utilising the proceeds of an increase in the amount of the Related Debt:
 - (i) the notice of such Investor Interest Contribution Increase shall have been delivered by Funding 1 by the time specified;
 - (ii) no Notification Event (as such term is defined in the Master Framework Agreement), Early Redemption Event (other than in relation to not repaying the Outstanding Principal Amount of a Loan Note in full on the Scheduled Redemption Date for such Loan Note or related to tax events), Loan Note Event of Default or an event that, after the giving of notice or the lapse of time, would constitute a Notification Event, Early Redemption Event or Loan Note Event of Default shall have occurred and be continuing;
 - (iii) the Issuance Tests are met;
 - (iv) notification from each Rating Agency that the Investor Interest Contribution Increase will not result in the relevant Rating Agency reducing or withdrawing its then existing rating of any Funding 1 Associated Debt or, as applicable, any Related Debt or any other Loan Note or any other variable funding Loan Note in respect to any Investor Beneficiary with respect to which it is a Rating Agency;
 - (v) all of the representations and warranties of the Transferor and Servicer contained in the RSD and the RTDSA shall be true and correct as though made on and as of the date of such Investor Interest Contribution Increase;
 - (vi) the conditions set out in the RTDSA have been complied with;
 - (vii) the Servicer shall have delivered to the Receivables Trustee a written confirmation that the Increase Conditions described above have been satisfied, dated the date such Investor Interest Contribution Increase is to take effect;
- with respect to an Additional Contribution by way of a release of a pre-funding amount, the notice of such Investor Interest Contribution Increase shall have been delivered by Funding 1 by no later than the proposed time of the Investor Interest Contribution Increase; and
- with respect to an Additional Contribution by way of utilising monies available following the application of LNI Available Principal Amounts, the notice of such Investor Interest Contribution Increase shall have been delivered in the monthly statement to the Receivables Trustee specifying the Transfer Date on which such Investor Interest Contribution Increase is to take place.

Trust Pay Out Events and Series Pay Out Events

In respect of any Trust Series, **Pay Out Event** means a Trust Pay Out Event or a Series Pay Out Event and **Funding 1 Pay Out Event** means a Series Pay Out Event in respect of the De-Linked Trust Series.

If any one of the following events (each a **Trust Pay Out Event**) occurs:

- (a) the Transferor shall consent or take any corporate action in relation to the appointment of a receiver, administrator, administrative receiver, liquidator, trustee or similar officer of it or relating to all or substantially all of its revenues and assets;

- (b) proceedings shall be initiated against the Transferor under any applicable liquidation, insolvency, composition, re-organisation (except for a solvent re-organisation) or similar laws for its winding up, dissolution, administration, bank insolvency, bank administration or reorganisation and such proceedings are not discharged within 60 days or a receiver, administrator, administrative receiver, liquidator, trustee or similar officer of it or relating to all or substantially all of its revenues and assets is legally and validly appointed and such appointment is not discharged within 14 days;
- (c) a duly authorised officer of the Transferor shall admit in writing that the Transferor is unable to pay its debts as they fall due within the meaning of Section 123(1) of the Insolvency Act 1986 or the Transferor makes a general assignment or trust for the benefit of or a composition with its creditors or voluntarily suspends payment of its obligations with a view to the general readjustment or rescheduling of its Indebtedness;
- (d) the Transferor shall become unable for any reason to transfer Receivables arising on Designated Accounts to the Delamare Cards Receivables Trust in the manner contemplated in the RSD for a continuous period of 30 days;
- (e) the Transferor ceases to be resident for tax purposes in the United Kingdom or otherwise ceases to be within the charge to United Kingdom corporation tax; or
- (f) a change in law or its interpretation or administration results in the Receivables Trustee becoming liable to make any payment on account of tax that will adversely affect the then current ratings of any Associated Debt then outstanding,

then, (1) in the case of a Trust Pay Out Event under paragraph (a), (b) or (c) (each an **Insolvency Event**) above, a Pay Out Event will occur in respect of each Trust Series and each beneficiary within such Trust Series and the Transferor Beneficiary, or (2) in the case of any other Trust Pay Out Event, a Pay Out Event will occur in respect of each Trust Series and each beneficiary within such Trust Series (but not the Transferor Beneficiary), and in the case of both (1) and (2) without any notice or other action on the part of the Receivables Trustee or any beneficiary immediately upon the occurrence of such event.

Further Series Pay Out Events will be specified in the relevant Supplement. In relation to the Funding 1 Trust Series, the following constitute Funding 1 Pay Out Events:

- (a) failure on the part of the Transferor (i) to make any payment or deposit required by the terms of the RSD on or before the date occurring five Business Days after the date such payment or deposit is required to be made or (ii) duly to observe or perform in any material respect any covenants or agreements of the Transferor set out in the RSD or the De-Linked Supplement, which failure has a Material Adverse Effect on the interests of the Investor Beneficiary (in respect of the De-Linked Trust Series) and which, if capable of remedy, continues unremedied for a period of 60 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Transferor by the Receivables Trustee, or to the Transferor and the Receivables Trustee by the Investor Beneficiary (in respect of the De-Linked Trust Series) and which, if capable of remedy, continues during such 60 day period to have a Material Adverse Effect on the interests of the Investor Beneficiary (in respect of the De-Linked Trust Series) for such period;
- (b) any representation or warranty made by the Transferor in the RSD or the De-Linked Supplement, or any information required to be delivered by the Transferor pursuant to the RSD, (i) shall prove to have been incorrect in any material respect when made or when delivered, which, if capable of remedy, continues to be incorrect in any material respect for a period of 60 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Transferor by the Receivables Trustee, or to the Transferor and the Receivables Trustee by the Investor Beneficiary (in respect of the De-Linked Trust Series), and (ii) as a result of which there is a Material Adverse Effect on the interests of the Investor Beneficiary (in respect of the De-Linked

Trust Series) and which, if capable of remedy, continues during such 60 day period to have a Material Adverse Effect for such period; **provided, however, that** a Funding 1 Pay Out Event pursuant to the De-Linked Supplement shall not be deemed to have occurred if the Transferor has complied with its obligations pursuant to the RSD in respect of the related Receivable, or all of such Receivables, if applicable, during such period in accordance with the provisions of the RSD;

- (c) any Servicer Default shall occur which would have a Material Adverse Effect on the Investor Beneficiary (in respect of the De-Linked Trust Series), other than a Servicer Default as set out in items (e) to (h) of the Servicer Default definition, the occurrence of which will not be subject to the Material Adverse Effect.

In the case of any event described above, after the applicable grace period (if any) set out in such subparagraphs, either the Receivables Trustee or Funding 1 as Investor Beneficiary (in respect of the De-Linked Trust Series) may by giving notice in writing to the Transferor and the Servicer (and to the Receivables Trustee if given by Funding 1 as Investor Beneficiary) declare that a Funding 1 Pay Out Event has occurred as of the date of such notice. If Funding 1 gives such notice, it may only do so on the instruction of the holder of the Related Debt. If the Receivables Trustee gives such notice, it must also give notice to Funding 1 (in respect of the De-Linked Trust Series).

The Transferor must give immediate notice to the Receivables Trustee of an Insolvency Event. Where an Insolvency Event occurs, Finance Charge Receivables which arise in respect of Principal Receivables which have been assigned to or held on trust for the Receivables Trustee and Principal Receivables which arise in relation to existing Designated Accounts shall continue to form part of the trust property of the Delamare Cards Receivables Trust and Collections with respect thereto shall continue to be allocated and applied in accordance with the terms of the RTDSA. Following an Insolvency Event, the Receivables Trustee shall not be entitled to accept any further Offers by the Transferor to sell Receivables to the Receivables Trustee.

Trustee payment amount

As full compensation for any fees, costs and expenses incurred by the Receivables Trustee in connection with its duties and activities as Receivables Trustee (including amounts in respect of stamp duty (if applicable) and payments pursuant to the Trustee Bank Account Operating Agreement and payments pursuant to the Receivables Trust Accounts Bank Agreement (see "*The Receivables — Assignment of Receivables to the Receivables Trustee*"), but excluding amounts in respect of the Servicing Fee and any tax on profits), the Receivables Trustee is entitled to be reimbursed by the beneficiaries for such amounts with respect to each Monthly Period on the related Transfer Date (each such payment on the related Transfer Date being the **Trustee Payment Amount**). The aggregate of all such fees, costs and expenses payable on a Transfer Date together with any Trustee Fee and any Successor Servicer Facilitator Fee payable on such date is described as the **Aggregate Trustee Payment Amount**.

In consideration of the undertaking and performance by the Receivables Trustee of its fiduciary duties under the RTDSA and any Supplement thereto, the beneficiaries shall pay to the Receivables Trustee a trustee fee. **Trustee Fee** means a fee per year calculated in accordance with each Supplement. The fee is payable in 12 equal instalments on each Transfer Date commencing with the first Transfer Date after each Trust Series Issue Date and shall be included in the Aggregate Trustee Payment Amount on each Transfer Date.

The share of the Aggregate Trustee Payment Amount allocable to and borne by Funding 1 (as an Investor Beneficiary) in respect of a Trust Series is described in "*— Investor Trustee Payment Amount*" below.

Investor Trustee Payment Amount

A share of the Aggregate Trustee Payment Amount is calculated as allocable to and is borne by Funding 1 (as an Investor Beneficiary) in respect of the De-Linked Trust Series. This share of the Aggregate Trustee Payment Amount with respect to each Transfer Date (the **Investor Trustee Payment Amount**) will be an

amount equal to the sum of (A) the product of (1) a fraction, the numerator of which is the weighted average Floating Calculation Investor Interest Amount for the Monthly Period preceding such Transfer Date and the denominator of which is the aggregate of the weighted average of the Investor Interests of each Trust Series in respect of which such Aggregate Trustee Payment Amount was incurred, and (2) the aggregate of each relevant Trustee Payment Amount, including any part thereof as represents VAT, (as has been confirmed in writing to the Servicer by the end of any Monthly Period as being accrued due and payable in respect of such Monthly Period) plus (B) an amount equal to one twelfth of the annual fees and expenses of the Note Trustee to the extent accrued due and payable on such Transfer Date.

Termination of the Delamare Cards Receivables Trust

Subject to obtaining the written consent of each existing beneficiary of the Delamare Cards Receivables Trust, then on any day on which (i) the Aggregate Investor Interest in respect of each Investor Beneficiary is reduced to zero, (ii) there are no Finance Charge Collections or Other Trust Property allocated to any beneficiaries other than the Transferor Beneficiary and (iii) no beneficiary is committed to make Contributions to meet payments in respect of the assignment or holding on trust of Receivables to or for the Receivables Trustee, then the Transferor Beneficiary may, by written notice, direct the Receivables Trustee to dissolve the Delamare Cards Receivables Trust. On dissolution of the Delamare Cards Receivables Trust, the Receivables Trustee shall distribute the trust property to the Transferor Beneficiary and any other beneficiaries according to their respective beneficial entitlements at that time. Following such conveyance of the trust property to each beneficiary, the Delamare Cards Receivables Trust shall be dissolved.

Amendments to the Receivables Trust Deed and Servicing Agreement

General amendments

The RTDSA may be amended (i) in writing from time to time by the Servicer, the Transferor Beneficiary and the Receivables Trustee, only with the prior written consent of each person who is a beneficiary at the time of such amendment, and (ii) in writing from time to time by the Receivables Trustee at the direction of the Transferor Beneficiary and with the prior written consent of each person who is a beneficiary at the time of such amendment:

- (a) at any time, **provided that** the Servicer has confirmed in writing that in its opinion, formed on the basis of due consideration, such amendment will not result in a reduction or withdrawal of each Rating Agency's then current rating of any outstanding Associated Debt and **provided further that** such amendment will not result in a material change in the permitted activities of the Receivables Trustee;
- (b) to provide for additional or substitute enhancement with respect to a Trust Series (so long as the amount of such substitute enhancement, unless otherwise provided in any related Supplement, is equal to the original enhancement for such Trust Series); and
- (c) to change the definition of Eligible Account or Eligible Receivable or to provide for the addition to the Delamare Cards Receivables Trust of a participation arrangement; **provided that** any such change shall have no effect in relation to any Receivables acquired by the Receivables Trustee before such change takes effect and **provided, further that**, in the reasonable belief of the Transferor Beneficiary, such amendment would not have a Material Adverse Effect on the interests of any Investor Beneficiary, and that the Servicer has confirmed in writing that in its opinion, formed on the basis of due consideration, such amendment will not result in a reduction or withdrawal of each Rating Agency's then current rating of any outstanding Associated Debt.

Under the terms of the Beneficiaries Deed, each Investor Beneficiary has agreed that provided the above three conditions are met, if so requested in writing by the Transferor Beneficiary, it will give its consent in accordance with that request.

Amendments to permitted activities or rights of outstanding Trust Series

The RTDSA (and any Supplement thereto) may also be amended in writing from time to time by the Servicer, the Transferor Beneficiary and the Receivables Trustee with the prior written consent of all of the beneficiaries for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the RTDSA or any Supplement or modifying in any manner the rights of any Investor Beneficiary of any outstanding Trust Series.

The Receivables Trustee may, but shall not be obliged to, enter into any such amendment which affects the Receivables Trustee's rights, duties or immunities under the RTDSA or otherwise.

Disposals of beneficial entitlements

No beneficiary may transfer, assign, exchange, place in any custodial arrangement for security purposes or otherwise convey or dispose of its beneficial entitlement in the Delamare Cards Receivables Trust (each a **Disposal**) or create any encumbrance thereover (unless specified otherwise in any Supplement), except in the following permitted circumstances:

- (a) the Transferor Beneficiary may make a Disposal of or create or grant any encumbrance over the whole or any part of the Transferor's beneficial interest in the Delamare Cards Receivables Trust **provided, however, that** the Servicer has confirmed in writing that in its opinion, formed on the basis of due consideration, such amendment will not result in a reduction or withdrawal of each Rating Agency's then current rating of any outstanding Associated Debt; and
- (b) any other beneficiary may also make a Disposal of the whole or any part of its beneficial entitlement (including any Investor Interest comprised therein in the case of an Investor Beneficiary) or create or grant any encumbrance in respect of such beneficial entitlement with the prior written consent of the Transferor Beneficiary and each other beneficiary; **provided, however, that** where such Disposal or encumbrance by an Investor Beneficiary is for the purpose of any security assignment or Security Interest granted to a Security Trustee under a supplement to the STDCMA, the relevant Investor Beneficiary shall continue to be considered the beneficiary of the Delamare Cards Receivables Trust regardless of such assignment until a notice of enforcement is served by the Security Trustee under the terms of the relevant supplement to the relevant STDCMA and, in addition, no such Disposal or encumbrance (other than as described in the immediately preceding proviso) will be permitted unless the Receivables Trustee shall have received prior written confirmation from the person to which such Disposal is to be made, or encumbrance is to be granted in favour of, that such person complies with the requirements relating to which persons may make a Contribution to the Delamare Cards Receivables Trust (see "*Additional Beneficiaries and Investor Beneficiaries – Contributions to trust property*" above). Under the terms of the Beneficiaries Deed, each Investor Beneficiary agrees that, if requested in writing by the Transferor Beneficiary, the Investor Beneficiary will give its consent in accordance with such request.

Non-petition undertaking of beneficiaries

It is a condition of the Delamare Cards Receivables Trust (to which each beneficiary must consent upon its execution of a Supplement) that each beneficiary of the Delamare Cards Receivables Trust (including TPF as Transferor Beneficiary), the Transferor, the Servicer and Successor Servicer undertakes to the Receivables Trustee for itself and as trustee for each other beneficiary that such party will not take any corporate action or other steps or legal proceedings for the winding up, dissolution or re-organisation or for the appointment of a receiver, administrator, administrative receiver, trustee, liquidator, sequestrator or similar officer of any Investor Beneficiary (unless specified otherwise in relation to such Investor Beneficiary in any related Supplement), the Receivables Trustee or the Delamare Cards Receivables Trust or of any or all of the revenues and assets of any of them or participate in any *ex parte* proceedings nor seek to enforce any judgment against any such persons.

Beneficiaries Deed

In addition to the RTDSA, the initial beneficiaries entered into a deed dated 24 April 2013 (the **Beneficiaries Deed**), that sets out the contractual arrangements amongst them in respect of certain commercial decisions (relating to authorisations, consents, waivers or other acts of the beneficiaries) to be made from time to time in respect of the RTDSA and any Supplement thereto. However, the terms of the Beneficiaries Deed make clear that it is in no way intended to prejudice the absolute entitlement that each beneficiary has to trust property as described in this Base Prospectus and as set out under the terms of the RTDSA and each Supplement.

Receivables Trustee Bank account operating agreement

The Receivables Trustee has entered into a bank account operating agreement (the **Trustee Bank Account Operating Agreement**) with TPF as the Bank Account Operator. Under the terms of the Trustee Bank Account Operating Agreement, the Bank Account Operator agrees to exercise certain rights and powers in relation to the bank accounts of the Receivables Trustee on behalf of the Receivables Trustee and in accordance with the instructions and directions of the Receivables Trustee.

THE LOAN NOTES

The following discussion and the discussions under "*The Security Trust Deed and Cash Management Agreement*" summarise the material terms of Global Loan Note No. 1 and each notional tranche of Global Loan Note No. 1 (each tranche of a Global Loan Note, including tranches of Global Loan Note No. 1, being referred to as a **Loan Note**), the Loan Note Security, and the cash management provisions in relation to the Funding 1 Beneficial Interest held by Funding 1 and other assets held by Funding 1. These summaries do not purport to be complete and are qualified in their entirety by reference to the provisions of the STDCMA, Global Loan Note No. 1 and any Loan Note Supplement relating to Global Loan Note No. 1. The sources of funds to pay the Loan Notes are discussed in "*Receivables Trustee Cashflows*" and "*Funding 1 Cashflows*" below.

General

The Drawdown Prospectus/Final Terms/Pricing Supplement for a particular Note Series will specify the class of the Loan Note which acts as collateral for that Note Series, and will also specify and describe the Loan Note Security held by or on behalf of the Issuer in respect of that Loan Note. Each Loan Note relating to Global Loan Note No. 1 will be issued pursuant to the STDCMA and a Loan Note Supplement as a notional tranche of Global Loan Note No. 1. Neither the STDCMA nor the supplements to Global Loan Note No. 1 will limit the principal amount of Loan Notes that may be issued. However, a number of Issuance Tests will need to be fulfilled before certain Loan Notes may be issued (see "*— Issuance of new Loan Notes*" below). Each Loan Note Supplement will describe the provisions specific to that Loan Note. Holders of Loan Notes, including the Issuer, will not have the right to prior review of, or consent to, any subsequent issuance of Loan Notes or the issuance of other global loan notes in addition to Global Loan Note No. 1. Loan Notes and other global loan notes may be issued to holders other than the Issuer, provided that Funding 1 may not at any time incur any liabilities representing debtor relationships which would result in 50 per cent. or more of its total liabilities in respect of all debtor relationships being owed to a person other than the Issuer, save as is expressly contemplated in the Transaction Documents.

Global Loan Note No. 1 consists of multiple classes of Loan Notes. A class designation determines the relative seniority for receipt of cash flows and funding of the Investor Default Amounts allocated to the Loan Notes. Each Subordinated Loan Note provides credit enhancement for more Senior Loan Notes. Whenever a "class" of Loan Notes is referred to in this Base Prospectus or any Drawdown Prospectus/Final Terms/Pricing Supplement, it includes all Loan Notes of that class, unless the context otherwise requires.

Funding 1 may issue different classes of Loan Notes at the same time or at different times, but no Loan Note may be issued unless the Issuance Tests in relation to that Loan Note have been satisfied. Such Issuance Tests include, amongst other things, the availability of a sufficient amount of Subordinated Loan Notes then outstanding as subordination for Senior Loan Notes (see "*— Required subordinated amount for Loan Notes*" and "*— Issuance of new Loan Notes*" below).

Funding 1 will issue Loan Notes denominated in Sterling only.

Each holder of a Loan Note (including the Issuer) will have the benefit of the Loan Note Security granted in relation to the Loan Notes to the Security Trustee in the STDCMA.

Funding 1 as an Investor Beneficiary in respect of the Funding 1 Beneficial Interest will be entitled to the Floating Investor Percentage of all Finance Charge Collections and the Net Floating Investor Percentage of Investor Default Amounts, Acquired Interchange, net income from Permitted Investments and interest earned on monies deposited in the Trust Accounts and will be entitled to the Principal Investor Percentage of all Principal Collections. The method for calculating the Floating Investor Percentage, the Net Floating Investor Percentage and the Principal Investor Percentage is described in "*Receivables Trustee Cashflows* –

Application of monies in Trustee Collection Account – Terms of the De-Linked Supplement relating to Funding 1" below.

Funding 1 will pay principal and interest on Loan Notes solely from (1) Finance Charge Collections, Acquired Interchange, Principal Collections, net income from Permitted Investments, interest earned on monies deposited in the Trust Accounts and certain other amounts which are allocable to Funding 1 as an Investor Beneficiary in respect of the Funding 1 Beneficial Interest as set out in the De-Linked Supplement and the STDCMA and (2) any other amounts provided to Funding 1 by way of enhancement for the Loan Notes. If those sources are not sufficient for the payment of principal or interest on a particular Loan Note, the holder of that Loan Note will have no recourse to any other assets of Funding 1 or any other person or entity for the payment of principal or interest on that Loan Note.

Loan Note Interest Payment Dates

Interest will accrue on each Loan Note from its date of creation at the applicable interest rate for that Loan Note, which may be a fixed, floating or such other type of rate as specified in the related Loan Note Supplement and, in the case of Global Loan Note No. 1, the Drawdown Prospectus/Final Terms/Pricing Supplement of the Note Series which that Loan Note supports (if that Loan Note is acquired by the Issuer).

Interest on a Loan Note relating to Global Loan Note No. 1 will be due and payable on each Distribution Date or as otherwise specified in the related Loan Note Supplement and the related Drawdown Prospectus/Final Terms/Pricing Supplement, each referred to in this Base Prospectus and the related Drawdown Prospectus/Final Terms/Pricing Supplement as a **Loan Note Interest Payment Date**.

Interest payments will be funded from Finance Charge Collections and Acquired Interchange allocated together with certain other amounts distributed to Funding 1 in respect of the preceding Monthly Period, and from certain other amounts specified in the STDCMA and any related supplement to a Global Loan Note, including any amounts of Utilised Required Retained Principal Collections and specified enhancement.

Interest

For each fixed rate Loan Note, the fixed Rate of Interest at which interest will accrue for that Loan Note will be specified in the related Loan Note Supplement and, in the case of Global Loan Note No. 1, the relevant Drawdown Prospectus/Final Terms/Pricing Supplement. For each issuance of a floating rate Loan Note, the interest rate index or other formula on which the interest payment is based together with any Margin will be designated in the related Loan Note Supplement and, in the case of Global Loan Note No. 1, the relevant Drawdown Prospectus/Final Terms/Pricing Supplement.

In respect of a floating rate Loan Note relating to Global Loan Note No. 1, whilst the Loan Note is secured for a specified Note Series, the basis on which the Rate of Interest is calculated for such Loan Note will be the same for each Interest Period as the basis on which the Rate of Interest or the determination of any payments under any related Swap Agreement is calculated for that Note Series notwithstanding that the length of the Interest Periods on the Loan Note and the Note Series may be different.

Each payment of interest on a Loan Note will include all interest accrued from (and including) the preceding Loan Note Interest Payment Date — or, for the first Loan Note Interest Period, from (and including) the issuance date — up to (but excluding) the current Loan Note Interest Payment Date, or any other period as may be specified in the related Loan Note Supplement and, in the case of Global Loan Note No. 1, the relevant Drawdown Prospectus/Final Terms/Pricing Supplement. Interest on a Loan Note will be due and payable on each Loan Note Interest Payment Date **provided that** any amount of interest not paid on a Loan Note Interest Payment Date will be deferred until the earlier of the next Loan Note Interest Payment Date on which it is paid and the Final Redemption Date for such Loan Note. Amounts of interest which are deferred will accrue interest at the rate set out in the related Loan Note Supplement and, in the case of Global Loan Note No. 1, the relevant Drawdown Prospectus/Final Terms/Pricing Supplement.

Further interest

Global Loan Note No. 1 will also accrue further interest in an amount which is calculated under the STDCMA. On each Transfer Date, Funding 1 shall pay from the amount available to pay further interest in accordance with the priority of payments set out in "*Funding 1 Cashflows — Application of LNI Available Funds*" below, an amount to each holder of a Loan Note (which forms part of Global Loan Note No. 1 or any other global loan note on which further interest is payable) equal to the product of (i) the amount available to be paid as further interest on such Transfer Date and (ii) a fraction, the numerator of which is the weighted average Available Funds Calculation Amount for such Loan Note for the related Monthly Period and the denominator of which is the weighted average Available Funds Calculation Amount for all outstanding Loan Notes which form part of Global Loan Note No. 1 or any other global loan note on which further interest is payable. Holders of Loan Notes which form notional tranches of a global loan note which carries a right to further interest will also be obliged to make payments of deferred subscription price in respect of the global loan note of which such Loan Note forms part. See "*Issuer Cashflows – Monthly Payments of an Income Nature*" below.

Principal

The timing of payments of principal on any Loan Note will be specified in the related Loan Note Supplement and, in the case of Global Loan Note No. 1, the relevant Drawdown Prospectus/Final Terms/Pricing Supplement.

Each date on which a final payment of principal is due to be made on a Loan Note will be referred to in this Base Prospectus and the related Drawdown Prospectus/Final Terms/Pricing Supplement as a **Scheduled Redemption Date**.

Principal of a Loan Note may be paid later than its Scheduled Redemption Date if funds allocated to Funding 1 in respect of the Funding 1 Beneficial Interest are not sufficient for that purpose. Additionally, in the case of a Subordinated Loan Note, principal in respect of that Loan Note will be paid only to the extent that the subordination provisions of the Senior Loan Notes and the Repayment Tests permit such payment. See "*— Redemption and early redemption of Loan Notes*" below.

It will not be a Loan Note Event of Default if the Outstanding Principal Amount of a Loan Note is not paid on its Scheduled Redemption Date. If the stated principal amount of a Loan Note is not paid on its Scheduled Redemption Date, an Early Redemption Event with respect to that Loan Note will occur. See "*— Early Redemption Events, Rapid Amortisation Trigger Events and Regulated Amortisation Trigger Events*" below. However, if the Outstanding Principal Amount of a Loan Note is not paid in full by its Final Redemption Date, a Loan Note Event of Default will occur with respect to that Loan Note. See "*— Loan Note Events of Default*" below. However, if Funding 1 does not have sufficient funds to repay the Outstanding Principal Amount of such Loan Note in full on such Final Redemption Date, any amount remaining outstanding under such Loan Note (following any payments made on such Final Redemption Date) will be reduced to zero and Funding 1's indebtedness under such Loan Note will be extinguished.

Principal of a Loan Note may be paid earlier than its Scheduled Redemption Date or other dates specified in the related Loan Note Supplement if an Early Redemption Event occurs. See "*Early Redemption Events, Rapid Amortisation Trigger Events and Regulated Amortisation Trigger Events*" and "*— Loan Note Events of Default*" below.

See "*Risk Factors*" for a discussion of factors that may affect the timing of Principal Payments to Noteholders as a result of factors affecting a Loan Note.

Initial Principal Amount, Outstanding Principal Amount, Adjusted Outstanding Principal Amount and Nominal Liquidation Amount

Each Loan Note has an Initial Principal Amount, an Outstanding Principal Amount, an Adjusted Outstanding Principal Amount and a Nominal Liquidation Amount.

Initial Principal Amount

The initial principal amount (the **Initial Principal Amount**) of a Loan Note is the amount that is stated in the Loan Note Supplement for such Loan Note to be payable to the holders of the Loan Note. It will be denominated in Sterling. Such amount will be set out in the Drawdown Prospectus/Final Terms of the Note Series which such Loan Note supports.

Outstanding Principal Amount

The outstanding principal amount (the **Outstanding Principal Amount**) of a Loan Note is the Initial Principal Amount of that Loan Note (and, in respect of any Series of Class D VFN Loan Note, any advances made in respect of the principal amount of such Series of Class D VFN Loan Note by the relevant holder thereof (see "*The Loan Notes – The Class D VFN Loan Notes*" below)), as described in the related Loan Note Supplement for such Loan Note and the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, less principal payments to the holders of that Loan Note provided, however, that the Outstanding Principal Amount of a Loan Note will be reduced to zero in the event that there is any write-off of principal on the Final Redemption Date of a Loan Note as set out in the relevant Supplement to a Global Loan Note.

Adjusted Outstanding Principal Amount

The adjusted outstanding principal amount (the **Adjusted Outstanding Principal Amount**) of a Loan Note is the Outstanding Principal Amount of that Loan Note less any funds standing to the credit of the Principal Funding Account Ledger for that Loan Note. The Adjusted Outstanding Principal Amount of any Loan Note will decrease as a result of each deposit standing to the credit of the Principal Funding Account Ledger for such Loan Note and will increase as a result of the release of any amount deposited to the credit of the Principal Funding Account Ledger where such amount is not used to make a principal payment to the holders of such Loan Note.

Nominal Liquidation Amount

The nominal liquidation amount (the **Nominal Liquidation Amount**) of a Loan Note is based on the Initial Principal Amount of that Loan Note at the date of issuance and may be reduced as described below:

- if Finance Charge Collections applicable to a Loan Note are insufficient to fund the Investor Default Amounts in the Delamare Cards Receivables Trust allocable to that Loan Note, the uncovered Investor Default Amounts allocable to that Loan Note will result in a reduction of the Nominal Liquidation Amount of that Loan Note. Subordinated Loan Notes will bear the risk of reduction in their Nominal Liquidation Amount due to charge-offs resulting from uncovered Investor Default Amounts allocable to the De-Linked Trust Series before Senior Loan Notes (see "*Funding 1 Cashflows – Reduction from Investor Charge-Offs to the Nominal Liquidation Amount of subordinated classes*" below);
- if Utilised Required Retained Principal Collections are used in the payment of any senior costs shortfall, class A monthly shortfall, class B monthly shortfall, Servicer payment shortfall or class C monthly shortfall, then that Loan Note's share of the Utilised Required Retained Principal Collections will reduce the Nominal Liquidation Amount of the relevant Subordinated Loan Note (see "*Funding 1 Cashflows – Reductions to the Nominal Liquidation Amount of subordinated classes from use of Utilised Required Retained Principal Collections*" below);

- the Nominal Liquidation Amount of a Loan Note will be reduced by the amount standing to the credit of the Principal Funding Account Ledger for such Loan Note; and
- without double counting the amount standing to the credit of the Principal Funding Account Ledger for such Loan Note, the Nominal Liquidation Amount of a Loan Note will be reduced by the amount of any payment of principal to the holder of that Loan Note.

Reductions to the Nominal Liquidation Amount of Loan Notes which are due to Investor Charge-Offs and Utilised Required Retained Principal Collections will be allocated to the Loan Notes of each class in succession, beginning with the most subordinated classes. Reductions that cannot be allocated to more Subordinated Loan Notes will be allocated to the Loan Notes of the next more senior class and will reduce the Nominal Liquidation Amount of such Senior Loan Notes. For any Loan Note, the required subordinated amount for that Loan Note will be specified in the related Supplement to a Global Loan Note for such Loan Note and may be changed as specified in that related Supplement to a Global Loan Note (see "*Required subordinated amount for Loan Notes*" below).

The Nominal Liquidation Amount of a Loan Note can be increased as follows:

- for each Loan Note, the Nominal Liquidation Amount of that Loan Note will increase if Finance Charge Collections are available to reimburse earlier reductions in the Nominal Liquidation Amount from charge-offs from uncovered Investor Default Amounts or from the use of Utilised Required Retained Principal Collections to pay any senior costs shortfall, class A monthly shortfall, class B monthly shortfall, Servicer payment shortfall or class C monthly shortfall, which would otherwise be covered by LNI Available Funds (see "*Funding 1 Cashflows — Use of LNI Available Principal Amounts*" below). Increases will be allocated first to the Senior Loan Notes with a Nominal Liquidation Amount Deficit and then, in succession, to the subordinated classes with Nominal Liquidation Amount Deficits;
- for each Loan Note, the Nominal Liquidation Amount of that Loan Note will increase by an amount equal to any increase in the Outstanding Principal Amount of such Loan Note at any time after the initial issuance of such Loan Note; and
- for each Loan Note, the amount of any pre-funding amount released from the Principal Funding Account Ledger for such Loan Note.

The **Nominal Liquidation Amount Deficit** means, with respect to any Loan Note, the excess of the Adjusted Outstanding Principal Amount of such Loan Note over the Nominal Liquidation Amount for such Loan Note.

LNI Available Funds allocated to a Loan Note will also be applied, as described in "*Use of LNI Available Principal Amounts*" below, to reimburse earlier reductions in the Nominal Liquidation Amount of such Loan Note from uncovered Investor Default Amounts and that Loan Note's share of Utilised Required Retained Principal Collections allocated to that Loan Note to pay any senior costs shortfall, class A monthly shortfall, class B monthly shortfall, Servicer payment shortfall or class C monthly shortfall. LNI Available Funds available to reimburse earlier reductions of the Nominal Liquidation Amount will be treated as LNI Available Principal Amounts, and will be applied to the Senior Loan Notes *pro rata* based on the ratio of the Nominal Liquidation Amount Deficit for such Senior Loan Note to the aggregate Nominal Liquidation Amount Deficits of all such outstanding Loan Notes of that class until all reductions in the Nominal Liquidation Amount of such class have been reimbursed in full and then to each Subordinated Loan Note in order of priority in a similar manner.

In most circumstances, the Nominal Liquidation Amount of a Loan Note, together with any principal amounts standing to the credit of the Principal Funding Account Ledger for such Loan Note, will equal the Outstanding Principal Amount of that Loan Note. However, if there are reductions in the Nominal

Liquidation Amount as a result of uncovered Investor Default Amounts or Utilised Required Retained Principal Collections from that Loan Note to pay any senior costs shortfall, class A monthly shortfall, class B monthly shortfall, Servicer payment shortfall or class C monthly shortfall, there will be a deficit in the Nominal Liquidation Amount of that Loan Note. Unless that deficit is reimbursed through the application of Finance Charge Collections allocated to that Loan Note, the Outstanding Principal Amount of that Loan Note may not be paid in full and the holder of that Loan Note may receive less than the full Outstanding Principal Amount of that Loan Note. This will occur because the amount of Principal Collections allocated to pay that Loan Note is less than the Outstanding Principal Amount of that Loan Note.

The Nominal Liquidation Amount of a Loan Note may not be reduced below zero, and may not be increased above the Adjusted Outstanding Principal Amount of that Loan Note.

Allocations of charge-offs from uncovered Investor Default Amounts and Utilised Required Retained Principal Collections to pay any senior costs shortfall, class A monthly shortfall, class B monthly shortfall, Servicer payment shortfall or class C monthly shortfall will reduce the Nominal Liquidation Amount of the outstanding Loan Notes only and do not affect Loan Notes that are issued after that time.

Accumulation and Amortisation Periods

Each Loan Note will have an Accumulation Period and/or an Amortisation Period. If a Loan Note is not in an Accumulation Period or an Amortisation Period or if the Targeted Pre-Funding Amount is zero, it will be referred to as being in its **Loan Note Revolving Period**. During the Loan Note Revolving Period for a Loan Note, Funding 1 will not accumulate any amount representing principal in respect of that Loan Note and no payments of principal shall be made to the holder of that Loan Note.

During the Accumulation Period for a Loan Note commencing on the Accumulation Period Commencement Date, Funding 1 will, on each Transfer Date, accumulate in the Principal Funding Account Ledger for a Loan Note principal amounts received by Funding 1 equal to the Controlled Deposit Amount to be applied towards payment of principal on such Loan Note at the earlier to occur of (a) the Scheduled Redemption Date for that Loan Note or (b) the commencement of an Amortisation Period in respect of that Loan Note.

On any Transfer Date in a period where the Targeted Pre-Funding Amount is greater than zero for the Loan Notes of the same class as that Loan Note, Funding 1 will accumulate, in the Principal Funding Account Ledger for that Loan Note, principal amounts received by Funding 1 equal to that Loan Note's *pro rata* share of the Targeted Pre-Funding Amount on such Transfer Date.

No payments of principal will be made to the Issuer during an Accumulation Period. The Loan Note Supplement for that Loan Note and the relevant Drawdown Prospectus/Final Terms/Pricing Supplement will specify the Scheduled Redemption Date and the Accumulation Period Commencement Date for an Accumulation Period with respect to that Loan Note. On the Scheduled Redemption Date, amounts accumulated in the relevant Principal Funding Account Ledger for that Loan Note will be credited to the matching Note Series ledger in the Issuer Distribution Account.

An Amortisation Period for a Loan Note may consist of either a Rapid Amortisation Period or, if specified in the related Loan Note Supplement and, in the case of Global Loan Note No. 1, the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, a Regulated Amortisation Period. A Loan Note that is specified to have a Regulated Amortisation Period (or if otherwise specified as such in the related Loan Note Supplement) is a **Controlled Amortisation Loan Note**.

For the purposes of this Base Prospectus, a **Rapid Amortisation Period** in respect of any Loan Note will commence on the day on which a Rapid Amortisation Trigger Event occurs and will continue until the earlier to occur of:

- the date on which the Outstanding Principal Amount of such Loan Note is reduced to zero; and

- the Final Redemption Date of such Loan Note.

For the purposes of this Base Prospectus, a **Regulated Amortisation Period** will commence on the day on which a Regulated Amortisation Trigger Event occurs and will continue until the earlier to occur of:

- the commencement of a Rapid Amortisation Period;
- the date on which the Outstanding Principal Amount of such Loan Note is reduced to zero; and
- the Final Redemption Date of such Loan Note.

During an Amortisation Period, payments of principal will not be accumulated by Funding 1 in the Principal Funding Account Ledger for a Loan Note and will instead be paid to the Issuer and credited to the corresponding Note Series ledger in the Issuer Distribution Account (or, if the Issuer has entered into a Swap Agreement in respect of a Note Series backed by such Loan Note and such Swap Agreement is subject to the Redemption Protection Period, as otherwise set out in "Swap Agreements" in the relevant Drawdown Prospectus). As at the date of this Base Prospectus, it is not intended that any Swap Agreement will be subject to the Redemption Protection Period.

Early Redemption Events, Rapid Amortisation Trigger Events and Regulated Amortisation Trigger Events

An **Early Redemption Event** for any Loan Note is any one of the following events and, in respect of a Loan Note, any other event specified as such in the related Loan Note Supplement:

- (a) the occurrence of a Funding 1 Pay Out Event or a Trust Pay Out Event;
- (b) on any Transfer Date, the amount of the Excess Available Funds averaged over the three preceding Monthly Periods is less than the Required Excess Available Funds for such Monthly Period;
- (c) either:
 - (i) over any period of thirty consecutive days the amount of the Adjusted Transferor Interest averaged over that period is less than the Minimum Adjusted Transferor Interest for that period and the Adjusted Transferor Interest does not increase on or before the tenth Business Day following such thirty day period to an amount such that the average of the Adjusted Transferor Interest as a percentage of the average Principal Receivables for such thirty day period, computed by assuming that the amount of the increase of the Adjusted Transferor Interest prior to or including the last day of such ten Business Day period, as compared to the Adjusted Transferor Interest on the last day of such thirty day period, shall be deemed to have existed in the Delamare Cards Receivables Trust during each day of such thirty day period, is at least equal to the Minimum Adjusted Transferor Interest; or
 - (ii) on any Loan Note Record Date the aggregate amount of Eligible Principal Receivables is less than the Minimum Aggregate Principal Receivables (as adjusted for any Trust Series having a companion Trust Series as described in the Supplement for such Trust Series), and the aggregate amount of Eligible Principal Receivables fails to increase to an amount equal to or greater than the Minimum Aggregate Principal Receivables on or before the tenth Business Day following such Loan Note Record Date;
- (d) the Outstanding Principal Amount of that Loan Note shall not be reduced to zero on the Scheduled Redemption Date for such Loan Note; or
- (e) Funding 1 has or will become obliged to deduct or withhold amounts from payments to be made in respect of the Related Debt on any Distribution Date, for or on account of any tax assessment or

other governmental charge imposed, collected or assessed by any jurisdiction as a result of any change in the laws of such jurisdiction or any political subdivision or taxing authority thereof which change becomes effective on or after the Issue Date.

For Loan Notes which are not specified to be Controlled Amortisation Loan Notes, the occurrence of each of the events listed in paragraphs (a) to (e) above will be a **Rapid Amortisation Trigger Event** and will cause a Rapid Amortisation Period to occur in respect of an affected Loan Note.

For Loan Notes which are specified to be Controlled Amortisation Loan Notes, the occurrence of the events listed in paragraphs (b) and (c) will be a **Regulated Amortisation Trigger Event** and will cause a Regulated Amortisation Period to occur in respect of an affected Loan Note and the occurrence of each of the events listed in paragraphs (a), (d) and (e) above will be a **Rapid Amortisation Trigger Event** and will cause a Rapid Amortisation Period to occur in respect of an affected Loan Note.

Broadly, if a Regulated Amortisation Trigger Event occurs, the amortisation for a Loan Note in respect of a Monthly Period will be up to the Maximum Regulated Deposit Amount with any excess of all amounts of LNI Available Principal Amounts that would otherwise be available for repayment of principal in respect of such Loan Note above the Maximum Regulated Deposit Amount being available for re-investment (unless the relevant Drawdown Prospectus/Final Terms/Pricing Supplement states that no Regulated Amortisation Period will apply, in which case a Rapid Amortisation Period will apply even though only a Regulated Amortisation Trigger Event has occurred).

However, if a Rapid Amortisation Trigger Event occurs, amortisation for a Loan Note in respect of a Monthly Period will result in all amounts of LNI Available Principal Amount available for repayment of principal in respect of such Loan Note being used to redeem the Loan Notes.

The **Excess Available Funds** means, in respect of any Monthly Period, an amount equal to the LNI Available Funds less the aggregate of the amounts payable under items (i) to (and including) (ix) of the LNI Available Funds priority of payment set out in "*Funding 1 Cashflows — Application of LNI Available Funds*" below on the Transfer Date relating to such Monthly Period (without reference to any deferral or limited recourse provisions).

The **Required Excess Available Funds** means, with respect to any Monthly Period, an amount equal to zero, **provided, however, that** Funding 1 may, from time to time, change such amount (which will never be less than zero) as long as the Cash Manager has confirmed in writing that in its opinion, formed on the basis of due consideration, the change to such amount will not result in a downgrade or withdrawal of the then current rating of any outstanding notes.

Controlled deposit amount

In respect of distributions of Principal Collections to Funding 1 (in respect of the Funding 1 Beneficial Interest), the **Controlled Deposit Amount** means, in respect of each Loan Note, for the Transfer Date in respect of any Monthly Period with respect to the Accumulation Period following an Accumulation Period Commencement Date for such Loan Note, unless otherwise specified in the Loan Note Supplement for such Loan Note, the sum of:

- (a) the stated monthly accumulation amount for such Loan Note as specified in the Loan Note Supplement and, in the case of Global Loan Note No. 1, as set out in the Drawdown Prospectus/Final Terms/Pricing Supplement for the related Note Series; and
- (b) the Accumulation Shortfall for such Transfer Date,

provided, however, that if the Accumulation Period Length is determined to be less than twelve months, the Controlled Deposit Amount for the Transfer Date for each Monthly Period with respect to the

Accumulation Period for such Loan Note will be equal to (A) the product of (1) the Initial Principal Amount for such Loan Note less the portion of any pre-funding amount standing to the credit of the Principal Funding Account Ledger for such Loan Note and (2) the Accumulation Period Factor for such Monthly Period *divided* by (B) the Required Accumulation Factor Number, *plus* (C) any Accumulation Shortfall, and provided, further, that, if the Cash Manager determines an alternative Accumulation Period Length in accordance with the provisions of the STDCMA, the Controlled Deposit Amount for the Transfer Date for each Monthly Period with respect to the Accumulation Period for such Loan Note will be equal to an amount that, if deposited in the Principal Funding Account on each such Transfer Date, will, when aggregated with the amounts that have been and are to be deposited in such account on each Transfer Date during the Accumulation Period before the relevant Loan Note's Scheduled Redemption Date, cause the balance of the Principal Funding Account to be at least equal to the Nominal Liquidation Amount of such Loan Note on its Scheduled Redemption Date (and, for the avoidance of doubt, such amount shall include the Accumulation Shortfall (if any) for each such Transfer Date).

The **Accumulation Period Factor** means, in respect of each Loan Note, for each Monthly Period, a fraction, the numerator of which is equal to the initial investor interests of all outstanding Trust Series (including the initial investor interest for the De-Linked Trust Series) and the denominator of which is equal to the sum (without duplication) of (a) the initial investor interests of all outstanding Trust Series (other than the De-Linked Trust Series) in Group One (other than companion Trust Series) which are not notified by the Servicer as being predicted to be in their Revolving Periods, (b) the initial investor interests of all other outstanding Trust Series (other than, for the avoidance of doubt, the De-Linked Trust Series) which are not allocating shared Principal Collections and are in their Revolving Periods and (c) the aggregate of the Initial Principal Amount of each Loan Note less the portion of any pre-funding amount credited to the Principal Funding Account Ledger for each such Loan Note which is notified by the Cash Manager as being predicted to have a Targeted Principal Amount greater than zero.

The **Accumulation Period Length** means, on the Determination Date immediately preceding the first Business Day of the month that is less than 18 months prior to the Monthly Period in which the Scheduled Redemption Date of any Loan Note falls (or such other longer or shorter period as may be specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement), and each Determination Date thereafter until the Accumulation Period commences, the period, determined by Funding 1, equal to the number of whole months such that the sum of the Accumulation Period Factors for each month during such period will be equal to or greater than the Required Accumulation Factor Number; **provided, however, that** the Accumulation Period Length will not be determined to be less than one month; **provided further, however, that** the determination of the Accumulation Period Length may be changed at any time if the Cash Manager confirmed in writing that in its opinion, formed on the basis of due consideration, the then current ratings of all Funding 1 Associated Debt will not be reduced or withdrawn with respect to such change.

The **Accumulation Shortfall** shall initially mean zero and shall thereafter mean, with respect to any Transfer Date during the Accumulation Period following an Accumulation Period Commencement Date in respect of a Loan Note, the excess, if any, of the Controlled Deposit Amount for the previous Transfer Date over the aggregate amount credited to the Principal Funding Account Ledger for such Loan Note for the previous Monthly Period.

The **Determination Date** shall mean, unless otherwise specified in a Supplement, the second Business Day prior to each Transfer Date.

The **Required Accumulation Factor Number** means a number equal to a fraction, rounded up to the nearest whole number, the numerator of which is one and the denominator of which is equal to the lowest monthly principal payment rate on the Designated Accounts for the 12 months preceding the date of such calculation.

If the result of the calculation of the Accumulation Period Length is less than 12 months (or such other longer or shorter period as may be specified in the relevant Drawdown Prospectus/Final Terms/Pricing

Supplement), the Servicer may, at its option, postpone the commencement of the Accumulation Period such that the number of months included in the Accumulation Period will be equal to or exceed the Accumulation Period Length. The effect of the foregoing adjustment is to permit the reduction of the length of the Accumulation Period based on the Initial Investor Interest of certain other outstanding Trust Series and the Initial Principal Amount of certain other outstanding Loan Notes which are scheduled to be in their Revolving Periods during the Accumulation Period and on increases in the principal payment rate occurring after the issuance date. The length of the Accumulation Period will not be less than one month.

Pre-funding

As Loan Notes of a subordinate class (which, for the avoidance of doubt, are those classes of Loan Notes which rank junior in priority to another class of Loan Notes (**Subordinated Loan Notes**)) may be issued with Scheduled Redemption Dates prior to the Scheduled Redemption Dates for the Loan Notes of a senior class (which, for the avoidance of doubt, are those classes of Loan Notes which rank senior in priority to another class of Loan Notes (**Senior Loan Notes**)) for which they provide enhancement, principal of such Subordinated Loan Notes can only be repaid if the Repayment Tests referred to below (see "*The Loan Notes – Redemption and early redemption of Loan Notes*" below) are met. In the event such Repayment Tests cannot be met, in order to reduce the length of time such Subordinated Loan Notes will remain outstanding past their Scheduled Redemption Dates and to seek to ensure their redemption prior to their Final Redemption Dates, an amount equal to the Targeted Pre-Funding Amount will be accumulated in the Principal Funding Account until the amount accumulated causes the Adjusted Outstanding Principal Amount of the Senior Loan Notes to be reduced to an amount where the Repayment Tests are met and the principal on the relevant Subordinated Loan Note can be repaid. Such Targeted Pre-Funding Amount will collateralise the subsequent repayment obligation on the portion of Senior Loan Notes supported by the Subordinated Loan Notes which are to be repaid but for the effect of compliance with the Repayment Tests.

The Repayment Tests are set out under "*The Loan Notes – Redemption and early redemption of Loan Notes*" below.

Amounts accumulated in respect of pre-funding amounts will form part of the Amortisation Amount for any Transfer Date and, in the case of Controlled Amortisation Loan Notes, the accumulation of pre-funding amounts to be transferred from the Trustee Collection Account in respect of such Controlled Amortisation Loan Notes, will be subject to the calculation of the Maximum Regulated Deposit Amount.

The **Targeted Pre-Funding Amount** means, on any date for a particular class of Loan Notes, in respect of the aggregate amount of the Loan Notes of that class which are supported by Subordinated Loan Notes, an amount equal to the product of the aggregate amount of the Loan Notes of that class which are supported by Subordinated Loan Notes multiplied by a fraction the numerator being the excess, if any, of (i) the aggregate of the required subordinated amount for each Loan Note in that class over (ii) the aggregate of the Adjusted Outstanding Principal Amount of each Loan Note which is subordinated to that class of Loan Notes (excluding any Loan Notes which were or are due to be repaid for any reason or in respect of which a Loan Note Event of Default has occurred, in each case, in any previous or the current Monthly Period with respect to such date) and the denominator being the aggregate of the required subordinated amount for each Loan Note in that class.

If on any day other than a Transfer Date, the pre-funding amount deposited in the Principal Funding Account exceeds the Targeted Pre-Funding Amount, then, unless a Loan Note is in an Accumulation Period or Amortisation Period (for the avoidance of doubt, other than as a result of pre-funding), the amount of the excess will be used to make a Contribution to the Delamare Cards Receivables Trust and increase the Funding 1 Beneficial Interest accordingly and the relevant Principal Funding Account Ledger will be debited to the extent of the same amount. All pre-funding amounts will be treated as part of LNI Available Principal Amounts on a Transfer Date. If a Loan Note enters into an Accumulation Period or Amortisation Period (for the avoidance of doubt, other than as a result of pre-funding) then the full amount previously deposited as a pre-funding amount in the Principal Funding Account may be used for such accumulation or amortisation

and, in the case of Controlled Amortisation Loan Notes, will not be limited by reference to the calculation of the Maximum Regulated Deposit Amount.

During any period where there is a pre-funding amount deposited in the Principal Funding Account, the Floating Investor Percentage for the Funding 1 Beneficial Interest will be calculated as being increased by the Pre-Funding Percentage. The pre-funding percentage (the **Pre-Funding Percentage**) is a percentage calculated by reference to the increase in the Adjusted Transferor Interest resulting from the accumulation of the pre-funding amount **provided that** the Pre-Funding Percentage will not cause a reduction in the Floating Investor Percentage of any other Trust Series. The Floating Investor Percentage will be used to allocate Finance Charge Collections to the Funding 1 Beneficial Interest while the Floating Investor Percentage less the Pre-Funding Percentage (the **Net Floating Investor Percentage**) will be used to allocate Investor Charge-Offs and Acquired Interchange (see "*Receivables Trustee Cashflows—Application of monies in Trustee Collection Account— Terms of the De-Linked Supplement relating to Funding 1*" below).

The portion of the Finance Charge Collections allocated to the Funding 1 Beneficial Interest based on the Pre-Funding Percentage will only be available to make payments in respect of Pre-Funding Investment Shortfalls on pre-funding amounts deposited in the Principal Funding Account and, to the extent not required, the excess will be treated as Additional Funds and, ultimately, paid to the Transferor as part of Deferred Consideration.

The **Pre-Funding Investment Proceeds** means, with respect to each Transfer Date in relation to any class A Loan Note, class B Loan Note or class C Loan Note, the investment earnings, if any, standing to the credit of the Principal Funding Account Ledger for such Loan Note (net of investment expenses (including taxes) and losses) which have been earned on amounts credited to such Principal Funding Account Ledger in respect of any pre-funding for the class of Loan Note to which such Loan Note belongs, for the period from (and including) the immediately preceding Transfer Date to (but excluding) such Transfer Date.

The **Pre-Funding Investment Shortfall** means, with respect to each Transfer Date, in relation to any class A Loan Note, class B Loan Note or class C Loan Note, the amount, if any, by which the Pre-Funding Investment Proceeds in respect of that Loan Note for such Transfer Date are less than the Pre-Funding Covered Amount for that Loan Note determined as of such Transfer Date.

The **Pre-Funding Covered Amount** means, unless otherwise specified in a global loan note or a Supplement to a Global Loan Note and, in the case of Global Loan Note No. 1, set out in the Drawdown Prospectus/Final Terms/Pricing Supplement for the related Note Series, in relation to any class A Loan Note, class B Loan Note and class C Loan Note, an amount determined as of each Transfer Date equal to the product of (a) the fraction, the numerator of which is the actual number of days in the Related Loan Note Interest Period for such Loan Note and the denominator of which is 365, and (b) the Loan Note interest rate in effect for such Loan Note with respect to such Loan Note Interest Period, and (c) the average amount credited to the Principal Funding Account Ledger for such Loan Note that represents pre-funding for such Loan Note for the Loan Note Interest Period ending on (but excluding) such Transfer Date.

In the event that the whole amount of the Senior Loan Notes need to be pre-funded, an amount of £120,000 (the **Pre-Funding Additional Amount**) will be transferred from LNI Available Funds to form part of LNI Available Principal Amounts to compensate for the restriction on the Funding 1 Beneficial Interest being reduced to less than £120,000 from Principal Collections where there is a pre-funding amount. As a result, the Pre-Funding Percentage of Finance Charge Collections will still be allocated when all Senior Loan Notes are fully pre-funded and the Subordinated Loan Notes are repaid due to the Funding 1 Beneficial Interest retaining a principal interest in the Delamare Cards Receivables Trust. If pre-funding amounts are used to make Contributions to the Delamare Cards Receivables Trust, the Pre-Funding Additional Amount will be transferred from the Principal Funding Account and treated as Additional Funds and, ultimately, paid to the Transferor Beneficiary as part of Deferred Consideration to the extent not utilised.

Required subordinated amount for Loan Notes

The required subordinated amount for a Senior Loan Note is the amount of Subordinated Loan Notes that is required to be outstanding and available to provide subordination for that Senior Loan Note on the date when that Senior Loan Note is issued. This amount will be specified in the related Loan Note Supplement and, in the case of Global Loan Note No. 1, the Drawdown Prospectus/Final Terms/Pricing Supplement of the Note Series which such Loan Note supports. No Loan Note may be issued unless the required subordinated amount for that Loan Note is available at the time of its issuance, as specified in the related Loan Note Supplement and, in the case of Global Loan Note No. 1, such Drawdown Prospectus/Final Terms/Pricing Supplement. The required subordinated amount is also used, in conjunction with usage, to determine the remaining Available Subordinated Amount for a Senior Loan Note and whether a Subordinated Loan Note may be repaid before its Final Redemption Date while Senior Loan Notes are outstanding. Usage, in respect of each Loan Note, is a record of the consumption of the enhancement required by such Loan Note. For further information on the required subordinated amount, please refer to the section entitled "*— Issuance of new Loan Notes*" below.

Subordination of interest and principal

Interest and principal payments on Subordinated Loan Notes will be paid from LNI Available Funds, LNI Available Principal Amounts and from the Series Cash Reserve Account Ledger for the relevant Loan Note as set out in "*Funding 1 Cashflows — Application of LNI Available Funds*" and "*Funding 1 Cashflows — Use of LNI Available Principal Amounts*" below and "*The Reserves and Permitted Investments — Series Cash Reserve Account*" below.

Principal amounts referable to a Loan Note may, after finance charges and other available funds of an income nature have been applied, to the extent of Required Retained Principal Collections first be applied to pay any senior costs shortfall, class A monthly shortfall, class B monthly shortfall, Servicer payment shortfall or Class C monthly shortfall to the extent allocable to that Loan Note. In addition, unless otherwise indicated in the related Supplement to a Global Loan Note, Subordinated Loan Notes bear the risk of reduction in their Nominal Liquidation Amount due to charge-offs from uncovered Investor Default Amounts before Senior Loan Notes. This is as a result of charge-offs from uncovered Investor Default Amounts being allocated first to the most Subordinated Loan Notes thereby reducing the Nominal Liquidation Amount of such Subordinated Loan Notes to zero before the Nominal Liquidation Amount of Senior Loan Notes is reduced.

In addition, principal amounts allocated to a Loan Note will be used to fund targeted credits to the Principal Funding Account Ledgers or principal sub-ledgers of Senior Loan Notes before being applied to the Principal Funding Account Ledgers or principal sub-ledgers of Subordinated Loan Notes.

Redemption and early redemption of Loan Notes

Whenever Funding 1 is to redeem a Loan Note, it will do so only to the extent that finance charges and principal amounts it has received and allocated to that Loan Note are sufficient to redeem that Loan Note in full, and only to the extent that the Loan Notes to be redeemed are not required to provide subordination for Senior Loan Notes. The holder of a Loan Note will have no claim against Funding 1 if Funding 1 fails to make a required redemption of a Loan Note before the Final Redemption Date because no funds are available for that purpose or because the Loan Notes that would otherwise be redeemed are required to provide subordination for Senior Loan Notes. The failure to redeem under these circumstances will not be a Loan Note Event of Default. If, following any payments made on the Final Redemption Date, the Outstanding Principal Amount of a Loan Note is greater than zero, then such Outstanding Principal Amount shall be reduced to zero and no further amounts of interest or principal shall be payable by Funding 1 in respect of such Loan Note.

Funding 1 may only repay principal amounts owing in respect of Loan Notes pursuant to the terms and conditions of the global loan notes, if the following conditions in relation to a class of Loan Note (together, the **Repayment Tests**) are satisfied:

- **Required subordination for repayment of any class B Loan Note**

On the Distribution Date in respect of any class B Loan Note, immediately after making such payment, the Class A Available Subordinated Amount must be at least equal to the Class A Required Subordinated Amount.

- **Required subordination for repayment of any class C Loan Note**

On the Distribution Date in respect of any class C Loan Note, immediately after making such payment, the Class A Available Subordinated Amount must be at least equal to the Class A Required Subordinated Amount and the Class B Available Subordinated Amount must be at least equal to the Class B Required Subordinated Amount.

- **Required subordination for repayment of any class D Loan Note**

On the Distribution Date of any class D Loan Note, immediately after making such payment, the Class A Available Subordinated Amount must be at least equal to the Class A Required Subordinated Amount, the Class B Available Subordinated Amount must be at least equal to the Class B Required Subordinated Amount and the Class C Available Subordinated Amount must be at least equal to the Class C Required Subordinated Amount.

Notwithstanding the above provisions, to the extent that an amount equal to the Targeted Pre-Funding Amount has been accumulated in the Principal Funding Account of the Senior Loan Note in order to enable the relevant Subordinated Loan Note to be repaid before their Scheduled Redemption Date, for the purposes of determining whether the relevant Repayment Test has been satisfied in respect of the proposed repayment of such Subordinated Loan Note, any pre-funding amount recorded in the Principal Funding Account Ledger for the relevant Loan Notes as described in B of each of the definitions of the Class A Required Subordinated Amount, the Class B Required Subordinated Amount or the Class C Required Subordinated Amount shall be excluded in such calculation.

Loan Note Events of Default

A **Loan Note Event of Default** specified in respect of each global loan note and in respect of Global Loan Note No. 1 is any of the following events and, in respect of a Loan Note, any other event specified as such in the relevant Loan Note Supplement:

- (a) *Non-payment*: Funding 1 fails to pay any amount of principal or interest in respect of a Loan Note within 5 Business Days of the due date for payment thereof; or
- (b) *Breach of other obligations*: Funding 1 defaults in the performance or observance of any of its other obligations under or in respect of the global loan note, any Supplement to a Global Loan Note or the STDCMA and the Security Trustee has given written notice thereof to Funding 1, certifying that such default is, in the opinion of the Security Trustee, materially prejudicial to the interests of the holders of Loan Notes of that global loan note and (except where such default is incapable of remedy) such default remains unremedied for 30 days after such notice by the Security Trustee; or
- (c) *Unsatisfied judgment*: one or more judgment(s) or order(s) for the payment of any amount is rendered against Funding 1 and continues unsatisfied and unstayed for a period of 30 days after the date(s) thereof or, if later, the date therein specified for payment; or

- (d) *Loan Note Security enforced*: a secured party takes possession or a receiver, administrative receiver, administrator, examiner, manager or other similar officer is appointed, of the whole or any part of the undertaking, assets and revenues of Funding 1 or an enforcement action is begun or a distress or execution is levied against any of the assets of Funding 1; or
- (e) *Insolvency etc.*: (i) Funding 1 becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator of Funding 1 or the whole or any part of the undertaking, assets and revenues of Funding 1 is appointed (or application for any such appointment is made), (iii) Funding 1 takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its Indebtedness or any guarantee of Indebtedness given by it or (iv) Funding 1 ceases or threatens to cease to carry on all or any substantial part of its business or (v) Funding 1 becomes "bankrupt"; or
- (f) *Winding up etc.*: an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of Funding 1; or
- (g) *Analogous event*: any event occurs which under the laws of the England and Wales has an analogous effect to any of the events referred to in paragraphs (c) to (f) above; or
- (h) *Failure to take action etc.*: any action, condition or thing at any time required to be taken, fulfilled or done in order to (i) enable Funding 1 lawfully to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Loan Notes and the documents relating to the Funding 1 Beneficial Interest or (ii) ensure that those obligations are legal, valid, binding and enforceable (except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganisation or other similar laws affecting the enforcement of the rights of creditors generally and as such enforceability may be limited by the effect of general principles of equity) is not taken, fulfilled or done; or
- (i) *Unlawfulness*: it is or will become unlawful for Funding 1 to perform or comply with any of its obligations under or in respect of a Loan Note or the documents relating to it; or
- (j) *Government intervention*: (i) all or any substantial part of the undertaking, assets and revenues of Funding 1 is condemned, seized or otherwise appropriated by any person acting under the authority of any national, regional or local government or (ii) Funding 1 is prevented by any such person from exercising normal control over all or any substantial part of its undertaking, assets and revenues.

Upon the occurrence of a Loan Note Event of Default, the Security Trustee may enforce part or all of the Loan Note Security in respect of the Loan Notes of each global loan note, subject to it being indemnified and/or secured to its satisfaction including the Loan Notes of Global Loan Note No. 1.

Payments on Loan Notes

Funding 1, the Security Trustee, the registrar of the Loan Notes and any agent of Funding 1 or of the Security Trustee will treat the registered holder of any Loan Note as the absolute owner of that Loan Note, whether or not the Loan Note is overdue and notwithstanding any notice to the contrary, for the purpose of making payment and for all other purposes.

Funding 1 will make payments on a Loan Note to the registered holder of the Loan Note by the close of business on the Loan Note Record Date established for the related Distribution Date.

If any withholding or deduction for or on account of any taxes, duties, assessments or government charges is imposed, levied, collected, withheld or assessed on payments of principal or interest on any Loan Note by any jurisdiction or any political subdivision or authority in or of any jurisdiction having power to tax,

payments by Funding 1 will be reduced accordingly and neither Funding 1, nor the Security Trustee, will be required to make any additional payments to the holders of the Loan Notes for that withholding or deduction. Such reduced payments will not be treated as deferred payments and, accordingly, will not bear Additional Interest. As at the date of this Base Prospectus, Funding 1 should not be liable to make any such deduction or withholding for or on account of United Kingdom income tax provided that it forms a reasonable belief, at the time such payment is made, that the holder of the relevant Loan Note is a company resident in the United Kingdom and is beneficially entitled to that payment and no direction has been issued by HM Revenue & Customs (**HMRC**) pursuant to section 931 of the Income Tax Act 2007 to Funding 1 in relation to such payment.

The **Loan Note Record Date** in respect of any Transfer Date or Distribution Date means the last Business Day of the preceding Monthly Period, unless otherwise specified in the related Loan Note Supplement and the Drawdown Prospectus/Final Terms/Pricing Supplement of the Note Series which such Loan Note supports.

Final repayment of the Loan Notes

Holders of Loan Notes will not receive payment of principal in excess of the Outstanding Principal Amount of that Loan Note.

A Loan Note will be considered to be paid in full, the holder of that Loan Note will have no further right or claim, and Funding 1 will have no further obligation or liability for principal or interest, on the earlier to occur of:

- the date of the payment in full of the Outstanding Principal Amount of and all accrued, past due and Additional Interest on that Loan Note; or
- the Final Redemption Date for that Loan Note after giving effect to all deposits, allocations, reallocations and payments to be made on that date.

Refinancing of a Loan Note

Funding 1 may refinance a Loan Note through the issuance of a new Loan Note or a further advance under a Series of Class D VFN Loan Note (see "*The Loan Notes – The Class D VFN Loan Notes*" below). The proceeds received from the issuance of the new Loan Note, or from a further advance under a Series of Class D VFN Loan Note, shall then be used by Funding 1 to redeem the existing Loan Note. Such proceeds would not form part of LNI Available Funds or LNI Available Principal Amounts and any excess over the amount used for redemption will be used to make a Contribution to the Receivables Trust. The Issuer shall then redeem the corresponding Note Series in full in accordance with Condition 7(c) (*Optional Early Redemption in Full*).

The Loan Note Supplement for the relevant existing Loan Note shall also specify if the Transferor may subscribe for the new Loan Note issued in order to refinance the relevant existing Loan Note.

The issuance of the new Loan Note will be subject to the Issuance Tests being met and the redemption of the existing Loan Note will be subject to the Repayment Tests being met.

Funding 1 may also refinance a Loan Note if the Transferor Beneficiary makes a Refinancing Contribution to the Receivables Trustee. The proceeds of the Refinancing Contribution will be applied by the Receivables Trustee to make a Refinancing Distribution to the Loan Note Issuer specified in the Refinancing Notice. The Loan Note Issuer will be required to apply the proceeds to redeem the Loan Note designated by the Transferor Beneficiary. Such proceeds would not form part of LNI Available Funds or LNI Available Principal Amounts and any excess over the amount used for redemption will be used to make a Contribution to the Delamare Cards Receivables Trust. The Issuer shall then redeem the corresponding Note Series in

accordance with Condition 7(c) (*Optional Early Redemption in Full*). A Class D VFN Loan Note (and the corresponding Note Series) may be redeemed in whole or in part. Other classes of Loan Note (and Note Series) may be redeemed in whole but not in part. See "*The Delamare Cards Receivables Trust – Refinancing Contribution and Refinancing Distribution*".

Issuance of new Loan Notes

Unless otherwise specified in the related Loan Note Supplement and which will be set out in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement of the Note Series which such Loan Note supports, Funding 1 may only issue a new Loan Note, or increase the Outstanding Principal Amount of an existing Loan Note (including for the avoidance of doubt in respect of a Class D VFN Loan Note), if the following conditions (together, the **Issuance Tests**) are satisfied:

Increase in Required Series Cash Reserve Account Amount or Required Programme Reserve Account Amount

If the issuance of a Loan Note results in an increase in the Required Series Cash Reserve Account Amount of any Loan Note (or, as applicable, Loan Notes) or the Required Programme Reserve Account Amount, on such date Funding 1 will have deposited an amount equal to the amount of such increase into the Series Cash Reserve Account for the credit of the relevant Series Cash Reserve Account Ledger maintained in respect of each affected Loan Note (or, as applicable, Loan Notes) and/or into the Programme Reserve Account, as the case may be.

For the class A Loan Notes,

On the Issue Date for that Loan Note after giving effect to the issuance of that Loan Note, the Class A Available Subordinated Amount must be equal to or greater than the Class A Required Subordinated Amount.

The **Class A Required Subordinated Amount** is calculated, on any date, as the product of A x B where:

A = the highest Class A Required Subordinated Percentage currently specified in respect of any class A Loan Note then outstanding; and

B = the sum of (a) the Adjusted Outstanding Principal Amount of all Loan Notes on such date (after giving effect to any payments of principal to be made on the Loan Notes on such date) plus (b) any pre-funding amount recorded in the Principal Funding Account Ledger for any Loan Note.

The **Class A Required Subordinated Percentage** has the meaning set out in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement.

The **Class A Available Subordinated Amount** is calculated, on any date, as the sum of (a) the aggregate of the Adjusted Outstanding Principal Amounts of class B Loan Notes, class C Loan Notes and class D Loan Notes (after giving effect to any issuances, deposits, allocations, re-allocations or repayments of principal to be made on the Loan Notes on such date); (b) the Available Programme Reserve Account Amount (if any) on deposit in the Programme Reserve Account on such date; and (c) any pre-funding amounts recorded in the Principal Funding Account Ledger for any of the class B Loan Notes and class C Loan Notes on such date.

For the class B Loan Notes,

On the Issue Date for that Loan Note after giving effect to the issuance of that Loan Note, the Class B Available Subordinated Amount must be equal to or greater than the Class B Required Subordinated Amount.

The **Class B Required Subordinated Amount** is calculated, on any date, as the product of A x B where:

A = the highest Class B Required Subordinated Percentage currently specified in respect of any class B Loan Note then outstanding; and

B = the sum of (a) the Adjusted Outstanding Principal Amount of all Loan Notes on such date (after giving effect to any payments of principal to be made on the Loan Notes on such date) plus (b) any pre-funding amount recorded in the Principal Funding Account Ledger for any Loan Note.

The **Class B Required Subordinated Percentage** has the meaning set out in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement.

The **Class B Available Subordinated Amount** is calculated, on any date, as the sum of (a) the aggregate of the Adjusted Outstanding Principal Amounts of class C Loan Notes and class D Loan Notes (after giving effect to any issuances, deposits, allocations or re-allocations or repayments of principal to be made on the Loan Notes on such date); and (b) the Available Programme Reserve Account Amount (if any) on deposit in the Programme Reserve Account on such date; and (c) any pre-funding amounts recorded in the Principal Funding Account Ledger for any class C Loan Note.

For the class C Loan Notes,

On the Issue Date for that Loan Note after giving effect to the issuance of that Loan Note, the Class C Available Subordinated Amount must be equal to or greater than the Class C Required Subordinated Amount.

The **Class C Required Subordinated Amount** is calculated, on any date, as the product of A x B where:

A = the highest Class C Required Subordinated Percentage currently specified in respect of any class C Loan Note then outstanding; and

B = the sum of (a) the Adjusted Outstanding Principal Amount of all Loan Notes on such date (after giving effect to any payments of principal to be made on the Loan Notes on such date) plus (b) any pre-funding amount recorded in the Principal Funding Account Ledger for any Loan Note.

The **Class C Required Subordinated Percentage** has the meaning set out in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement.

The **Class C Available Subordinated Amount** is calculated, on any date, as the sum of (a) the aggregate of the Adjusted Outstanding Principal Amounts of the class D Loan Notes corresponding to all Note Series (after giving effect to any issuances, deposits, allocations, re-allocations or repayments of principal to be made on the Loan Notes on such date); and (b) the Available Programme Reserve Account Amount (if any) on deposit in the Programme Reserve Account on such date.

Funding 1 is not required to provide prior notice to, permit any prior review by or to obtain the consent of any Loan Note Holder of an outstanding Loan Note to issue any additional Loan Note. There are no restrictions on the timing or amount of any additional issuance of Loan Notes, so long as the conditions described above are met.

Funding 1 may from time to time, without notice to, or the consent of, the registered holders of a Loan Note, increase the Outstanding Principal Amount of a Loan Note so long as the conditions described above are met.

When issued, the additional Loan Notes will be identical in all respects to the other outstanding Loan Notes of that class equally and rateably entitled to the benefits of the STDCMA, the relevant global loan note and

the related Supplement to a Global Loan Note as applicable to the previously issued Loan Notes of that class without preference, priority or distinction.

The Class D VFN Loan Notes

Increase to the Outstanding Principal Amount and Maximum Principal Amount of the Class D VFN Loan Notes

From time to time, the Cash Manager may, on behalf of Funding 1, during the period from but excluding the issuance date of the relevant Class D VFN Loan Note to and including the Loan Note Interest Payment Date preceding the Scheduled Redemption Date (the **Drawdown Period**) request a further advance of principal in respect of a Series of Class D VFN Loan Note and, if applicable, an increase in the Maximum Principal Amount of the relevant Series of Class D VFN Loan Note.

The holder of the relevant Series of Class D VFN Loan Note shall in turn request a further advance of principal in respect of the corresponding Series of class D VFN note and, if applicable, an increase in the Maximum Principal Amount of such Series of class D VFN note.

Any further advance under a Series of Class D VFN Loan Note (and corresponding increase in the Outstanding Principal Amount of the relevant Class D VFN Loan Note and, if applicable, the Maximum Principal Amount) is subject to, *inter alia*, the Issuance Tests being met on the Drawdown Date and the Outstanding Principal Amount of the relevant Series of Class D VFN Loan Note, as increased by the further advance, not exceeding the Maximum Principal Amount.

Repayment of Class D VFN Loan Notes

Principal in respect of a Class D VFN Loan Note may be repaid in whole or in part on any Loan Note Interest Payment Date. Any repayment of the Class D VFN Loan Notes (and corresponding decrease in the Outstanding Principal Amount of the relevant Series of Class D VFN Loan Note) is subject to, *inter alia*, the Repayment Tests being met on the relevant Loan Note Interest Payment Date.

Re-borrowing

Subject to satisfying the conditions set out in "*Increase to the Outstanding Principal Amount and Maximum Principal Amount of the Class D VFN Loan Notes*" above, Funding 1 may request the advance of any principal amount repaid under a Series of Class D VFN Loan Note.

Reduction in Maximum Principal Amount

If Funding 1 receives notice from a class D VFN Noteholder of a decrease in the Maximum Principal Amount of the relevant Series of class D VFN note, then the Maximum Principal Amount of the corresponding Series of Class D VFN Loan Note shall decrease by a corresponding amount.

The Expenses Loan Agreement

On the date that Global Loan Note No. 1 was issued, Funding 1 (as borrower) entered into a loan agreement (as amended and/or varied or supplemented and/or novated from time to time) (the **Expenses Loan Agreement**) with TPF (as the initial **Expenses Loan Provider**) under which the Expenses Loan Provider made and will make advances to Funding 1 utilised and to be utilised by Funding 1 from time to time in meeting certain costs and expenses of Funding 1 relating to the issuance of Loan Notes, including the costs of the Issuer as subscriber for those Loan Notes, and in funding certain reserves. The amounts outstanding under the Expenses Loan Agreement, together with interest thereon, will be repaid out of LNI Available Funds on each Transfer Date (see "*Funding 1 Cashflows — Application of LNI Available Funds*"). Repayments of principal may be made by monthly instalments (where an advance was used to meet costs

and expenses) or as amounts are released from reserves and on scheduled maturity (where an advance was used to fund reserves).

THE RESERVES AND PERMITTED INVESTMENTS

Accumulation Reserve Account and Accumulation Reserve Account Ledgers

Funding 1 has established and will maintain Accumulation Reserve Accounts at one or more Qualified Institutions (currently HSBC Bank plc at its branch located at 8 Canada Square, London E14 5HQ and Elavon Financial Services DAC, UK Branch at 125 Old Broad Street, Fifth Floor, London EC2N 1AR) (the **Accumulation Reserve Account**). Funding 1 will also establish ledgers in respect of the Accumulation Reserve Account in respect of each Loan Note specified as an **Accumulation Reserve Account Ledger** in respect of the relevant Loan Note. Each Accumulation Reserve Account Ledger will be established to assist with the payment by Funding 1 of the Monthly Distribution Amount for the relevant Loan Note during the Accumulation Period for that Loan Note. The **Monthly Distribution Amount** in respect of a Loan Note comprises, in relation to a Monthly Period, the monthly interest amount, any deferred interest and any additional interest in each case payable in respect of such Loan Note as specified in the relevant Loan Note Supplement.

On each Transfer Date from and after the Accumulation Reserve Account Funding Date for a Loan Note but prior to the termination of the Accumulation Reserve Account Ledger for that Loan Note, Funding 1 will apply certain amounts of LNI Available Funds in the priority described below in "*Funding 1 Cashflows — Use of LNI Available Funds*" to increase the amount credited to the Accumulation Reserve Account Ledger for that Loan Note (to the extent such amount is less than the Required Accumulation Reserve Account Amount for that Loan Note).

The **Accumulation Reserve Account Funding Date** shall mean, unless otherwise specified in the related Loan Note Supplement and set out in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, in respect of an Accumulation Period following an Accumulation Period Commencement Date in respect of a Loan Note the Transfer Date which occurs not later than the earliest of:

- (a) the Transfer Date with respect to the Monthly Period which commences 3 months prior to the commencement of the Accumulation Period for such Loan Note; or
- (b) the first Transfer Date for which the Quarterly Excess Available Funds Percentage is less than 2 per cent., but in such event the Accumulation Reserve Account Funding Date shall not be required to occur earlier than the Transfer Date with respect to the Monthly Period which commences 12 months prior to the commencement of the Accumulation Period for such Loan Note; or
- (c) the first Transfer Date for which the Quarterly Excess Available Funds Percentage is less than 4 per cent., but in such event the Accumulation Reserve Account Funding Date shall not be required to occur earlier than the Transfer Date with respect to the Monthly Period which commences 6 months prior to the commencement of the Accumulation Period for such Loan Note; or
- (d) the first Transfer Date for which the Quarterly Excess Available Funds Percentage is less than 6 per cent., but in such event the Accumulation Reserve Account Funding Date shall not be required to occur earlier than the Transfer Date with respect to the Monthly Period which commences 3 months prior to the commencement of the Accumulation Period for such Loan Note,

provided, however, that if the Accumulation Period Length is determined to be one month there shall be no Accumulation Reserve Account Funding Date for such Loan Note and no amounts shall be accumulated in the Accumulation Reserve Account to the credit of the Accumulation Reserve Account Ledger maintained for such Loan Note pursuant to the STDCMA.

The **Excess Available Funds Percentage** means, with respect to any Transfer Date, the percentage, if any, by which the Portfolio Yield for the preceding Monthly Period exceeds the Expense Rate for such Monthly Period.

The **Expense Rate** means, with respect to any Monthly Period, the sum of:

- (a) the annualised percentage equivalent of a fraction, the numerator of which is the Senior Costs Items for such Monthly Period and the denominator of which is the weighted average Floating Calculation Investor Interest Amount for such Monthly Period;
- (b) the weighted average (based on the Outstanding Principal Amount of the Related Debt) of the Rate of Interest applicable to each Loan Note for the period from (and including) the Loan Note Interest Payment Date for such Loan Note in such Monthly Period to (but excluding) the Loan Note Interest Payment Date for such Loan Note in the following Monthly Period; and
- (c) the annualised percentage equivalent of a fraction, the numerator of which is the Investor Servicing Fee Amount for such Monthly Period and the denominator of which is the weighted average Floating Calculation Investor Interest Amount for such Monthly Period.

The **Portfolio Yield** means, with respect to any Monthly Period, the annualised percentage equivalent of a fraction:

- (a) the numerator of which is equal to the sum of:
 - (1) the aggregate amount of LNI Available Funds (excluding for these purposes the amount of any Programme Reserve Draw Amount which would otherwise be included in such LNI Available Funds) with respect to such Monthly Period (without double counting in respect of the Group A (Finance Charge Collections) Shared Excess Available Funds); *minus*
 - (2) the aggregate Investor Default Amount for such Monthly Period; and
- (b) the denominator of which is the weighted average Floating Calculation Investor Interest Amount for such Monthly Period.

The **Quarterly Excess Available Funds Percentage** means, unless otherwise specified in the related Loan Note Supplement and, in respect of Global Loan Note No. 1, set out in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, with respect to each Transfer Date, the percentage equivalent of a fraction, the numerator of which is the sum of the Excess Available Funds Percentages with respect to the immediately preceding three Monthly Periods and the denominator of which is three.

The **Accumulation Reserve Account Surplus** means, with respect to any Transfer Date on or after the Accumulation Reserve Account Funding Date for a Loan Note, the amount, if any, by which the amount on deposit in the Accumulation Reserve Account and credited to the Accumulation Reserve Account Ledger for that Loan Note exceeds the Required Accumulation Reserve Account Amount for such Loan Note.

The **Required Accumulation Reserve Account Amount** for any Loan Note on any Transfer Date on or after the Accumulation Reserve Account Funding Date will be specified in the Supplement to a Global Loan Note and, in respect of Global Loan Note No. 1, set out in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement for the related Note Series.

Amounts on deposit to the credit of the Accumulation Reserve Account Ledger for a Loan Note on any Transfer Date (after giving effect to any credits to, or debits from, such Accumulation Reserve Account Ledger to be made on such Transfer Date) may be invested by Funding 1 in Permitted Investments. The interest and other investment income (net of investment expenses (including taxes) and losses) earned on such investments will be retained in the Accumulation Reserve Account Ledger (to the extent that the

amount standing to the credit of such ledger is less than the Required Accumulation Reserve Account Amount for that Loan Note) or, *inter alia*, credited to the Funding 1's Finance Charge Collection Ledger for application as LNI Available Funds on the related Transfer Date.

On or before each Transfer Date with respect to the Accumulation Period for a Loan Note prior to the payment in full of the relevant Loan Note and, as applicable, on the first Transfer Date for the Regulated Amortisation Period or the Rapid Amortisation Period for that Loan Note, Funding 1 shall calculate the **Accumulation Reserve Draw Amount** which shall be equal to the Principal Funding Investment Shortfall for such Loan Note with respect to such Transfer Date with respect to the Accumulation Period or, as applicable, the first Transfer Date for the earlier of the Regulated Amortisation Period and the Rapid Amortisation Period for such Loan Note. Such amount will be reduced to the extent that funds otherwise would be available for deposit (and apart from such reduction would be required to be deposited) in the Accumulation Reserve Account and credited to the Accumulation Reserve Account Ledger for such Loan Note with respect to such Transfer Date.

The **Principal Funding Investment Shortfall** means, with respect to each Transfer Date in relation to any Loan Note, the amount, if any, by which the Principal Funding Investment Proceeds in respect of that Loan Note for such Transfer Date are less than the Principal Funding Covered Amount for that Loan Note determined as of such Transfer Date.

The **Principal Funding Investment Proceeds** means, with respect to each Transfer Date in relation to any class A Loan Note, class B Loan Note or class C Loan Note, the investment earnings, if any, standing to the credit of the Principal Funding Account Ledger for such Loan Note (net of investment expenses (including taxes) and losses) which have been earned on amounts credited to such Principal Funding Account Ledger which do not represent any pre-funding for the class of Loan Note to which such Loan Note belongs, for the period from (and including) the immediately preceding Transfer Date to (but excluding) such Transfer Date.

The **Group A (Finance Charge Collections) Shared Excess Available Funds** shall mean the aggregate of the amount of funds in respect of each Trust Series that is a member of Group A (Finance Charge Collections) to be treated as Shared Excess Available Funds in accordance with the related supplement or other documentation for such Trust Series.

The **Principal Funding Covered Amount** shall mean, unless otherwise specified in a global loan note or a Supplement to a Global Loan Note and set out in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement for the related Note Series, in relation to any Loan Note, an amount determined as of each Transfer Date equal to the product of (a) the fraction, the numerator of which is the actual number of days in the Related Loan Note Interest Period for such Loan Note and the denominator of which is 365, (b) the Loan Note interest rate in effect for such Loan Note with respect to such Loan Note Interest Period, and (c) the average amount credited to the Principal Funding Account Ledger for such Loan Note that does not represent pre-funding for the Monthly Period preceding such Transfer Date.

In the event that for any Transfer Date, the Accumulation Reserve Draw Amount for a Loan Note is greater than zero, then the Accumulation Reserve Draw Amount, up to the Available Accumulation Reserve Account Amount, shall be withdrawn from the amount deposited in the Accumulation Reserve Account standing to the credit of the Accumulation Reserve Account Ledger for such Loan Note on such Transfer Date by Funding 1 and then deposited in the Funding 1 Distribution Account and credited to Funding 1's Finance Charge Collections Ledger and shall be included in the LNI Available Funds for such Transfer Date.

In the event that the Accumulation Reserve Account Surplus for a Loan Note on any Transfer Date, after giving effect to all deposits to and withdrawals from the amounts in the Accumulation Reserve Account standing to the credit of the Accumulation Reserve Account Ledger with respect to such Transfer Date, is greater than zero, then Funding 1 shall withdraw an amount equal to such Accumulation Reserve Account Surplus for that Loan Note and then pay an amount equal to this amount to the Receivables Trustee by way

of additional consideration for the grant of Funding 1's interest in the Delamare Cards Receivables Trust (identified as **Accumulation Reserve Account Surplus Amount**).

The **Available Accumulation Reserve Account Amount** means, for any Loan Note with respect to any Transfer Date, the lesser of (a) the amount standing to the credit of the Accumulation Reserve Account Ledger for that Loan Note on such date (before giving effect to any deposit made or to be made as described above into the Accumulation Reserve Account for credit to the Accumulation Reserve Account Ledger for such Loan Note on such date), and (b) the Required Accumulation Reserve Account Amount for such Loan Note.

Upon the earliest to occur of:

- the termination of Delamare Cards Receivables Trust;
- the first Transfer Date for the Regulated Amortisation Period (if any) or the Rapid Amortisation Period for a Loan Note; and
- the Transfer Date immediately preceding the Scheduled Redemption Date for a Loan Note,

Funding 1 shall withdraw the amounts deposited in the Accumulation Reserve Account standing to the credit of the Accumulation Reserve Account Ledger for that Loan Note and pay an amount equal to this amount to the Receivables Trustee by way of additional consideration identified as the Accumulation Reserve Account Surplus Amount. After this distribution from the amounts deposited in the Accumulation Reserve Account standing to the credit of the Accumulation Reserve Account Ledger for that Loan Note has been made, the Accumulation Reserve Account Ledger for that Loan Note shall be deemed to have been terminated for the purposes of the STDCMA.

Programme Reserve Account

Funding 1 may establish and maintain programme reserve accounts at one or more Qualified Institutions (currently HSBC Bank plc at its branch located at 8 Canada Square, London E14 5HQ and Elavon Financial Services DAC, UK Branch at 125 Old Broad Street, Fifth Floor, London EC2N 1AR) (the **Programme Reserve Account**). The Programme Reserve Accounts will be established to assist with the payment by Funding 1 of amounts payable on each Loan Note.

On each Transfer Date, Funding 1 will apply LNI Available Funds in the order of priority described in "*Funding 1 Cashflows — Application of LNI Available Funds*" to increase the amount on deposit in the Programme Reserve Account, up to the Required Programme Reserve Account Amount.

On each Transfer Date, after giving effect to any deposit to be made to, and any withdrawal to be made from, the Programme Reserve Account on that Transfer Date, Funding 1 will withdraw from the Programme Reserve Account an amount equal to the excess, if any, of the amount on deposit (after taking into account interest and income earned on the investments) in the Programme Reserve Account over the Required Programme Reserve Account Amount. Funding 1 will distribute this Programme Reserve Account Surplus to the Receivables Trustee as Additional Funds and it will cease to be the property of Funding 1.

Amounts on deposit in the Programme Reserve Account on any Transfer Date may be invested in Permitted Investments. This will be done after giving effect to any deposits to, or withdrawals from, the Programme Reserve Account to be made on that Transfer Date. The interest and other income – net of investment expenses (including taxes) and losses – earned on the investments will be retained in the Programme Reserve Account to the extent that the amount on deposit in the Programme Reserve Account is less than the Required Programme Reserve Account Amount.

On each Transfer Date, Funding 1 will withdraw the Programme Reserve Draw Amount from the amount on deposit in the Programme Reserve Account and deposit it in the Funding 1 Distribution Account for credit to the Funding 1's Finance Charge Collection Ledger to be included in LNI Available Funds. The amount of this withdrawal will be reduced to the extent LNI Available Funds would be available for deposit in the Programme Reserve Account.

Upon the earlier to occur of:

- the termination of the Delamare Cards Receivables Trust; and
- the Funding 1 Termination Date,

Funding 1, after taking into account all other deposits and withdrawals in respect of the Programme Reserve Account on such date shall withdraw all amounts on deposit in the Programme Reserve Account and pay an amount equal to such amounts to the Receivables Trustee as Additional Funds on such date. After this distribution from the Programme Reserve Account has been made, the Programme Reserve Account shall be regarded as having been terminated.

The amount targeted to be deposited in the Programme Reserve Account on any Transfer Date from LNI Available Funds is equal to the aggregate of each amount of the excess, if any, of the Required Programme Reserve Account Amount over the Available Programme Reserve Account Amount on such Transfer Date. If the amount of LNI Available Funds available to be deposited into the Programme Reserve Account on such Transfer Date is less than the targeted amount, then Funding 1 shall transfer to the Programme Reserve Account the total amount of LNI Available Funds available to be transferred on such Transfer Date in respect of the funding of the Programme Reserve Account provided that such amount shall not be greater than the amount by which the Required Programme Reserve Account Amount exceeds the Available Programme Reserve Account Amount.

For the purposes of the above, the following definitions are required:

The **Programme Reserve Draw Amount** means, with respect to any Transfer Date, an amount equal to the lesser of (A) (a) an amount equal to the product of (i) the percentage, if any, by which the Expense Rate for the preceding Monthly Period exceeds the maximum of (x) the Portfolio Yield for such Monthly Period and (y) zero, and (ii) the weighted average Floating Calculation Investor Interest Amount for such Monthly Period; minus (b) the aggregate Total Withdrawal Amount distributed from the Series Cash Reserve Account applied on such Transfer Date in making payments of the Monthly Distribution Amount for each Loan Note; and (B) the Available Programme Reserve Account Amount.

The **Programme Reserve Account Percentage** means the greater of (a) zero and (b) the percentage confirmed in writing by the Cash Manager as being required to support the then current ratings of any Associated Debt outstanding or about to be issued provided that such percentage in (b) cannot be reduced thereafter unless the Cash Manager confirms in writing that in its opinion, formed on the basis of due consideration, such reduction will not adversely affect the then current ratings of any Associated Debt outstanding.

The **Programme Reserve Account Surplus** means, with respect to any Transfer Date, the amount, if any, by which item (a) of the definition of Available Programme Reserve Account Amount exceeds the Required Programme Reserve Account Amount.

The **Available Programme Reserve Account Amount** means, with respect to any Transfer Date, the lesser of (a) the amount on deposit in the Programme Reserve Account on such date (before giving effect to any credit made or to be made to the Programme Reserve Account Ledger on such date from LNI Available Funds), and (b) the Required Programme Reserve Account Amount.

The **Required Programme Reserve Account Amount** means, on each Transfer Date, the amount equal to the product of (i) the Programme Reserve Account Percentage for such Transfer Date and (ii) the sum of the Initial Principal Amounts of all Loan Notes outstanding as of the last day of the preceding Monthly Period.

Series Cash Reserve Account

Funding 1 has established and will maintain separate cash reserve accounts at one or more Qualified Institutions (currently HSBC Bank plc at its branch located at 8 Canada Square, London E14 5HQ and Elavon Financial Services DAC, UK Branch at 125 Old Broad Street, Fifth Floor, London EC2N 1AR) (the **Series Cash Reserve Account**) for the purpose of providing credit enhancement for an individual Loan Note (or, if specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, for Loan Notes of more than one series) issued. Funding 1 will also establish a ledger in the Series Cash Reserve Account in respect of such Loan Note (or Loan Notes) and specify such ledger as a **Series Cash Reserve Account Ledger**. There may be more than one Series Cash Reserve Account Ledger in the Series Cash Reserve Accounts. Each Series Cash Reserve Account Ledger will be established to assist with the payment by Funding 1 of amounts payable on the relevant Loan Note (or Loan Notes) and will be considered to be a separate Series Cash Reserve Account.

Amounts deposited in each Series Cash Reserve Account will be (i) calculated as referable to the relevant Loan Note (or, if specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, for Loan Notes of more than one series) to the extent of amounts credited to any Series Cash Reserve Account Ledger for such Loan Note (or Loan Notes) and investment earnings thereon required for the Required Series Cash Reserve Account Amount less the aggregate of all Total Withdrawal Amounts withdrawn from time to time which utilised amounts are calculated as referable to that Loan Note (or those Loan Notes); and (ii) calculated as referable to Funding 1 to the extent of investment earnings on amounts credited to such Series Cash Reserve Account Ledger not required in (i) above which are to be paid by Funding 1 to the Receivables Trustee as Additional Funds and identified as **Investment Proceeds**.

Funding 1 shall:

- on each Transfer Date deposit in the Series Cash Reserve Account to the credit of the relevant Series Cash Reserve Account Ledger an amount, if any, equal to the entitlement of the relevant Loan Note (or, if specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, for Loan Notes of more than one series) in respect of which such Series Cash Reserve Account Ledger is maintained; and
- make withdrawals from the Series Cash Reserve Account in respect of amounts credited to each Series Cash Reserve Account Ledger from time to time:
 - (a) in priority (i) on each Transfer Date in the amount up to the Available Series Cash Reserve Account Amount for the relevant Loan Note (or Loan Notes) corresponding to such Series Cash Reserve Account Ledger at such time to pay the Monthly Distribution Amount for such Loan Note (or Loan Notes), to the extent necessary after applying LNI Available Funds (but excluding, for the purposes of this calculation, the amount of any Programme Reserve Draw Amount which would otherwise be included in such LNI Available Funds) and (ii) on the Release Date for the relevant Loan Note or Loan Notes, an amount up to the Available Series Cash Reserve Account Amount for the relevant Loan Note or Loan Notes, but no greater than the Nominal Liquidation Amount Deficit for such Loan Note (the aggregate of (i) and (ii) constituting the **Total Withdrawal Amount** for the relevant Loan Note (or Loan Notes)); and
 - (b) to make a payment of Additional Funds to the Receivables Trustee to the extent of any excess investment earnings or Series Cash Reserve Account Surplus (on any Transfer Date

or upon termination of such Series Cash Reserve Account Ledger for the relevant Loan Note (or Loan Notes)).

Funds standing to the credit of each Series Cash Reserve Account Ledger may be invested by Funding 1 in Permitted Investments.

On each Transfer Date, an amount equal to all interest and investment earnings (net of losses and investment expenses (including taxes)) earned during the period immediately preceding such Transfer Date on the funds standing to the credit of each Series Cash Reserve Account Ledger will:

- be retained in such Series Cash Reserve Account Ledger to the extent that the Available Series Cash Reserve Account Amount for the relevant Loan Note (or Loan Notes) is less than the Required Series Cash Reserve Account Amount for such Loan Note (or Loan Notes) taking into account any amounts to be credited on that Transfer Date; and
- to the extent of any amount remaining after the application described above, be debited from such Series Cash Reserve Account Ledger and paid to the Receivables Trustee as Additional Funds and identified as **Investment Proceeds** on such Transfer Date.

Upon the earlier to occur of:

- the termination of the Delamare Cards Receivables Trust; and
- the Funding 1 Termination Date,

Funding 1, after taking into account all other deposits and withdrawals in respect of the Series Cash Reserve Account on such date, shall withdraw all amounts on deposit in the Series Cash Reserve Account and pay an amount equal to such amounts to the Receivables Trustee as Additional Funds on such date. After this distribution from the Series Cash Reserve Account has been made, the Series Cash Reserve Account shall be regarded as having been terminated.

The amount targeted to be deposited in the Series Cash Reserve Account on any Transfer Date from LNI Available Funds is equal to the aggregate of each amount of the excess, if any, of the Required Series Cash Reserve Account Amount for each Loan Note (or Loan Notes) over the Available Series Cash Reserve Account Amount for such Loan Note (or Loan Notes) on such Transfer Date.

If the amount of LNI Available Funds available to be deposited into the Series Cash Reserve Account on such Transfer Date is less than the targeted amount for all Loan Notes that have a Required Series Cash Reserve Account Amount, then Funding 1 shall allocate, among classes of Loan Notes that have a Required Series Cash Reserve Account Amount pursuant to item (xi) in "*Funding 1 Cashflows — Application of LNI Available Funds*" below. Following such allocation, to the extent that there is a shortfall in respect of the targeted amount for the relevant Loan Notes of the same class, Funding 1 shall allocate and credit for each Loan Note to its Series Cash Reserve Account Ledger an amount equal to the product of (i) the total amount of LNI Available Funds transferred in respect of such class on such Transfer Date in respect of the funding of the Series Cash Reserve Account and (ii) a fraction the numerator of which is the Required Series Cash Reserve Account Amount for the related Monthly Period for the relevant Loan Note in relation to which such Series Cash Reserve Account Ledger is maintained and the denominator of which is the aggregate of the Required Series Cash Reserve Account Amounts for the related Monthly Period for each outstanding Loan Note in the same class which on such Transfer Date has a Required Series Cash Reserve Account Amount greater than its Available Series Cash Reserve Account Amount **provided that** such amount shall not be greater than the amount by which the Required Series Cash Reserve Account Amount for such Loan Note exceeds the Available Series Cash Reserve Account Amount for such Loan Note. Any surplus following such calculation will be reallocated on the same basis until all of the relevant amount of LNI Available Funds is allocated.

For the purposes of the above, the following definitions are required:

The **Series Cash Reserve Account Percentage** means, in respect of each Loan Note (or, if applicable, Loan Notes), the percentage set out in the Loan Note Supplement for such Loan Note (or, if applicable, Loan Notes) and as set out in respect of Global Loan Note No. 1 in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement for the related Note Series.

The **Series Cash Reserve Account Surplus** means, in relation to each Loan Note (or, if applicable, Loan Notes) with respect to any Transfer Date, the amount, if any, by which item (a) of the definition of Available Series Cash Reserve Account Amount exceeds the Required Series Cash Reserve Account Amount for such Loan Note (or, if applicable, Loan Notes).

The **Available Series Cash Reserve Account Amount** means, in relation to the relevant Loan Note (or, if applicable, Loan Notes) then outstanding, with respect to any Transfer Date, the lesser of (a) the amount standing to the credit of the Series Cash Reserve Account Ledger in relation to such Loan Note (or, if applicable, Loan Notes) on such date (before giving effect to any credit made or to be made to the Series Cash Reserve Account Ledger for such Loan Note on such date from LNI Available Funds) and (b) the Required Series Cash Reserve Account Amount in relation to such Loan Note (or, if applicable, Loan Notes).

The **Required Series Cash Reserve Account Amount** means, in respect of each Loan Note (or, if applicable, Loan Notes) on each Transfer Date the amount specified in the Loan Note Supplement for such Loan Note (or, if applicable, Loan Notes) and as set out in respect of Global Loan Note No. 1 in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement for the related Note Series or, if no such amount is specified, an amount equal to the product of (i) the Series Cash Reserve Account Percentage for such Transfer Date multiplied by (ii) the sum of the Initial Principal Amounts of all Loan Notes outstanding as of the last day of the preceding Monthly Period multiplied by (iii) a fraction, the numerator of which is the Nominal Liquidation Amount of the relevant Loan Note (or, if applicable, Loan Notes) as of the close of business on the last day of the preceding Monthly Period and the denominator of which is the Nominal Liquidation Amount of all Loan Notes outstanding as of the close of business on the last day of the preceding Monthly Period. For the avoidance of doubt, the Loan Notes referred to in paragraph (ii) above are those in respect of which the corresponding Loan Note Supplement specifies that a Required Series Cash Reserve Account Amount is applicable to Loan Notes of more than one series.

Release Date means the earlier to occur of (i) the Scheduled Redemption Date (or any Transfer Date thereafter) on which the Nominal Liquidation Amount for the Loan Note is reduced to zero and (ii) the Final Redemption Date.

Permitted Investments

The term **Permitted Investments** shall mean any one or more of the following:

- (a) demand or time deposits, certificates of deposit and other short term unsecured debt obligations provided that, in each case, at the time the deposit is made or the certificate or obligation is acquired the then current rating of the unsecured and unguaranteed debt obligations of that institution (or, where the investment in question is guaranteed, of the guaranteeing institution) is (a) A-1 or at least A (where no short term rating is available) from S&P or (if different) the then highest rating conferred in respect of such obligations by S&P, (b) P-1 or at least A2 (if applicable) from Moody's and (c) F1 or at least A (if applicable) from Fitch, or in each case such other ratings as may be required by the Rating Agencies from time to time;
- (b) short term unsecured debt obligations issued by a body corporate provided that the then current rating of the unsecured and unguaranteed debt obligations of that body corporate (or where the debt obligations in question are guaranteed, of the guaranteeing institution) is (a) A-1 or at least A (where

no short term rating is available) from S&P or (if different) the then highest rating conferred in respect of such obligations by S&P, (b) P-1 or at least A2 (if applicable) from Moody's and (c) F1 or at least A (if applicable) from Fitch, or in each case such other ratings as may be required by the Rating Agencies from time to time; or

- (c) money market funds that meet the ESMA Short-Term Money Market Fund definition, set out in Guideline reference 10-049 of the Committee for European Securities Regulators, and indicated within the prospectus that they are defined as such; or money market funds that hold an AAA money market fund rating from a recognised credit rating agency such as S&P, Moody's or Fitch,

provided that, no withholding or deduction for or account of tax will be made on any payments of interest or principal in respect of any such deposit, bond, debenture, note or other investment or security evidencing debt, and **provided further that** no such instrument will be a volatile instrument (as specified in the Rating Agencies' published criteria) and/or an instrument issued by a mutual fund or similar investment vehicle, and **provided further that** each such instrument shall mature (or otherwise be capable of being redeemed, terminated or broken (at no additional cost)) on or before the relevant Transfer Date or Distribution Date so that such funds will be available for withdrawal on such date, and **provided further that** for so long as the Account Bank is not able to provide the Service (as such term is defined in the Custody Terms and Conditions) in relation to certificates of deposit or other short-term unsecured debt obligations that are required to be cleared with The Depository Trust Company and as a result it would be necessary for the Account Bank to delegate the Service (as such term is defined in the Custody Terms and Conditions) in relation to such certificates of deposit or other short-term unsecured debt obligations to a third party, Permitted Investments shall not include any such certificates of deposit or other short-term unsecured debt obligations and provided further that no such instrument will consist, in whole or in part, of tranches of other asset-backed securities, credit-linked notes, swaps or other definitive instruments or synthetic securities which would result in the recharacterisation of the Programme, the Notes or any transaction under the Transaction Documents as a "re-securitisation" as defined in Article 4(63) of the UK Capital Requirements Regulation or Article 2(4) of the UK Securitisation Regulation or a "synthetic securitisation" as defined in Article 242(11) of the UK Capital Requirements Regulation or Article 2(10) of the UK Securitisation Regulation (in each case, as amended and/or supplemented from time to time).

The term **Custody Terms and Conditions** means HSBC Bank Plc Standard Terms and Conditions dated October 2011 (as may be amended from time to time) applying to the custody of investments.

For the avoidance of doubt, Permitted Investments shall not include asset-backed securities, credit-linked notes, swaps or other derivatives instruments, synthetic securities or similar claims.

RECEIVABLES TRUSTEE CASHFLOWS

General summary of allocation and application of Collections by Receivables Trustee

The Receivables Trustee has opened and will maintain Trustee Collection Accounts at one or more Qualified Institutions (currently HSBC Bank plc at its branch located at 8 Canada Square, London E14 5HQ and The Bank of New York Mellon acting through its London branch at One Canada Square, London E14 5AL). The Receivables Trustee has established within the Trustee Collection Accounts, two ledgers in relation to amounts of Principal Collections (the **Principal Collections Ledger**) and Finance Charge Collections (the **Finance Charge Collections Ledger**) respectively. All amounts credited to each ledger are held on the terms of the Undivided Bare Trust, unless otherwise specified under the terms of the RTDSA or any Supplement thereto.

The Receivables Trustee has also established a ledger to record amounts of Finance Charge Collections credited to the Trustee Collection Account and distributed to Funding 1 (the **Funding 1 Finance Charge Collections Ledger**). All amounts credited to such ledger are held on Segregated Bare Trust for the sole benefit of Funding 1.

The Receivables Trustee has also opened and will maintain the Trustee Investment Account, to which are credited all amounts allocated as available to fund the purchase of Receivables (Cash Available for Investment).

The Receivables Trustee may also open additional Trust Accounts from time to time at a Qualified Institution for the benefit of specific beneficiaries (each an **Additional Trust Account**). See also "*The Bank Accounts*" above.

The Trustee Collection Account, the Trustee Investment Account and any Additional Trust Accounts are collectively referred to as the **Trust Accounts**. The Receivables Trustee, as trustee of the Delamare Cards Receivables Trust, possesses all legal right, title and interest in all funds on deposit from time to time in each trust account and in all proceeds thereof.

The Receivables Trustee has directed the Servicer that Collections and other monies in respect of Finance Charge Receivables and any Recoveries (**Finance Charge Collections**) and Collections in respect of Principal Receivables which are Eligible Receivables (**Principal Collections**) held in the Collection Account are to be transferred to the Trustee Collection Account no later than one London Business Day after the Date of Processing thereof. All Acquired Interchange in respect of a Monthly Period shall be transferred to the Trustee Collection Account no later than the Transfer Date in respect of that Monthly Period.

The Receivables Trustee must regard all monies in the Trustee Collection Account as Collections in respect of Receivables assigned to the Delamare Cards Receivables Trust unless the Servicer has notified the Receivables Trustee that part or all of such monies have been incorrectly paid into such account (**Incorrect Payments**). If the Receivables Trustee is notified that it has received any Incorrect Payments and such payments have not been previously allocated, then promptly following such notification, the Receivables Trustee shall deduct an amount equal to those payments from the Trustee Collection Account (prior to allocating them for any other purpose) and transfer the relevant sum to an account in the name of the Transferor Beneficiary or as it may otherwise direct.

If any Incorrect Payments are allocated by the Receivables Trustee in a manner consistent with the terms of the RTDSA and any Trust Supplement before the Receivables Trustee is notified that it has received any such Incorrect Payments, then the pool of Undivided Trust Property shall be deemed increased by the amount of Principal Receivables which were Incorrect Payments (and such Incorrect Payments shall be treated as having been repaid), and the Transferor Interest shall be treated as increased by the same amount

of such Principal Receivables; and if Incorrect Payments are incorrectly allocated as Finance Charge Collections, such amounts shall be treated as repaid.

From time to time Collections are paid into the Trustee Collection Account representing Collections in respect of Ineligible Receivables (**Ineligible Collections**) but which were initially considered to be Principal Collections in respect of Eligible Receivables (**Allocated Ineligible Collections**). Such monies may be allocated in accordance with the terms of the RTDSA (and any Supplement thereto) unless prior to such allocation the Servicer notifies the Receivables Trustee that such monies are Ineligible Collections. To the extent that the Servicer does not notify the Receivables Trustee that monies in the Trustee Collection Account are Ineligible Collections, the Receivables Trustee treats such monies as Collections in respect of Eligible Receivables and such Collections are allocated accordingly.

Upon notice to the Receivables Trustee by the Servicer that Allocated Ineligible Collections have been allocated as Principal Collections in respect of Eligible Receivables, the Receivables Trustee shall amend its books of account to show that the Ineligible Receivables pool has been decreased by the amount of such Allocated Ineligible Collections allocated as Principal Collections. The Transferor Beneficiary's beneficial interest in the Ineligible Bare Trust Property and the Transferor Beneficiary's beneficial interest in the Delamare Cards Receivables Trust in the Undivided Bare Trust Property are each adjusted by the amount of such adjustments with respect to such Ineligible Collections and Ineligible Receivables.

Principal Receivables which are Eligible Receivables and which become Receivables in a Defaulted Account are allocated between the Transferor Beneficiary and the Investor Beneficiaries in relation to each Trust Series in accordance with their respective beneficial entitlements to trust property at that time. Credit Adjustments in respect of Principal Receivables are allocated to the Transferor Beneficiary as a reduction of the Transferor Beneficiary's beneficial interest in the Delamare Cards Receivables Trust until such time as the Adjusted Transferor Interest reaches zero. Principal Receivables which are Ineligible Receivables, and which become Receivables in Defaulted Accounts, reduce the Transferor Beneficiary's beneficial interest in the Ineligible Bare Trust Property until such time as the Transferor Beneficiary's beneficial interest in the Ineligible Bare Trust Property reaches zero.

Collections representing trust property are allocated as Principal Collections, Finance Charge Collections or Ineligible Collections. If the Transferor nominates a Discount Percentage (see "*The Receivables — Discount Option Receivables*"), a percentage of Principal Collections equal to the Discount Percentage so nominated will be treated as Finance Charge Collections.

If specified by a Supplement, the Investor Beneficiary in respect of the relevant beneficial interest will be entitled to a portion of Acquired Interchange. The Transferor Beneficiary will also be entitled to a portion of Acquired Interchange. In respect of the De-Linked Trust Series, Funding 1 will be entitled to the portion of Investor Acquired Interchange Amount as further described in "*Application of monies in Trustee Collection Account — Terms of the RTDSA*" below.

Unless specified otherwise in the related Supplement, each Trust Series is or will be entitled to varying percentages of Principal Collections, Finance Charge Collections and losses in respect of Defaulted Receivables in Defaulted Accounts, in each case calculated by reference to the investor percentage applicable to such Trust Series on a *pari passu* and *pro rata* basis with Principal Collections, Finance Charge Collections or losses in respect of Defaulted Receivables in Defaulted Accounts (as the case may be) allocated to other Trust Series and to the Transferor Beneficiary. Also, as noted above, if so specified in the related Supplement, each Trust Series is or will be entitled to a portion of Acquired Interchange in respect of each Monthly Period. That portion of Acquired Interchange which is not allocated to any Trust Series will be allocated to the Transferor Beneficiary.

The Transferor is entitled to receive, as Deferred Consideration from the Receivables Trustee, amounts equal to those amounts of, *inter alia*, Finance Charge Collections and Acquired Interchange distributed in respect of a Trust Series that are not utilised by other beneficiaries (whether or not a member of such Trust Series) or

any enhancement provider as specified pursuant to the related Supplement but which are paid to the Receivables Trustee by the Investor Beneficiary as Additional Funds. The entitlement of each Investor Beneficiary (in respect of its Investor Interest relating to a Trust Series) to Principal Collections, Finance Charge Collections and Acquired Interchange is or will be specified in the related Supplement.

Certain obligations on the part of the Transferor to make a payment to the Receivables Trustee pursuant to the RSD, in respect of Principal Receivables in respect of which a breach of warranty has occurred, may be fulfilled by a reduction of the Transferor Beneficiary's beneficial interest in the Delamare Cards Receivables Trust and, in addition, where appropriate, by an increase in the Transferor Beneficiary's beneficial interest in the Ineligible Bare Trust Property; **provided, however, that** in the event and to the extent the Adjusted Transferor Interest would be reduced below zero, the Transferor must make a corresponding payment to the Receivables Trustee in accordance with the provisions of the RTDSA and the RSD.

The Servicing Fee is payable by the Receivables Trustee to the Servicer. The Receivables Trustee is entitled to be reimbursed for its payments to the Servicer from payments made by the beneficiaries to the Receivables Trustee. Each beneficiary may utilise trust property allocated to such beneficiary to make such payment and the amount of the reimbursement to be paid to the Receivables Trustee is deducted from certain payments of Acquired Interchange and Finance Charge Collections calculated as allocable to the Transferor Beneficiary and each Investor Beneficiary in respect of a Trust Series on a *pari passu* and *pro rata* basis as more particularly described in each related Supplement.

Application of monies in Trustee Collection Account

The application of monies from the Trustee Collection Account by the Receivables Trustee is set out in two documents. First, the RTDSA, which sets out the general basis on which Collections are applied by the Receivables Trustee, and second, the relevant Supplement in respect of a Trust Series.

Set out below are the general terms of the RTDSA, following which are the more specific terms relating to the application of moneys in respect of the De-Linked Trust Series of Funding 1.

Terms of the RTDSA

By close of business on each day that Collections or other amounts are deposited in the Trustee Collection Account (each a **Relevant Date**), the Receivables Trustee will:

- (i) transfer to the Transferor Beneficiary the amount of any Incorrect Payments notified to the Receivables Trustee, which have not previously been allocated as Collections, whereupon such monies will cease to be trust property; and
- (ii) transfer to the Transferor Beneficiary the amount of any Ineligible Collections notified to the Receivables Trustee, which have not previously been allocated as Principal Collections, whereupon such monies will cease to be trust property.

After making the transfers described in paragraphs (i) and (ii) above, the Receivables Trustee will on each Relevant Date (or in respect of amounts described in paragraphs (vi) and (vi) below, on each Transfer Date):

- (i) credit all Principal Collections to the Principal Collections Ledger, and if specified in the related Supplement for a Trust Series, the relevant amount of Principal Collections shall be credited to the series specific principal collections sub-ledger for that Trust Series (and a corresponding adjustment will be made to the Principal Collections Ledger). In respect of the De-Linked Trust Series of Funding 1, this is described in "*Terms of the De-Linked Supplement relating to Funding 1*" below;
- (ii) subject to paragraph (vii) below and the terms of the related Supplement for a Trust Series which require any amounts to be retained in the Principal Collections Ledger (whether on account of Required Retained Principal Collections or otherwise), or, as the case may be, distributed from the

Principal Collections Ledger, the amount of any remaining Principal Collections after application in accordance with paragraph (i) above, will constitute **Cash Available for Investment**, and will be transferred to the Trustee Investment Account. Such funds will be applied as described in "*Application of Cash Available For Investment — payments of Purchase Price for further Eligible Receivables*" below. In respect of the De-Linked Trust Series of Funding 1, the amounts required to be retained in the Principal Collections Ledger are described in more detail in paragraphs (iii) and (iv) under "*Terms of the De-Linked Supplement relating to Funding 1*" below;

- (iii) transfer to the Transferor Beneficiary an amount equal to the product of (1) the Floating Transferor Percentage for the Monthly Period in which the Finance Charge Collections arise and (2) the aggregate amount of processed Finance Charge Collections as at that Relevant Date (the **Transferor Finance Charge Amount**), whereupon such monies will cease to be trust property;
- (iv) on each Transfer Date, transfer to the Transferor Beneficiary an amount equal to the product of (1) the Floating Transferor Percentage for the Monthly Period preceding the relevant Transfer Date and (2) the aggregate amount of Acquired Interchange received in that Monthly Period (the **Transferor Acquired Interchange Amount**), whereupon such monies will cease to be trust property;
- (v) in respect of each Investor Beneficiary, transfer an amount equal to the product of (1) the sum of all Floating Investor Percentages for that Investor Beneficiary for the Monthly Period in which the Finance Charge Collections arise and (2) the aggregate amount of processed Finance Charge Collections as at that Relevant Date (the **Investor Finance Charge Amount**). Those monies will be credited to the relevant sub-ledger of the Finance Charge Collections Ledger for that Trust Series, or as the Investor Beneficiary shall otherwise direct, whereupon such monies will cease to be Undivided Trust Property. In respect of the De-Linked Trust Series of Funding 1, the distribution of Finance Charge Collections is set out in more detail in paragraph (i) under "*Terms of the De-Linked Supplement relating to Funding 1*" below;
- (vi) on each Transfer Date, in respect of each Investor Beneficiary, transfer an amount equal to the product of (1) the sum of the average of the Floating Investor Percentages for that Investor Beneficiary for each day of the Monthly Period preceding the relevant Transfer Date and (2) the aggregate amount of Acquired Interchange received in that Monthly Period (the **Investor Acquired Interchange Amount**), whereupon such monies will cease to be Undivided Trust Property. In respect of the De-Linked Trust Series of Funding 1, the distribution of Acquired Interchange is set out in more detail in paragraph (ii) under "*Terms of the De-Linked Supplement relating to Funding 1*" below; and
- (vii) if on any day, (1) the sum of the Combined Aggregate Adjusted Investor Interest and the Adjusted Transferor Interest is zero, and (2) a principal collection is received (**Unavailable Principal Collections**) such amount shall be withdrawn from the Trustee Collection Account (and debited from the undivided Principal Collections Ledger) and transferred to the Trustee Investment Account and such deposited Unavailable Principal Collections in the Trustee Investment Account shall be transferred to the Transferor Beneficiary in accordance with the description of Cash Available For Investment set out below.

Terms of the De-Linked Supplement relating to Funding 1

The De-Linked Supplement for the De-Linked Trust Series sets out the amounts that are due to Funding 1 in respect of Finance Charge Collections and Principal Collections, and the amounts that are required to be retained in the Principal Collections Ledger. This is described below.

On each Relevant Date (including each Transfer Date) the Receivables Trustee will:

- (i) credit the Funding 1 Finance Charge Collections Ledger with an amount equal to the product of (1) the Floating Investor Percentage on the date such Finance Charge Collections arise and (2) the aggregate amount of processed Finance Charge Collections as at that Relevant Date;
- (ii) on each Transfer Date, credit the Funding 1 Finance Charge Collections Ledger with an amount equal to the product of (1) the average of the Net Floating Investor Percentage for each day of the Monthly Period preceding that Transfer Date and (2) the aggregate amount of Acquired Interchange transferred to the Trustee Collection Account on that Transfer Date;
- (iii) retain in the undivided Principal Collections Ledger of the Trustee Collection Account an amount equal to the product of (1) the Required Retained Principal Collections Percentage on the day such Principal Collections arise and (2) the Principal Investor Percentage on the day such Principal Collections arise and (3) the aggregate amount of processed Principal Collections as at that Relevant Date, up to an aggregate amount over the relevant Monthly Period not exceeding the Maximum Required Retained Principal Collections Amount; and
- (iv) from an amount equal to (A) the product of (1) the Principal Investor Percentage on the day such Principal Collections arise and (2) the aggregate amount of processed Principal Collections as at that Relevant Date, minus (B) the amount required to be retained in the undivided Principal Collections Ledger of the Trustee Collection Account in accordance with paragraph (iii) above:
 - (A) first, retain an amount in the undivided Principal Collections Ledger as Group One Retained Principal Collections an amount equal to the De-Linked Trust Series' *pro-rata* share of the Daily Principal Shortfall on the Relevant Date; and
 - (B) second, transfer any excess to the Trustee Investment Account, to be used as Cash Available for Investment,

provided that the aggregate of the amounts retained in the undivided Principal Collections Ledger as set out in paragraphs (iii) and (iv)(A) above cannot exceed the sum of (1) the Aggregate Investor Interest for all Trust Series as at the close of business on the last day of the prior Monthly Period, taking into account (x) any adjustments or distributions to be made on the relevant Transfer Date and (y) the aggregate amount of all Investor Interest Contribution Increases for all Trust Series made in that Monthly Period in which such amount is retained and (2) the aggregate amount of any Utilised Required Retained Principal Collections for all Trust Series relating to that Monthly Period in which such amount is retained.

On each Transfer Date, from amounts deposited in the Trustee Collection Account and credited to and retained in the undivided Principal Collections Ledger during the related Monthly Period (as set out in paragraphs (iii) and (iv)(A) above):

- (i) an amount equal to the Required Retained Principal Collections not used as Utilised Required Retained Principal Collections, the Amortisation Amount or as Shared Principal Collections, will be used as Cash Available for Investment; and
- (ii) an amount equal to Group One Retained Principal Collections not used as part of an Amortisation Amount or Shared Principal Collections, will be used as Cash Available for Investment.

On each Transfer Date, the Receivables Trustee will, from amounts credited to the Principal Collections Ledger on the Trustee Collection Account, distribute to Funding 1 the Monthly Principal Amount, which is an amount equal to the lower of (i) the Available Retained Principal Collections which are standing to the credit of the undivided Principal Collections Ledger and (ii) the Amortisation Amount targeted to be paid on

such Transfer Date. This is set out in more detail below under "*Payment of amounts representing Available Retained Principal Collections*".

The following definitions are relevant for the purposes of understanding the Receivables Trustee cashflows, described above.

The **Amortisation Amount** for any date of determination shall be equal to the least of:

- the Targeted Principal Amount for such date;
- the sum of (i) the Maximum Regulated Deposit Amount for such date of determination; and (ii) the aggregate of each Principal Amortisation Amount for the related Monthly Period for Loan Notes which are in a Rapid Amortisation Period; and
- either
 - (x) if on such date of determination there is a pre-funding amount of greater than zero (taking into account any deposits or withdrawals to be made with respect to the Principal Funding Account on the related Transfer Date for the Monthly Period in respect of such date of determination) an amount equal to the Funding 1 Beneficial Interest less £120,000; or
 - (y) if on such date of determination there is no pre-funding amount (taking into account any deposits or withdrawals to be made with respect to the Principal Funding Account on the related Transfer Date for the Monthly Period in respect of such date of determination) an amount equal to the Funding 1 Beneficial Interest.

The **Available Funds Calculation Amount** means, on any date of determination during any Monthly Period for any Loan Note, an amount equal to the sum of (i) the Nominal Liquidation Amount for such Loan Note as of the last day of the preceding Monthly Period or, if such Loan Note was issued since the last day of the preceding Monthly Period, the issuance date for such Loan Note, *plus* (ii) the aggregate amount of any increases in the Nominal Liquidation Amount of such Loan Note as a result of (x) the increase in the Principal Amount Outstanding under any Loan Note or (y) a reduction in the pre-funding amount (other than any pre-funding amounts deposited during such Monthly Period) credited to the Principal Funding Account Ledger for such Loan Note, in each case, during such Monthly Period on or prior to such date **provided, however, that** the "Available Funds Calculation Amount" for any Loan Note which (a) will be repaid in full during such Monthly Period or (b) will have a Nominal Liquidation Amount of zero during such Monthly Period, shall be zero.

The **Daily Principal Shortfall** means, on any date of determination, the excess of (i) the amount of principal required for a Monthly Period for all outstanding Trust Series in Group One (which includes the Funding 1 Beneficial Interest) which are not specified as being in a Loan Note Revolving Period over (ii) the amount of Principal Collections retained in the undivided Principal Collections Ledger for that Monthly Period for all outstanding Trust Series in Group One that can be utilised, if needed, as shared Principal Collections for outstanding Trust Series in Group One and which are not Required Retained Principal Collections.

The **Floating Calculation Investor Interest Amount** shall mean, for the purposes of calculation only, on any date of determination during any Monthly Period, an amount equal to the aggregate of the Available Funds Calculation Amount for each Loan Note.

The definition of **Floating Investor Percentage** for the De-Linked Trust Series means, with respect to any date of determination during any Monthly Period, the percentage equivalent (which percentage shall never exceed 100 per cent.) of a fraction:

- (a) the numerator of which is the sum of (i) the Floating Calculation Investor Interest Amount on the date of determination (or, with respect to the initial Issue Date, the Initial Investor Interest) *plus* (ii) the lesser of (A) an amount equal to (x) the aggregate outstanding face amount of Eligible Principal Receivables in the Delamare Cards Receivables Trust as at the close of business on the last day of the previous Monthly Period *minus* (y) the sum of (1) the Floating Calculation Investor Interest Amount on the date of determination (or, with respect to the initial Issue Date, the Initial Investor Interest) *plus* (2) the sum of the numerators used to calculate the Investor Percentages for distributions with respect to Finance Charge Receivables, Acquired Interchange or Receivables in Defaulted Accounts at any time, as applicable, for all outstanding Trust Series (excluding the De-Linked Trust Series) with respect to the date in the Monthly Period for which the Floating Investor Percentage is being determined and (B) the pre-funding amount on the date of determination; and
- (b) the denominator of which is the greater of:
- (i) an amount equal to the aggregate outstanding face amount of Eligible Principal Receivables in the Delamare Cards Receivables Trust as at the close of business on the last day of the previous Monthly Period (or, with respect to the first Monthly Period, as at the close of business on the day immediately preceding the Issue Date); and
- (ii) the sum of (A) the sum of (i) the Floating Calculation Investor Interest Amount on the date of determination (or, with respect to the initial Issue Date, the Initial Investor Interest) *plus* (ii) the amount calculated under item (ii) of the numerator above *plus* (B) the sum of the numerators used to calculate the Investor Percentages for distributions with respect to Finance Charge Receivables, Acquired Interchange or Receivables in Defaulted Accounts at any time, as applicable, for all outstanding Trust Series (excluding the De-Linked Trust Series) with respect to the date in the Monthly Period for which the Floating Investor Percentage is being determined,

provided, however, that with respect to any Monthly Period in respect of which a Percentage Reset Date occurs, the element of the numerator determined pursuant to (a)(ii)(A)(x) and the denominator determined pursuant to paragraph (b)(i) above shall be, on and after such date, an amount equal to the aggregate outstanding face amount of Eligible Principal Receivables in the Delamare Cards Receivables Trust as of the beginning of the day on the most recently occurring Percentage Reset Date as adjusted for the outstanding face amount of Eligible Principal Receivables at the beginning of such day added to or, as the case may be, removed from the Undivided Bare Trust on such Percentage Reset Date and **provided, further, however** that if, on any date of determination, the Floating Calculation Investor Interest Amount is zero and the Investor Interest is less than £100,000, then the Floating Investor Percentage shall be zero.

The **Group One Retained Principal Collections** means those amounts retained in the undivided Principal Collections Ledger each month in respect of Principal Collections calculated by reference to all outstanding Trust Series in Group One that can be utilised, if needed, as shared Principal Collections to make distributions to outstanding Trust Series in Group One on a Transfer Date and which are not Required Retained Principal Collections for any Trust Series (including the De-Linked Trust Series).

The **Maximum Regulated Deposit Amount** means for any date of determination with respect to any Monthly Period either:

- (a) an amount equal to the lesser of
- (i) an amount equal to the sum of
- (A) the product of (1) one twelfth of the aggregate of (x) the stated Initial Investor Interests of all outstanding Trust Series (excluding companion Trust Series and the

De-linked Trust Series) and (y) the aggregate of the Principal Calculation Amounts for each Loan Note outstanding, multiplied by (2) a fraction, the numerator of which is the aggregate of the Principal Calculation Amounts for each Loan Note outstanding which is in an Accumulation Period or an Amortisation Period and the denominator of which is the aggregate of the stated Initial Investor Interests of all outstanding Trust Series (including the aggregate of the Principal Calculation Amounts for each Loan Note outstanding of the relevant Loan Notes of the De-linked Trust Series) which are in an accumulation, amortisation or other similar period requiring Principal Collections to be allocated to such Trust Series (including the De-linked Trust Series), and

- (B) an amount equal to De-linked Trust Series' *pro rata* share (calculated by reference to the amount of the shortfall for a Trust Series compared to the aggregate shortfall for all relevant Trust Series) of the amount of the excess of the Maximum Regulated Deposit Amount of each Trust Series which is in an accumulation (including, for the avoidance of doubt, accumulation in respect of pre-funding), amortisation or other similar period requiring Principal Collections to be allocated to such Trust Series over the Monthly Principal Amount for such Trust Series, or
- (ii) an amount equal to the sum of (1) the aggregate of the Principal Amortisation Amount, if any, for each outstanding Note which is not in a Rapid Amortisation Period, for the related Monthly Period, (2) the Controlled Deposit Amount, if any, for each outstanding Loan Note for the related Transfer Date, and (3) the Targeted Pre-Funding Amount for the related Transfer Date; or
- (b) such other amount notified to the Receivables Trustee by the Beneficiaries, provided that such other amount specified in (b) shall not be valid unless the relevant notice to the Receivables Trustee is accompanied by an officer's certificate that such other amount or the method of calculating such amount has been approved as the Maximum Regulated Deposit Amount by the Prudential Regulation Authority as the regulator of the Transferor or any successor thereto.

The **Monthly Principal Amount** is the lesser of an amount equal to the Available Retained Principal Collections which are standing to the credit of the undivided Principal Collections Ledger and the Amortisation Amount targeted to be paid on such Transfer Date. On each Transfer Date the Receivables Trustee will withdraw the Monthly Principal Amount from the Trustee Collection Account (and debit the undivided Principal Collections Ledger).

The **Net Floating Investor Percentage** for the Funding 1 Beneficial Interest means, with respect to any date of determination during any Monthly Period, a percentage equal to (i) the Floating Investor Percentage less (ii) the Pre-Funding Percentage (if any) on such date of determination **provided, however, that** if, on the date of determination, the Net Floating Investor Percentage is zero and the Pre-Funding Percentage is greater than zero, then the Net Floating Investor Percentage will be calculated on the basis that the Floating Calculation Investor Interest Amount for the purposes of calculating the Floating Investor Percentage is the amount of the Investor Interest.

The **Percentage Reset Date** shall mean, with respect to any Monthly Period, any date on which:

- (a) the Investor Interest is increased as a result of an Investor Interest Contribution Increase (other than as a result of an Additional Contribution utilising amounts available following application of LNI Available Principal Amounts); or
- (b) an Addition Date occurs; or
- (c) a Removal Date occurs; or

(d) a Refinancing Contribution is made.

The **Pre-Funding Percentage** for the Funding 1 Beneficial Interest means, broadly, a percentage calculated in the same manner as the Floating Investor Percentage but substituting the pre-funding amount as the numerator. The Pre-Funding Percentage will be reduced to the extent that calculating a Pre-Funding Percentage would reduce the Floating Investor Percentages of any other outstanding Trust Series.

The **Required Retained Principal Collections** means those Principal Collections retained in the undivided Principal Collections Ledger each month calculated by reference to the Required Retained Principal Collections Percentage and the Maximum Required Retained Principal Collections Amount on each day of such month, that can be utilised, if needed, as Utilised Required Retained Principal Collections. For calculation purposes, to the extent amounts of Required Retained Principal Collections are distributed to Funding 1 to help it make certain of its payments or distributions, these amounts are defined as **Utilised Required Retained Principal Collections**. To the extent that amounts of Required Retained Principal Collections are not used to cover income deficiencies, such excess amounts will be used by the Receivables Trustee as Available Retained Principal Collections on the related Transfer Date.

The **Required Retained Principal Collections Percentage** means (i) if an Early Redemption Event has occurred with respect to any Loan Note or as otherwise may be agreed by the Investor Beneficiaries and Transferor Beneficiary from time to time, with respect to any date of determination during any Monthly Period, the percentage equivalent of a fraction, the numerator of which is the aggregate of the unused subordinated amounts for such date calculated for those Loan Notes which have unused subordinated amounts of Subordinated Loan Notes and the denominator of which is the Principal Calculation Investor Interest Amount for such date. For the purpose of this definition, "the aggregate of the unused subordinated amounts" means, with respect to any such date of determination, if class A Loan Note remains outstanding, the total unused class A Available Subordinated Amounts, if there are no class A Loan Notes outstanding, the total unused class B Available Subordinated Amounts and, if there are no class B Loan Notes outstanding, the total unused class C Available Subordinated Amounts. The term "unused" here means available after giving effect to any reductions due to Investor Charge-Offs and any reimbursements of Nominal Liquidation Amount Deficits and after giving effect to the payment of Utilised Required Retained Principal Collections in respect of more senior ranking obligations **provided, however, that**, if the total Required Retained Principal Collections retained in the undivided Principal Collections Ledger with respect to any date of determination during the relevant Monthly Period is equal to or greater than the Maximum Required Retained Principal Collections Amount, then the Required Retained Principal Collections Percentage will be equal to zero, or (ii) otherwise, zero.

The **Maximum Required Retained Principal Collections Amount** means with respect to any date of determination, the amount equal to the product of: (A) the Investor Interest; (B) the sum of (i) the Reference Rate; (ii) the Weighted Average Interest Margin; and (iii) 1.00 per cent.; and (C) 2, divided by 12.

Reference Rate means, in respect of any Monthly Period, the Compounded Daily SONIA determined in respect of Notes on the most recent Interest Determination Date occurring immediately prior to that Monthly Period (or if Compounded Daily SONIA is not determined on such date, on the most recent Interest Determination Date on which it was determined).

The **Weighted Average Interest Margin** means 0.60 per cent. or such other percentage as may be agreed by the Investor Beneficiaries and Transferor Beneficiary from time to time, as specified in the most recent Drawdown Prospectus/Final Terms/Pricing Supplement.

The **Principal Amortisation Amount** means, in respect of each Loan Note, unless otherwise specified in the Loan Note Supplement for such Loan Note:

(a) for any Monthly Period with respect to a Regulated Amortisation Period or a Rapid Amortisation Period for such Loan Note, an amount equal to the Nominal Liquidation Amount of that Loan Note

as of the close of business on the last day of the Monthly Period preceding such Monthly Period (determined after giving effect to any allocation of shortfalls and any reallocations, payments or deposits of LNI Available Principal Amounts on the related Transfer Date); or

- (b) for any Monthly Period with respect to any other period specified as an Amortisation Period in the Loan Note Supplement for such Loan Note, an amount equal to the amount specified in such Loan Note Supplement.

The **Principal Investor Percentage** means, with respect to any date of determination during any Monthly Period, the percentage equivalent (which percentage shall never exceed 100 per cent.) of a fraction:

- (a) the numerator of which is an amount equal to the Principal Calculation Investor Interest Amount for such date of determination; and
- (b) the denominator of which is the greater of:
 - (i) an amount equal to the aggregate outstanding face amount of Eligible Principal Receivables in the Delamare Cards Receivables Trust as at the close of business on the last day of the previous Monthly Period (or, with respect to the first Monthly Period, as at the close of business on the day immediately preceding the Issue Date); and
 - (ii) the sum of (A) the Principal Calculation Investor Interest Amount as of the close of business on the date of determination plus (B) the sum of the numerators used to calculate the Investor Percentages for distributions with respect to Eligible Principal Receivables for all outstanding Trust Series (excluding the De-Linked Trust Series) with respect to the date in the Monthly Period for which the Principal Investor Percentage is being determined,

provided, however, that with respect to any Monthly Period in respect of which a Percentage Reset Date occurs, the denominator determined pursuant to (i) above shall be, on and after such date, an amount equal to the aggregate outstanding face amount of Eligible Principal Receivables in the Delamare Cards Receivables Trust as of the beginning of the day on the most recently occurring Percentage Reset Date as adjusted for the outstanding face amount of Eligible Principal Receivables at the beginning of such day added to or, as the case may be, removed from the Undivided Bare Trust on such Percentage Reset Date.

The **Principal Calculation Amount** shall mean, on any date of determination during any Monthly Period for any Loan Note, an amount equal to either:

- (a) for any Loan Note in an Accumulation Period or an Amortisation Period or with a Targeted Pre-Funding Amount of greater than zero, the Nominal Liquidation Amount for such Loan Note as of the close of business on the day prior to the commencement of such Accumulation Period or Amortisation Period or such period during which the Targeted Pre-Funding Amount is greater than zero; or
- (b) for any Loan Note which is not in an Accumulation Period or an Amortisation Period or which has a Targeted Pre-Funding Amount of zero, the aggregate of (i) the Nominal Liquidation Amount for such Loan Note, as of the close of business on the last day of the immediately preceding Monthly Period (or, with respect to the first Monthly Period for such Loan Note, the Initial Principal Amount for such Loan Note), plus (ii) the aggregate amount of any increases in the Nominal Liquidation Amount of such Loan Note as a result of (x) the increase in the Principal Amount Outstanding under such Loan Note or (y) a reduction in the pre-funding amount (other than pre-funding amounts deposited during such Monthly Period) for such Loan Note, from the Principal Funding Account Ledger for such Loan Note, in each case, during such Monthly Period on or prior to such date,

provided however that the "Principal Calculation Amount" for any Loan Note which (1) will be repaid in full during such Monthly Period or (2) will have a Nominal Liquidation Amount of zero during such Monthly Period shall be zero.

The **Principal Calculation Investor Interest Amount** shall mean, on any date of determination during any Monthly Period, an amount equal to the aggregate of the Principal Calculation Amounts for all outstanding Loan Notes.

The **Targeted Principal Amount** means, on any date of determination in respect of any Monthly Period, an amount equal to the sum of (i) the aggregate of the Principal Amortisation Amount, if any, for each outstanding Loan Note for such Monthly Period, (ii) the Controlled Deposit Amount, if any, for each outstanding Loan Note for the Transfer Date in respect of such Monthly Period and (iii) the Targeted Pre-Funding Amount for the Transfer Date in respect of such Monthly Period.

Application of Cash Available For Investment — payments of Purchase Price for further Eligible Receivables

During each Revolving Period, Accumulation Period, or Regulated Amortisation Period applicable to a Trust Series, the Receivables Trustee will utilise a portion of Cash Available For Investment to fund the following amounts (**provided that** no amounts of Cash Available For Investment are used to pay for Receivables notified by the Transferor to be Ineligible Receivables):

- (a) the Purchase Price in accordance with the terms of the RSD **provided however that** if, on any Business Day, there is insufficient Cash Available For Investment to fund the payment of the Purchase Price, the Transferor Beneficiary shall be obliged to fund the Receivables Trustee in respect of the amount of the shortfall. To the extent that there is such a shortfall on any Business Day, such shortfall shall be met by a reduction in the aggregate amount payable to the Transferor by the Receivables Trustee and an increase in the Transferor Beneficiary's beneficial interest in the Delamare Cards Receivables Trust in each case by the amount of such shortfall;
- (b) the amount required to meet the obligation of the Receivables Trustee to make payments in respect of (*inter alia*) Future Receivables in accordance with the terms of the RSD, **provided however that** if, on any Business Day, there is insufficient Cash Available For Investment to fund the Receivables Trustee's purchase of Future Receivables, the Transferor Beneficiary shall be obliged to fund the Receivables Trustee in respect of the amount of the shortfall. To the extent that there is such a shortfall on any Business Day, such shortfall shall be met by a reduction in the aggregate amount payable to the Transferor by the Receivables Trustee and an increase in the Transferor Beneficiary's beneficial interest in the Delamare Cards Receivables Trust in each case by the amount of such shortfall;
- (c) the amount (if any) required to meet the obligation of the Receivables Trustee to pay Deferred Consideration Loss Make-Up to the Transferor in accordance with the terms of the RSD, whereupon such monies will cease to be trust property;
- (d) the excess amount of Cash Available For Investment will be distributed to the Transferor Beneficiary in order to decrease the Transferor Beneficiary's beneficial interest in the Eligible Receivables pool and/or other trust property, **provided that**, (A) if the Adjusted Transferor Interest has fallen to zero, and (B) an Unavailable Principal Collection is held in the Trustee Investment Account, such amount shall remain credited to the Trustee Investment Account. Unavailable Principal Collections will not be distributed to the Transferor Beneficiary unless, and only to the extent that, the Adjusted Transferor Interest increases above zero; and

- (e) the balance, if any, of amounts held in the Trustee Investment Account on any day, representing Cash Available For Investment shall remain in the Trustee Investment Account to be utilised in accordance with the RTDSA on the next and (if applicable) the following Business Days.

Payment of amounts representing Available Retained Principal Collections

A portion of Principal Collections credited each Business Day (until there is no Daily Principal Shortfall) to the Trustee Collection Account which are allocable to Funding 1, less any Required Retained Principal Collections, will be accumulated by the Receivables Trustee during each Monthly Period in the undivided Principal Collections Ledger (allocable to Funding 1) as Group One Retained Principal Collections. Any amount of Principal Collections allocable to Funding 1 on any Business Day in excess of the *pro rata* share of the Group One Retained Principal Collections attributable to Funding 1 and Required Retained Principal Collections will be transferred to the Trustee Investment Account to be used as Cash Available For Investment. The amount accumulated on each day during any Monthly Period will, together with Required Retained Principal Collections not utilised, form part of Available Retained Principal Collections.

The amount of Available Retained Principal Collections will be utilised first to cover the Monthly Principal Amount for that Monthly Period, which amount will be transferred by the Receivables Trustee (on each related Transfer Date) to the Funding 1 Distribution Account to be credited to the Funding 1's Principal Ledger on the related Transfer Date. Available Retained Principal Collections in excess of the Monthly Principal Amount will be used by the Receivables Trustee, first as Shared Principal Collections, and then to make payments to the Transferor as Cash Available For Investment as previously described in "*Application of Cash Available For Investment — payments of Purchase Price for further Eligible Receivables*".

The **Available Retained Principal Collections** shall mean, for the purposes of calculation in respect of a Transfer Date and a related Monthly Period:

- (a) the aggregate amount of Retained Principal Collections for such Monthly Period, *minus*
- (b) the amount of reallocated Principal Collections with respect to such Monthly Period which are distributed to Funding 1 and used as Utilised Required Retained Principal Collections, *plus*
- (c) the amount of Shared Principal Collections with respect to Group One that are allocated to the De-Linked Trust Series in accordance with the De-Linked Supplement.

The **Retained Principal Collections** shall mean, with respect to any Monthly Period, the aggregate amount credited to the undivided Principal Collections Ledger for such Monthly Period pursuant to the De-Linked Supplement (which is an amount equal to the aggregate of the *pro rata* share of Group One Retained Principal Collections attributable to Funding 1 and Required Retained Principal Collections).

The **Funding 1 Termination Date** shall mean the earlier to occur of (a) the Distribution Date on which both (i) Funding 1's Investor Interest is reduced to zero and is not capable of reinstatement pursuant to the RTDSA as supplemented by the De-Linked Supplement and (ii) all the Related Debt has an Outstanding Principal Amount equal to zero and (b) the latest Distribution Date specified as a termination date in respect of any outstanding Related Debt **provided that** such latest Distribution Date shall be no earlier than the date falling two years after the latest date which is a Scheduled Redemption Date in relation to any Loan Note or such shorter period as may be confirmed by the Cash Manager as being consistent with the then current rating of any Associated Debt or, if no Associated Debt is then outstanding, an investment grade rating for a new issuance of Associated Debt.

Shared Principal Collections

The De-Linked Trust Series is in Group One. This means that the De-Linked Trust Series shares Principal Collections with other outstanding Trust Series in Group One. **Group One** means any outstanding Trust Series in respect of Funding 1 or Funding 2, including the Funding 1 Beneficial Interest and each other Trust Series specified in any Supplement to be included in Group One.

Shared Principal Collections for Group One means, as the context may require, either:

- the amount of Principal Collections calculated for the De-Linked Trust Series which may be applied to the Principal Shortfall (or equivalent) with respect to other outstanding Trust Series in Group One; or
- the amounts of Principal Collections calculated in respect of other outstanding Trust Series in Group One which the applicable Supplements for such Trust Series specify are to be treated as "shared Principal Collections" and which may be applied and distributed to Funding 1 to cover the Principal Shortfall with respect to the De-Linked Trust Series.

A **Principal Shortfall** means a shortfall in any scheduled or permitted principal distributions to, or deposits in, the Principal Funding Account for the benefit of Funding 1 in respect of the De-Linked Trust Series, which have not been covered out of the Principal Collections allocable to such Trust Series and certain other amounts for such Trust Series.

Shared Excess Finance Charge Collections

The De-Linked Trust Series is part of **Group A (finance charge collections)**, which means the De-Linked Trust Series and each other Trust Series specified in its related Supplement is to be included in Group A (finance charge collections) for the purposes of sharing excess Finance Charge Collections (such excess, **Shared Excess Available Funds**). This means that the De-Linked Trust Series shares Shared Excess Available Funds with other Trust Series in Group A (finance charge collections) to the extent required. As at the date of this Base Prospectus, there are no other Trust Series in Group A (finance charge collections).

Application of monies in the Receivables Trustee consideration account — Deferred Consideration payable by the Receivables Trustee to the Transferor

Under the terms of the RSD the Receivables Trustee has an obligation to make payments of Deferred Consideration to the Transferor. Deferred Consideration Loss Make Up will be paid from the Trustee Investment Account to the Transferor; otherwise, these payments will be funded by amounts accumulating in a consideration account opened and maintained by the Receivables Trustee with a Qualified Institution in the UK (the **Receivables Trustee Consideration Account**).

FUNDING 1 CASHFLOWS

Set out below is a description of (among other things) how funds received by Funding 1 from the Receivables Trustee will be applied, how shortfalls will be allocated among the various classes of notes, and how LNI Available Principal Amounts may be applied to cure those shortfalls.

LNI Available Funds

Funding 1 will utilise LNI Available Funds to make the payments and provisions set out below.

LNI Available Funds with respect to any Monthly Period are an amount equal to the sum of:

- Available Funds transferred from the Funding 1 Finance Charge Collections Ledger; *plus*
- the amount transferred on the related Transfer Date from Funding 1's Principal Funding Account in respect of (i) Principal Funding Investment Proceeds and (ii) Pre-Funding Investment Proceeds; *plus*
- the amount in respect of investment earnings not required to be retained in the Accumulation Reserve Account Ledger for a Loan Note and transferred on the related Transfer Date from the Accumulation Reserve Account; *plus*
- the amount of any Accumulation Reserve Draw Amount which is paid into the Funding 1 Distribution Account on such Transfer Date; *plus*
- the amount of any withdrawals from the Programme Reserve Account which is paid into the Funding 1 Distribution Account on such Transfer Date; *plus*
- the amount of any Group A (finance charge collections) Shared Excess Available Funds in respect of Group A (finance charge collections) received by Funding 1 during such Monthly Period;

and *less*

- the excess pre-funding collections amount for such Monthly Period.

In calculating LNI Available Funds, Funding 1 will calculate Available Funds transferred from the Funding 1 Finance Charge Collections Ledger of the Trustee Collection Account.

In that respect **Available Funds** with respect to any Monthly Period is an amount equal to the sum of:

- Finance Charge Collections distributed to Funding 1 in respect of the Funding 1 Beneficial Interest and credited to the Funding 1 Finance Charge Collections Ledger for that Monthly Period; *plus*
- the amounts in respect of the portion of Investor Acquired Interchange Amount distributed to Funding 1 in respect of the Funding 1 Beneficial Interest and credited or to be credited to the Funding 1 Finance Charge Collections Ledger for that Monthly Period; *plus*
- **Available Investment Proceeds** for that Monthly Period being an amount equal to the aggregate of (i) the Net Floating Investor Percentage of income on Permitted Investments and interest earned on monies deposited in the Trust Accounts in respect of the undivided Principal Collections Ledger for that Monthly Period and (ii) the interest earned on monies deposited in and income on Permitted Investments earned on the Funding 1 Finance Charge Collections Ledger for that Monthly Period.

Application of LNI Available Funds

On each Transfer Date, LNI Available Funds will be transferred to the Funding 1 Distribution Account and credited to the Funding 1's Finance Charge Collections Ledger. The Cash Manager shall instruct Funding 1 (or the Bank Account Operator acting on behalf of Funding 1) to apply such LNI Available Funds on such Transfer Date, in the following order of priority:

- (i) an amount in respect of **Senior Costs Items** being, in priority, (i) an amount equal to the Investor Trustee Payment Amount for such Transfer Date plus any Investor Trustee Payment remaining unpaid in respect of any previous Transfer Date to be paid to the Receivables Trustee as Additional Funds to be credited to the Receivables Trustee Account on such Transfer Date; and (ii) *pari passu* (A) an amount equal to the Funding 1 Costs Amount for such Transfer Date to be retained by Funding 1 and (B) the aggregate of each Loan Note Holder's Costs Amount with respect to such Transfer Date to be paid to the relevant Loan Note Holder, on such Transfer Date;
- (ii) from the date on which all Loan Notes issued prior to the date of this Base Prospectus (other than the Class D (2014-1) Loan Note) have been redeemed in full or cancelled, an amount in respect of **Servicer Payment Items** being an amount equal to the Investor Servicing Fee Amount for such Transfer Date plus any Investor Servicing Fee Amount due but not paid to the Receivables Trustee in respect of any prior Transfer Date to be paid to the Receivables Trustee as Additional Funds to be credited to the Receivables Trustee Account on such Transfer Date;
- (iii) the aggregate class A Monthly Distribution Amount for such Transfer Date, to be paid to the holder(s) of class A Loan Notes on such Transfer Date (in respect of the amount due on the immediately following Loan Note Interest Payment Date(s));
- (iv) the aggregate class B Monthly Distribution Amount for such Transfer Date to be paid to the holder(s) of class B Loan Notes on such Transfer Date (in respect of the amount due on the immediately following Loan Note Interest Payment Date(s));
- (v) the aggregate class C Monthly Distribution Amount for such Transfer Date which shall be paid to the holder(s) of class C Loan Notes on such Transfer Date (in respect of the amount due on the immediately following Loan Note Interest Payment Date(s));
- (vi) the aggregate class D Monthly Distribution Amount for such Transfer Date which shall be paid to the holder(s) of class D Loan Notes, if any on such Transfer Date (in respect of the amount due on the immediately following Loan Note Interest Payment Date(s));
- (vii) prior to the date specified in item (ii) above, an amount in respect of Servicer Payment Items, being an amount equal to the Investor Servicing Fee Amount for such Transfer Date plus any Investor Servicing Fee Amount due but not paid to the Receivables Trustee in respect of any prior Transfer Date, to be paid to the Receivables Trustee as Additional Funds to be credited to the Receivables Trustee Account on such Transfer Date;
- (viii) an amount equal to the aggregate Investor Default Amount, if any, for the preceding Monthly Period, which shall be credited to the Funding 1's Principal Ledger to form part of LNI Available Principal Amounts for such Transfer Date;
- (ix) an amount equal to the aggregate of (i) the aggregate amount of Investor Charge-Offs and (ii) the aggregate amount of any reductions to the Nominal Liquidation Amount of any Loan Note due to payments of Utilised Required Retained Principal Collections, in each case which have not been previously reinstated, to be credited to the Funding 1's Principal Ledger to form part of LNI Available Principal Amounts for such Transfer Date;

- (x) on each Transfer Date an amount equal to the aggregate amount targeted to be transferred to the Accumulation Reserve Account and credited to the relevant Accumulation Reserve Account Ledgers;
- (xi) in priority, (i) first, on each Transfer Date an amount equal to the aggregate amount targeted to be transferred to the Series Cash Reserve Account to be credited to the relevant Series Cash Reserve Account Ledgers **provided that** in the event of any shortfall, amounts will be credited in priority to the Series Cash Reserve Account Ledgers of a more Senior Loan Note Class prior to being credited to the Series Cash Reserve Account Ledgers of a more Subordinated Loan Note Class, (ii) second, on each Transfer Date occurring in the Monthly Period following the date on which the Targeted Pre-Funding Amount is equal to the aggregate Adjusted Outstanding Principal Amount of the class A Loan Notes and each class of Subordinated Loan Notes outstanding other than the most subordinated class of Subordinated Loan Notes outstanding and on each Transfer Date thereafter until such time as the pre-funding amount is reduced by more than the Pre-Funding Additional Amount (otherwise than solely by reason of any pre-funding amount being withdrawn from the Principal Funding Account on a Transfer Date), an amount equal to the Pre-Funding Additional Amount less any amounts paid on previous Transfer Dates in respect of the Pre-Funding Additional Amount since the last pre-funding amount was last reduced by more than the Pre-Funding Additional Amount (otherwise than solely by reason of any pre-funding amount being withdrawn from the Principal Funding Account on a Transfer Date) to be credited to the Funding 1's Principal Ledger to be treated as LNI Available Principal Amounts and (iii) third, on each Transfer Date an amount up to the excess, if any, of the Required Programme Reserve Account Amount over the amount on deposit in the Programme Reserve Account will be deposited into the Programme Reserve Account;
- (xii) an amount (if any) equal to the aggregate of any Approved Conduit Payment to be paid to the affected conduit on the immediately following Distribution Date;
- (xiii) an amount in respect of **Junior Costs Items** being, in priority (A) any additional amount due but not paid to the Receivables Trustee in respect of any prior Transfer Date and (B) in no order of priority between them but in proportion to the respective amounts due, (i) an amount equal to the Aggregate Investor Indemnity Amount, if any, for the prior Monthly Period plus any Aggregate Investor Indemnity Amount remaining unpaid in respect of any previous Monthly Period to be paid to the Receivables Trustee as Additional Funds to be credited to the Receivables Trustee Consideration Account on such Transfer Date; (ii) an amount equal to the Funding 1 Profit Amount for the prior Monthly Period to be retained by Funding 1; (iii) an amount equal to the aggregate of each Loan Note Holder's Profit Amount to be paid to the holders of the Loan Notes; (iv) an amount equal to the Monthly Expenses Loan Amount (together with any amounts remaining unpaid in respect of any previous Transfer Date), if any, for such Transfer Date, which shall be paid to the Expenses Loan Provider on the immediately following Distribution Date in accordance with the terms of the expenses loan; (v) an amount equal to the additional amounts calculated as payable in accordance with any expenses loan to be paid to the Expenses Loan Provider and (vi) an amount equal to the aggregate of any amounts identified as **Additional Junior Costs Items** in any supplement to the global loan note as set out in the Drawdown Prospectus/Final Terms/Pricing Supplement for the related Note Series, to be paid to the relevant Loan Note Holder, in each case on such Transfer Date;
- (xiv) an amount, not to exceed the balance, if any, after giving effect to the payments set out above (such balance, the **Shared Excess Available Funds** for Funding 1 for such Transfer Date) will be calculated and paid to other Trust Series in Group A (finance charge collections) to the extent required; and
- (xv) an amount equal to the balance, if any, will be available to Funding 1 to be paid as further interest in respect of a global loan note with an entitlement to further interest or to the Receivables Trustee as excess LNI Available Funds (which amount shall constitute Excess Spread).

The **Aggregate Investor Indemnity Amount** shall mean the aggregate of the investor indemnity amount in respect of a Monthly Period, each investor indemnity amount being, with respect to any Transferor section 75 indemnity claim an amount equal to the product of (a) the Transferor section 75 indemnity claim (in an amount not to exceed the amount of the related credit advance) and (b) the Net Floating Investor Percentage on the day during the Monthly Period in which the day such Transferor section 75 indemnity claim was made falls.

An **Approved Conduit Payment** means any payment designated as an "Approved Conduit Payment" in the Supplement to a Global Loan Note relating to a Loan Note which is held by a conduit.

The **Funding 1 Costs Amount** means the amounts (evidenced by a formal invoice) as being required to pay the legal fees, fees, costs, charges, expenses, losses, damages, claims, indemnity payments and liabilities of Funding 1 accrued due and payable on any Distribution Date (including the legal fees, fees, costs, charges, expenses, losses, damages, claims, indemnity payments and liabilities of the Security Trustee, any receiver and any agent appointed pursuant to the STDCMA and any amounts payable to the Funding 1 Account Bank pursuant to the Loan Note Issuer No. 1 Account Bank Agreement) plus any such legal fees, fees, costs, charges, expenses, losses, damages, claims, indemnity payments and liabilities remaining unpaid for previous Distribution Dates, excluding in each case such legal fees, fees, costs, charges, expenses, losses, damages, claims, indemnity payments and liabilities of Funding 1 which are payable under any of paragraph (ii) to (xiii) under "*Application of LNI Available Funds*".

The **Funding 1 Profit Amount** for any monthly period means £100.

The **Loan Note Holder's Costs Amount** means, in respect of each Loan Note Holder, the amount set out in the relevant supplement to the global loan note for such Loan Note Holder and for the Issuer shall mean the amounts (evidenced by a formal invoice) as being required to pay the legal fees, fees, costs, charges, expenses, losses, damages, claims, indemnity payments and liabilities of the Issuer accrued due and payable on any Distribution Date (and the legal fees, fees, costs, charges, expenses, losses, damages, claims, indemnity payments and liabilities of the Note Trustee, any receiver appointed pursuant to the Note Trust Deed, any agent appointed pursuant to the Paying Agency Agreement and the Issuer Account Bank pursuant to the Issuer Distribution Account Bank Agreement and the Call Protection Accumulation Deposit Account Bank Agreement) plus any such legal fees, fees, costs, charges, expenses, losses, damages, claims, indemnity payments and liabilities remaining unpaid for previous Distribution Dates as such amount may be varied in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement for the related Note Series excluding in each case (A) any interest or principal amount payable by the Issuer under the corresponding notes issued by it and (B) any Approved Conduit Payment and any Additional Junior Costs Items payable to the Issuer.

The **Loan Note Holder's Profit Amount** means in respect of each Loan Note Holder and in respect of each Transfer Date an amount rounded up to the nearest penny, equal to the lesser of one-twelfth of (i) £12,000 and (ii) the aggregate of £1,200 per Note Series outstanding on such Transfer Date.

The **Monthly Expenses Loan Amount** means, with respect to any Transfer Date, the amount equal to any monthly interest accruals and any scheduled principal repayments which are, in each case, due and payable on the immediately following Distribution Date, including any amount outstanding in respect of any previous Distribution Dates, if any, on the expenses loan.

Shortfalls of LNI Available Funds

When shortfalls are calculated due to there being insufficient LNI Available Funds to make the payments and provisions specified in "*Application of LNI Available Funds*" above, the amount of the shortfall for each item will be met from the following sources in the following order of priority:

- from the Series Cash Reserve Account to the extent funds are available for that purpose in respect of any Loan Note in the Series Cash Reserve Account Ledger for that Loan Note (see "*The Reserves*")

and Permitted Investments — Series Cash Reserve Account" above), such amounts to be determined prior to the determination of any Programme Reserve Draw Amount with respect to such Transfer Date;

- from LNI Available Principal Amounts to the extent of Utilised Required Retained Principal Collections in the manner and to the extent specified for the items identified (see "*Use of LNI Available Principal Amounts*" below);
- by deferring payment in respect of such items to the next Transfer Date on which LNI Available Funds are sufficient to make a payment; or
- by such item not being payable to the extent of such shortfall.

In the event that there are shortfalls in respect of the amount of LNI Available Funds available, including after application of funds standing to the credit of the Series Cash Reserve Account, to make the payments and provisions targeted above, such shortfalls will be calculated as referable to the Loan Notes as follows:

- senior costs shortfalls will be calculated as referable to the class A Loan Notes (or, if no class A Loan Notes are outstanding to the class B Loan Notes or, if no class B Loan Notes are outstanding to the class C Loan Notes) in each case as a class;
- if there is a shortfall in the amount available to pay the aggregate of the class A Monthly Distribution Amounts, then each class A Loan Note will be allocated a *pro-rated* portion of the amount available equal to a fraction the numerator of which is the class A Monthly Distribution Amount for that class A Loan Note and the denominator of which is the aggregate of the class A Monthly Distribution Amounts for all class A Loan Notes. The class A monthly shortfall will then be calculated as referable to each class A Loan Note accordingly;
- if there is a shortfall in the amount available to pay the aggregate of the class B Monthly Distribution Amounts, then each class B Loan Note will be allocated a *pro-rated* portion of the amount available equal to a fraction the numerator of which is the class B Monthly Distribution Amount for that class B Loan Note and the denominator of which is the aggregate of the class B Monthly Distribution Amounts for all class B Loan Notes. The class B monthly shortfall will then be calculated as referable to each such class B Loan Note accordingly;
- if there is a shortfall in the amount available to pay the aggregate of the class C Monthly Distribution Amounts, then each class C Loan Note will be allocated a *pro-rated* portion of the amount available equal to a fraction the numerator of which is the class C Monthly Distribution Amount for that class C Loan Note and the denominator of which is the aggregate of the class C Monthly Distribution Amounts for all class C Loan Notes. The class C monthly shortfall will then be calculated as referable to each such class C Loan Note accordingly;
- if there is a shortfall in the amount available to pay the aggregate of the class D Monthly Distribution Amounts, then each class D Loan Note, if any, will be allocated a *pro-rated* portion of the amount available equal to a fraction the numerator of which is the class D Monthly Distribution Amount for that class D Loan Note and the denominator of which is the aggregate of the class D Monthly Distribution Amounts for all class D Loan Notes. The class D monthly shortfall will then be calculated as referable to each such class D Loan Note accordingly;
- shortfalls in the amount payable in respect of the Servicer Payment Items payable on any Transfer Date will be calculated as referable to the class A Loan Notes (or, if no class A Loan Notes are outstanding, to the class B Loan Notes or, if no class B Loan Notes are outstanding, to the class C Loan Notes or, if no class C Loan Notes are outstanding, to the class D Loan Notes) in each case as a class;

- if there is a shortfall in the amount available to credit to the Series Cash Reserve Account Ledger of any class of Loan Notes, then each Loan Note of that class requiring an amount to be credited will be allocated a *pro-rated* portion of the amount available equal to a fraction the numerator of which is the amount required for that Loan Note and the denominator of which is the aggregate of all amounts required for all outstanding Loan Notes of that class and the Series Cash Reserve Account Ledger will not be credited to the extent of the insufficiency;
- shortfalls in the amount available to pay the Loan Note Holder's Profit Amount to each Loan Note Holder will be borne *pro rata* by each Loan Note Holder by reference to the amount payable and the Loan Note Holder's Profit Amount for each Loan Note Holder will not be paid to the extent of the insufficiency; and
- shortfalls in the amount available to pay Additional Junior Costs Items will be allocated *pro rata* between each junior cost item by reference to the amount payable and each relevant additional junior costs item will not be paid to the extent of the insufficiency.

Application of LNI Available Principal Amounts

Funding 1 will utilise LNI Available Principal Amounts to make the payments and provisions set out below.

LNI available principal amounts (**LNI Available Principal Amounts**) with respect to any Monthly Period are an amount equal to the sum of:

- amounts credited to the principal ledger in the Funding 1 Distribution Account (the **Funding 1's Principal Ledger**) from the Delamare Cards Receivables Trust in respect of the Monthly Principal Amount; *plus*
- any amounts credited to the Funding 1's Principal Ledger from the Delamare Cards Receivables Trust in respect of Utilised Required Retained Principal Collections; *plus*
- any amount representing any pre-funding amount credited to the Funding 1's Principal Ledger on the related Transfer Date; *plus*
- amounts credited to the Funding 1's Principal Ledger from LNI Available Funds in respect of the aggregate Investor Default Amount; *plus*
- amounts credited to the Funding 1's Principal Ledger from LNI Available Funds in respect of reimbursements of Investor Charge-Offs and reductions to the Nominal Liquidation Amounts of Loan Notes; *plus*
- amounts credited to the Funding 1's Principal Ledger from LNI Available Funds in respect of the Pre-Funding Additional Amount.

On each Transfer Date, following the application of LNI Available Funds and the calculation of shortfalls (if any and taking into account any amounts otherwise applied in reducing such shortfalls as described in "*Shortfalls of LNI Available Funds*" above), the Cash Manager shall instruct Funding 1 (or the Bank Account Operator acting on behalf of Funding 1) to apply LNI Available Principal Amounts transferred to the Funding 1 Distribution Account (and standing to the credit of the Funding 1's Principal Ledger) on such Transfer Date as reallocated Principal Collections, to the extent of Utilised Required Retained Principal Collections, in the following amounts in the following order of priority:

- (a) *firstly*, an amount up to the senior costs shortfall, equal to:

- (i) if there are any class A Loan Notes outstanding, the amount of the senior costs shortfall, to be allocated to the class A Loan Notes as a class, in an amount equal to the lesser of:
 - (A) the amount of the senior costs shortfall calculated as referable to the class A Loan Notes; and
 - (B) an amount equal to the unused Class A Available Subordinated Amount (after giving effect to any reductions due to Investor Charge-Offs and any reimbursements of Nominal Liquidation Amount Deficits); or
- (ii) if there are no class A Loan Notes outstanding, the amount of the senior costs shortfall, to be allocated to the class B Loan Notes as a class, equal to the lesser of:
 - (A) the amount of the senior costs shortfall calculated as referable to the class B Loan Notes; and
 - (B) an amount equal to the unused Class B Available Subordinated Amount (after giving effect to any reductions due to Investor Charge-Offs and any reimbursements of Nominal Liquidation Amount Deficits); or
- (iii) if there are no class A Loan Notes and no class B Loan Notes outstanding, the amount of the senior costs shortfall, to be allocated to the class C Loan Notes as a class, equal to the lesser of:
 - (A) the amount of the senior costs shortfall calculated as referable to the class C Loan Notes; and
 - (B) an amount equal to the unused Class C Available Subordinated Amount (after giving effect to any reductions due to Investor Charge-Offs and any reimbursements of Nominal Liquidation Amount Deficits),

to be credited to the Funding 1's Finance Charge Collections Ledger and applied in respect of Senior Costs Items;

- (b) *secondly*, an amount up to the class A monthly shortfall, equal to the aggregate of the amount in respect of each class A Loan Note, which will be allocated to such class A Loan Note, equal to such class A Loan Note's *pro rata* share of the lesser of:
 - (i) the amount of the class A monthly shortfall calculated as referable to such class A Loan Note; and
 - (ii) the unused Class A Available Subordinated Amount (after giving effect to any reductions due to Investor Charge-Offs and the payment of Utilised Required Retained Principal Collections in respect of the senior costs shortfall and any reimbursements of Nominal Liquidation Amount Deficits),

to be credited to the Funding 1's Finance Charge Collections Ledger and applied in respect of the aggregate class A Monthly Distribution Amount;

- (c) *thirdly*, an amount up to the class B monthly shortfall, equal to the aggregate of the amount in respect of each class B Loan Note, which will be allocated to such class B Loan Note, equal to such class B Loan Note's *pro rata* share of the lesser of:
 - (i) the amount of the class B monthly shortfall calculated as referable to such class B Loan Note; and

- (ii) the unused Class B Available Subordinated Amount (after giving effect to any reductions due to Investor Charge-Offs and the payment of Utilised Required Retained Principal Collections in respect of the senior costs shortfall and the class A monthly shortfall and any reimbursements of Nominal Liquidation Amount Deficits),

to be credited to the Funding 1's Finance Charge Collections Ledger and applied in respect of the aggregate class B Monthly Distribution Amount;

- (d) *fourthly*, if there are any class A Loan Notes outstanding, an amount up to the Servicer payment shortfall to be allocated to the class A Loan Notes as a class, equal to the lesser of:

- (i) the amount of the Servicer payment shortfall calculated as referable to the class A Loan Notes; and
- (ii) the unused Class A Available Subordinated Amount (after giving effect to any reductions due to Investor Charge-Offs and the payment of Utilised Required Retained Principal Collections in respect of the senior costs shortfall, the class A monthly shortfall and the class B monthly shortfall and any reimbursements of Nominal Liquidation Amount Deficits),

to be credited to the Funding 1's Finance Charge Collections Ledger to be applied in respect of Servicer Payment Items;

- (e) *fifthly*, if there are any class B Loan Notes outstanding, an amount up to the Servicer payment shortfall to be allocated to the class B Loan Notes as a class, equal to the lesser of:

- (i) the amount of the Servicer payment shortfall calculated as referable to the class B Loan Notes; and
- (ii) the unused Class B Available Subordinated Amount (after giving effect to any reductions due to Investor Charge-Offs and the payment of Utilised Required Retained Principal Collections in respect of the senior costs shortfall, the class A monthly shortfall, the class B monthly shortfall and the Servicer payment shortfall allocated to the class A Loan Notes and any reimbursements of Nominal Liquidation Amount Deficits),

to be credited to the Funding 1's Finance Charge Collections Ledger to be applied in respect of Servicer Payment Items;

- (f) *sixthly*, if there are any class C Loan Notes outstanding, an amount up to the Servicer payment shortfall to be allocated to the class C Loan Notes as a class, equal to the lesser of:

- (i) the amount of the Servicer payment shortfall calculated as referable to the class C Loan Notes; and
- (ii) either (a) if there are any class D Loan Notes outstanding, the unused Class C Available Subordinated Amount (after giving effect to any reductions due to Investor Charge-Offs and the payment of Utilised Required Retained Principal Collections in respect of the senior costs shortfall, the class A monthly shortfall, the class B monthly shortfall and the Servicer payment shortfall allocated to the class A Loan Notes and class B Loan Notes and any reimbursements of Nominal Liquidation Amount Deficits) or (b) if there are no class D Loan Notes outstanding, the Nominal Liquidation Amount of such class C Loan Note (determined after giving effect to any reductions due to Investor Charge-Offs and the payment of Utilised Required Retained Principal Collections in respect of the senior costs shortfall, the class A monthly shortfall, the class B monthly shortfall and the Servicer payment shortfall allocated to the class A Loan Notes, the class B Loan Notes and any reimbursements of Nominal Liquidation Amount Deficits),

to be credited to the Funding 1's Finance Charge Collections Ledger to be applied in respect of Servicer Payment Items;

- (g) *seventhly*, if there are any class D Loan Notes outstanding, an amount up to the Servicer payment shortfall to be allocated to the class D Loan Notes as a class, equal to the lesser of:
- (i) the amount of the Servicer payment shortfall calculated as referable to the class D Loan Notes; and
 - (ii) the Nominal Liquidation Amount of such class D Loan Note (determined after giving effect to any reductions due to Investor Charge-Offs and the payment of Utilised Required Retained Principal Collections in respect of the senior costs shortfall, the class A monthly shortfall, the class B monthly shortfall and the Servicer payment shortfall allocated to the class A Loan Notes, the class B Loan Notes and class C Loan Notes and any reimbursements of Nominal Liquidation Amount Deficits),

to be credited to the Funding 1's Finance Charge Collections Ledger to be applied in respect of Servicer Payment Items; and

- (h) *eighthly*, an amount up to the class C monthly shortfall, equal to the aggregate of the amounts in respect of each class C Loan Note, which will be allocated to such class C Loan Note, equal to such class C Loan Note's *pro rata* share of the lesser of:
- (i) the amount of the class C monthly shortfall calculated as referable to such class C Loan Note; and
 - (ii) the unused Class C Available Subordinated Amount (after giving effect to any reductions due to Investor Charge-Offs and the payment of Utilised Required Retained Principal Collections in respect of the senior costs shortfall, the class A monthly shortfall, the class B monthly shortfall, the Servicer payment shortfall and any reimbursements of Nominal Liquidation Amount Deficits),

to be credited to the Funding 1's Finance Charge Collections Ledger and applied in respect of the aggregate class C Monthly Distribution Amount.

On each Transfer Date, following the application of LNI Available Principal Amounts to the extent of Utilised Required Retained Principal Collections as set out above, the Cash Manager shall instruct Funding 1 (or the Bank Account Operator acting on behalf of Funding 1) to apply funds standing to the credit of the Funding 1's Principal Ledger to the extent of the amount of LNI Available Principal Amounts (excluding Utilised Required Retained Principal Collections) remaining in the following order of priority:

- (a) *firstly*, in priority:
- (i) *pari passu* and *pro rata* to the amounts due on such date:
 - (A) in respect of each class A Loan Note which is in an Accumulation Period following an Accumulation Period Commencement Date, an amount equal to the lesser of (i) the Controlled Deposit Amount for such class A Loan Note and (ii) the Nominal Liquidation Amount for such class A Loan Note (after giving effect to any reductions due to Investor Charge-Offs and any reimbursements of Nominal Liquidation Amount Deficits on such Transfer Date) to the Principal Funding Account Ledger maintained in respect of such class A Loan Note; and
 - (B) in respect of each class A Loan Note which is in an Amortisation Period, an amount equal to the lesser of (i) the sum of (A) the Principal Amortisation Amount for such

class A Loan Note plus (B) the amount of the reimbursement of the Nominal Liquidation Amount Deficits for such class A Loan Note as at that Transfer Date and (ii) the Nominal Liquidation Amount for such class A Loan Note (after giving effect to any reductions due to Investor Charge- Offs and any reimbursements of Nominal Liquidation Amount Deficits, in each case, on such Transfer Date) to the principal sub-ledger maintained in respect of such class A Loan Note and such amounts will be used by Funding 1 in making payments in relation to the relevant class A Loan Note in accordance with the terms of the relevant Loan Note Supplement; and

- (C) in respect of each class A Loan Note, an amount equal to the lesser of (i) such class A Loan Note's *pro rata* share of the Targeted Pre-Funding Amount for class A Loan Notes on such Transfer Date and (ii) the Nominal Liquidation Amount for such class A Loan Note (after giving effect to any reductions due to Investor Charge-Offs and any reimbursements of Nominal Liquidation Amount Deficits, in each case, on such Transfer Date), to be credited to the Principal Funding Account Ledger maintained in respect of such class A Loan Note;

(b) *secondly*, in priority:

(i) *pari passu* and *pro rata* to the amounts due on such date:

- (A) in respect of each class B Loan Note which is in an Accumulation Period following an Accumulation Period Commencement Date, an amount equal to the lesser of (i) the Controlled Deposit Amount for such class B Loan Note and (ii) the Nominal Liquidation Amount for such class B Loan Note (after giving effect to any reductions due to Investor Charge-Offs and Utilised Required Retained Principal Collections and any reimbursements of Nominal Liquidation Amount Deficits, in each case, on such Transfer Date) to the Principal Funding Account Ledger maintained in respect of such class B Loan Note; and
- (B) in respect of each class B Loan Note which is in an Amortisation Period, an amount equal to the lesser of (i) the sum of (A) the Principal Amortisation Amount for such class B Loan Note plus (B) the amount of the reimbursement of the Nominal Liquidation Amount Deficits for such class B Loan Note as at that Transfer Date and (ii) the Nominal Liquidation Amount for such class B Loan Note (after giving effect to any reductions due to Investor Charge Offs and Utilised Required Retained Principal Collections and any reimbursements of Nominal Liquidation Amount Deficits, in each case, on such Transfer Date) to the principal sub-ledger maintained in respect of such class B Loan Note and such amounts will be used by Funding 1 in making payments in relation to the relevant class B Loan Note in accordance with the terms of the relevant Loan Note Supplement,

provided that, in respect of any such debit from the Funding 1's Principal Ledger in respect of a class B Loan Note, such debiting will only be permitted to the extent that the Repayment Tests are satisfied on such date in respect of such class B Loan Note; and

- (C) in respect of each class B Loan Note, an amount equal to the lesser of (i) such class B Loan Note's *pro rata* share of the Targeted Pre-Funding Amount for class B Loan Notes on such Transfer Date and (ii) the Nominal Liquidation Amount for such class B Loan Note (after giving effect to any reductions due to Investor Charge-Offs and Utilised Required Retained Principal Collections and any reimbursements of Nominal Liquidation Amount Deficits, in each case, on such Transfer Date), to be

credited to the Principal Funding Account Ledger maintained in respect of such class B Loan Note;

- (c) *thirdly*, in priority:
- (i) *pari passu* and *pro rata* to the amounts due on such date:
- (A) in respect of each class C Loan Note which is in an Accumulation Period following an Accumulation Period Commencement Date, an amount equal to the lesser of (i) the Controlled Deposit Amount for such class C Loan Note and (ii) the Nominal Liquidation Amount for such class C Loan Note (after giving effect to any reductions due to Investor Charge-Offs and Utilised Required Retained Principal Collections and any reimbursements of Nominal Liquidation Amount Deficits, in each case, on such Transfer Date) to the Principal Funding Account Ledger maintained in respect of such class C Loan Note; and
- (B) in respect of each class C Loan Note which is in an Amortisation Period, an amount equal to the lesser of (i) the sum of (A) the Principal Amortisation Amount for such class C Loan Note plus (B) the amount of the reimbursement of the Nominal Liquidation Amount Deficits for such class C Loan Note as at that Transfer Date and (ii) the Nominal Liquidation Amount for such class C Loan Note (after giving effect to any reductions due to Investor Charge- Offs and Utilised Required Retained Principal Collections and any reimbursements of Nominal Liquidation Amount Deficits, in each case, on such Transfer Date) to the principal sub-ledger maintained in respect of such class C Loan Note and such amounts will be used by Funding 1 in making payments in relation to the relevant class C Loan Note in accordance with the terms of the relevant Loan Note Supplement,
- provided that**, in respect of any debit from the Funding 1's Principal Ledger in respect of a class C Loan Note, such debiting will only be permitted to the extent that the Repayment Tests are satisfied on such date in respect of such class C Loan Note; and
- (C) in respect of each class C Loan Note, an amount equal to the lesser of (i) such class C Loan Note's *pro rata* share of the Targeted Pre-Funding Amount for class C Loan Notes on such Transfer Date and (ii) the Nominal Liquidation Amount for such class C Loan Note (after giving effect to any reductions due to Investor Charge-Offs and Utilised Required Retained Principal Collections and any reimbursements of Nominal Liquidation Amount Deficits, in each case, on such Transfer Date), to be credited to the Principal Funding Account Ledger maintained in respect of such class C Loan Note;
- (d) *fourthly*, *pari passu* and *pro rata* to the amounts due on such date:
- (i) in respect of each class D Loan Note which is in an Accumulation Period following an Accumulation Period Commencement Date, an amount equal to the lesser of (i) the Controlled Deposit Amount for such class D Loan Note and (ii) the Nominal Liquidation Amount for such class D Loan Note (after giving effect to any reductions due to Investor Charge-Offs and Utilised Required Retained Principal Collections and any reimbursements of Nominal Liquidation Amount Deficits, in each case, on such Transfer Date) to the Principal Funding Account Ledger maintained in respect of such class D Loan Note; and
- (ii) in respect of each class D Loan Note which is in an Amortisation Period, an amount equal to the lesser of (i) the sum of (A) the Principal Amortisation Amount for such class D Loan

Note plus (B) the amount of the reimbursement of the Nominal Liquidation Amount Deficits for such class D Loan Note as at that Transfer Date and (ii) the Nominal Liquidation Amount for such class D Loan Note (after giving effect to any reductions due to Investor Charge- Offs and Utilised Required Retained Principal Collections and any reimbursements of Nominal Liquidation Amount Deficits, in each case, on such Transfer Date) to the principal sub-ledger maintained in respect of such class D Loan Note and such amounts will be used by Funding 1 in making payments in relation to the relevant class D Loan Note in accordance with the terms of the relevant Loan Note Supplement,

provided that, in respect of any debit from the Funding 1's Principal Ledger in respect of a class D Loan Note, such debiting will only be permitted to the extent that the Repayment Tests are satisfied on such date in respect of such class D Loan Note;

- (e) *fifthly*, an amount (not to exceed the amount transferred in respect of the aggregate Investor Default Amount from LNI Available Funds) equal to the aggregate Investor Default Amount, if any, for the preceding Monthly Period to be paid to the Receivables Trustee as Additional Funds and identified as "Loss Make-Up (Default)" to be credited to the Trustee Investment Account;
- (f) *sixthly*, an amount (not to exceed the amount transferred in respect of reimbursements of Investor Charge- Offs and reductions in the Nominal Liquidation Amount of Loan Notes from LNI Available Funds) equal to the aggregate of (i) the aggregate amount of Investor Charge-Offs and (ii) the aggregate amount of any reductions in the Nominal Liquidation Amount of any Loan Note due to payments of Utilised Required Retained Principal Collections which have not been previously reinstated are to be paid to the Receivables Trustee as Additional Funds, credited to the Trustee Investment Account, and identified as "Loss Make-Up (Charge-Offs)" or "Refunded Utilised Principal Collections";
- (g) *seventhly*, if an amount has been transferred from LNI Available Funds in respect of a Pre-Funding Additional Amount since the pre-funding amount was last reduced by more than the Pre-Funding Additional Amount, an amount equal to such amount to be credited to the Receivables Trustee Consideration Account as Additional Funds to be identified as part of "Excess Spread" **provided that** such amount shall be reduced by the amount of any Investor Charge-Offs deducted from the Investor Interest; and
- (h) *eighthly*, an amount equal to the excess, if any, to be paid to the Receivables Trustee to be credited to the Trustee Investment Account to be treated as "Cash Available For Investment".

Reduction from Investor Charge-Offs to the Nominal Liquidation Amount of subordinated classes

Investor Default Amounts in respect of the Receivables will be allocable to the Funding 1 Beneficial Interest in accordance with the terms of the Delamare Cards Receivables Trust and the De-Linked Supplement. If on any Transfer Date there are insufficient LNI Available Principal Amounts following the transfer of LNI Available Funds to pay in full the aggregate Investor Default Amount for the preceding Monthly Period (being the aggregate of the amount of Investor Default Amounts in respect of the Receivables allocable to the Funding 1 Beneficial Interest) then an amount equal to the shortfall, being the Investor Charge-Off for Funding 1 will be allocated (and reallocated) on that Transfer Date as follows:

- initially, the Investor Charge-Off will be allocated to each outstanding Loan Note of the most subordinated class *pro rata* based on the ratio of the weighted average Available Funds Calculation Amount for such Loan Note for such Monthly Period to the weighted average Available Funds Calculation Amount for all outstanding Loan Notes of such class for such Monthly Period, **provided, however, that** any allocation of any Investor Charge-Offs that would otherwise have reduced the Nominal Liquidation Amount of any Loan Note of such class to zero will be reallocated

to the remaining Loan Notes of that class but in no event will the Nominal Liquidation Amount of that class be reduced below zero;

- if following such allocation, the amount of the Investor Charge-Off is not fully allocated to the outstanding Loan Notes of the most subordinated class, the amount not so allocated will be allocated successively to the next most subordinated class of Loan Notes outstanding which have Nominal Liquidation Amounts of greater than zero subject to the limitations set out below. Consequently, the effect of such allocation or reallocation in respect of the subordinated classes of Loan Notes will be to allocate Investor Charge-Offs first to the class D Loan Notes (if any), then to the class C Loan Notes and then to the class B Loan Notes, in each case subject to the limitations set out below and on the basis that no amount of Investor Charge-Offs will be allocated to a more senior class of Loan Note until the aggregate Nominal Liquidation Amount of each Loan Note of all more subordinated classes of Loan Note have been reduced to zero; and
- any amount of the Investor Charge-Off which cannot be allocated or reallocated to a subordinated class of Loan Notes due to the limitations set out below will reduce the Nominal Liquidation Amount of each class A Loan Note *pro rata* based on the ratio of the weighted average Available Funds Calculation Amount for such Loan Note for such Monthly Period to the weighted average Available Funds Calculation Amount for all outstanding Loan Notes of such class for such Monthly Period, **provided, however, that** such Nominal Liquidation Amount of a class A Loan Note may not be reduced to less than zero.

Allocation or reallocations to Loan Notes will be applied to each Loan Note *pro rata* based on the ratio of the weighted average Available Funds Calculation Amount for such Subordinated Loan Note for the related Monthly Period to the weighted average Available Funds Calculation Amount for all outstanding Loan Notes of that class for the related Monthly Period. If any reallocation would reduce the Nominal Liquidation Amount of a Loan Note of a class to below zero it will be reallocated to other Loan Notes of that class but in no event will the Nominal Liquidation Amount of a Loan Note be reduced to below zero.

As a result of the above the Nominal Liquidation Amount of each Loan Note will be reduced by an amount equal to the amount of the Investor Charge-Off which is allocated or reallocated to that Loan Note, **provided, however, that** if the weighted average Available Funds Calculation Amount for such Monthly Period for all Loan Notes is zero and the pre-funding amount is greater than zero then it is acknowledged that the effect of the Investor Charge-Off will be to reduce the remaining Investor Interest in the Delamare Cards Receivables Trust without causing a reduction in the Nominal Liquidation Amount of any Loan Note.

Reductions to the Nominal Liquidation Amount of subordinated classes from use of Utilised Required Retained Principal Collections

The Use of LNI Available Principal Amounts to the extent of Utilised Required Retained Principal Collections to meet shortfalls of LNI Available Funds to make certain payments and targeted provisions on a Transfer Date is described above. Following the allocation of such shortfalls to the relevant Loan Notes, the Nominal Liquidation Amounts of Loan Notes are reduced as follows:

- the share of the senior costs shortfall paid from LNI Available Principal Amounts which is allocated to the class A Loan Notes will reduce the Nominal Liquidation Amount of first each of the class D Loan Notes, then each of the class C Loan Notes and then each of the class B Loan Notes;
- the share of the senior costs shortfall paid from LNI Available Principal Amounts which is allocated to the class B Loan Notes will reduce the Nominal Liquidation Amount (determined after giving effect to any reduction due to the amount of Investor Charge-Offs) of first each of the class D Loan Notes, then each of the class C Loan Notes;

- the share of the senior costs shortfall paid from LNI Available Principal Amounts which is allocated to the class C Loan Notes will reduce the Nominal Liquidation Amount (determined after giving effect to any reduction due to the amount of Investor Charge-Offs) of each of the class D Loan Notes;
- the share of the class A monthly shortfall paid from LNI Available Principal Amounts which is allocated to each class A Loan Note will reduce the Nominal Liquidation Amount (determined after giving effect to the Investor Charge-Offs and the preceding paragraphs) of first, each of the class D Loan Notes, then each of the class C Loan Notes and then each of the class B Loan Notes;
- the share of the class B monthly shortfall paid from LNI Available Principal Amounts which is allocated to each class B Loan Note will reduce the Nominal Liquidation Amount (determined after giving effect to the Investor Charge-Offs and the preceding paragraphs) of first, the class D Loan Notes, then the class C Loan Notes;
- the Servicer payment shortfall paid from LNI Available Principal Amounts which is allocated to the class A Loan Notes will reduce the Nominal Liquidation Amount (determined after giving effect to the Investor Charge-Offs and the preceding paragraphs) of first each of the class D Loan Notes, then each of the class C Loan Notes and then each of the class B Loan Notes;
- of the Servicer payment shortfall paid from LNI Available Principal Amounts which is allocated to the class B Loan Notes will reduce the Nominal Liquidation Amount (determined after giving effect to the Investor Charge-Offs and the preceding paragraphs) of first each of the class D Loan Notes and then each of the class C Loan Notes;
- the Servicer payment shortfall paid from LNI Available Principal Amounts which is allocated to the class C Loan Notes will reduce the Nominal Liquidation Amount (determined after giving effect to the Investor Charge-Offs and the preceding paragraphs) of each of the class D Loan Notes (if any) or, if there are no class D Loan Notes then outstanding, of each of the class C Loan Notes;
- the share of the Servicer payment shortfall paid from LNI Available Principal Amounts which is allocated to each class D Loan Notes will reduce the Nominal Liquidation Amount (determined after giving effect to the Investor Charge-Offs and the preceding paragraphs) of each of the class D Loan Notes; and
- the share of the class C monthly shortfall paid from LNI Available Principal Amounts which is allocated to each class C Loan Note will reduce the Nominal Liquidation Amount (determined after giving effect to the Investor Charge-Offs and the preceding paragraphs) of the class D Loan Notes.

For the avoidance of doubt, the aggregate amount of such reduction in respect of the class A Loan Note will never be greater than zero.

Reductions of the Nominal Liquidation Amount of Loan Notes described above (from use of Utilised Required Retained Principal Collections) are subject to the following provisions:

The aggregate amount which reduces the Nominal Liquidation Amount of class B Loan Notes as set out above will reduce the Nominal Liquidation Amount (determined after giving effect to any reductions due to the amount of the Investor Charge-Offs) of each class B Loan Note *pro rata* based on the ratio of the weighted average Available Funds Calculation Amount for such class B Loan Note for the related Monthly Period to the weighted average Available Funds Calculation Amount for all class B Loan Notes for the related Monthly Period; **provided, however, that** any allocation of any such reduction that would otherwise have reduced the Nominal Liquidation Amount of a class B Loan Note below zero will be reallocated to the remaining class B Loan Notes, but in no event will the Nominal Liquidation Amount of any class B Loan Note be reduced below zero;

The aggregate amount which reduces the Nominal Liquidation Amount of class C Loan Notes as set out above will reduce the Nominal Liquidation Amount (determined after giving effect to any reductions due to the amount of the Investor Charge-Offs) of each class C Loan Note *pro rata* based on the ratio of the weighted average Available Funds Calculation Amount for such class C Loan Note for the related Monthly Period to the weighted average Available Funds Calculation Amount for all class C Loan Notes for the related Monthly Period; **provided, however, that** any allocation of any such reduction that would otherwise have reduced the Nominal Liquidation Amount of a class C Loan Note below zero will be reallocated to the remaining class C Loan Notes, but in no event will the Nominal Liquidation Amount of any class C Loan Note be reduced below zero; and

The aggregate amount which reduces the Nominal Liquidation Amount of class D Loan Notes as set out above will reduce the Nominal Liquidation Amount (after giving effect to any reductions due to the amount of the Investor Charge-Offs) of each class D Loan Note *pro rata* based on the ratio of the weighted average Available Funds Calculation Amount for such class D Loan Note for the related Monthly Period to the weighted average Available Funds Calculation Amount for all class D Loan Notes for the related Monthly Period; **provided, however, that** any allocation of any such reduction that would otherwise have reduced the Nominal Liquidation Amount of a class D Loan Note below zero will be reallocated to the remaining class D Loan Notes, but in no event will the Nominal Liquidation Amount of any class D Loan Note be reduced below zero.

ISSUER CASHFLOWS

Each Loan Note Supplement sets out how money is distributed under each Loan Note to the Issuer as the holder of the Loan Note. All payments made from the account of Funding 1 will be made monthly on a Distribution Date, which will also be the monthly Interest Payment Date in respect of the notes during the Regulated Amortisation Period or the Rapid Amortisation Period (except for notes that have the benefit of a Swap Agreement subject to the Redemption Protection Period, which have a monthly Interest Payment Date only after their Scheduled Redemption Date).

As at the date of this Base Prospectus, it is not intended that any Swap Agreement will be subject to the Redemption Protection Period.

Other payments, in particular, payments of interest on the notes prior to any Amortisation Period will be made on an Interest Payment Date which falls at the end of an annual, semi-annual, quarterly or monthly period, as applicable. The Loan Note Interest Payment Dates of each Loan Note will be monthly (see "*Annual, Semi-Annual, Quarterly or Monthly payments*" below).

Monthly Payments of an Income Nature

On each Distribution Date, the aggregate of the amounts (other than amounts in respect of principal), transferred on or before the immediately preceding Transfer Date by Funding 1 to the Issuer Distribution Account and credited to the Distribution Ledger for the relevant Note Series, together with any interest earned on the Distribution Ledger for the relevant Note Series since the previous Distribution Date, shall be applied in the order of priority set out below:

1. an amount equal to the Loan Note Holder's Costs Amount for such Transfer Date shall be used or retained in the Issuer Distribution Account for payment of each item of the Loan Note Holder's Costs Amount;
2. for each Note Series of class A notes *pari passu* and in no priority between each item:
 - (a) in respect of a Distribution Date falling during any period that is not an Amortisation Period, an amount equal to the Monthly Distribution Amount for the relevant class A Loan Note credited to the Distribution Ledger for the relevant Note Series of class A notes shall be used or retained in the Issuer Distribution Account, identified for the Note Series in question, for payment, in each case as described in paragraphs (1), (2) or (3) in "*Annual, Semi-Annual, Quarterly or Monthly payments*" below;
 - (b) in respect of a Distribution Date falling in the Regulated Amortisation Period or the Rapid Amortisation Period (where there is either no Swap Agreement entered into by the Issuer or if the Swap Agreement entered into by the Issuer is not subject to Redemption Protection Period), an amount equal to the Monthly Distribution Amount for the relevant class A Loan Note credited to the Distribution Ledger for the relevant Note Series of class A notes on the Transfer Date falling on or immediately prior to such Distribution Date shall be paid by the Issuer to the Swap Counterparty and/or the Noteholders of the relevant Note Series of class A notes (as the case may be) and converted to a sum for distribution to such Noteholders in accordance with the terms and conditions of the notes and subject to the terms of the Swap Agreement (if applicable); and
 - (c) if a Swap Agreement has been entered into in respect of the notes (and is subject to Redemption Protection Period), then in respect of a Distribution Date during the Regulated Amortisation Period or the Rapid Amortisation Period on or prior to the relevant Scheduled Redemption Date, an amount equal to the Monthly Distribution Amount for the relevant

class A Loan Note shall be retained in the Issuer Distribution Account and credited to the Distribution Ledger for the relevant Note Series of class A notes (or transferred to the Call Protection Accumulation Deposit Account and retained in the relevant Note Series ledger identified for the Note Series of class A notes in question), for payment, in each case, as described in "*Annual, Semi-Annual, Quarterly or Monthly payments*" below.

3. for each Note Series of class B notes *pari passu* and in no priority between each item;
 - (a) in respect of a Distribution Date falling during any period that is not an Amortisation Period, an amount equal to the Monthly Distribution Amount for the relevant class B Loan Note credited to the Distribution Ledger for the relevant Note Series of class B notes shall be used or retained in the Issuer Distribution Account, identified for the Note Series in question, for payment, in each case as described in paragraphs (1), (2) or (3) in "*Annual, Semi-Annual, Quarterly or Monthly payments*" below;
 - (b) in respect of a Distribution Date falling in the Regulated Amortisation Period or the Rapid Amortisation Period (where there is either no Swap Agreement entered into by the Issuer or if the Swap Agreement entered into by the Issuer is not subject to Redemption Protection Period), an amount equal to the Monthly Distribution Amount for the relevant class B Loan Note credited to the Distribution Ledger for the relevant Note Series of class B notes on the Transfer Date falling on or immediately prior to such Distribution Date shall be paid by the Issuer to the Swap Counterparty and/or the Noteholders of the relevant Note Series of class B notes (as the case may be) and converted to a sum for distribution to such Noteholders in accordance with the terms and conditions of the notes and subject to the terms of the Swap Agreement (if applicable); and
 - (c) if a Swap Agreement has been entered into in respect of the notes (and is subject to the Redemption Protection Period), then in respect of a Distribution Date during the Regulated Amortisation Period or the Rapid Amortisation Period on or prior to the relevant Scheduled Redemption Date, an amount equal to the Monthly Distribution Amount for the relevant class B Loan Note shall be retained in the Issuer Distribution Account and credited to the Distribution Ledger for the relevant Note Series of class B notes (or transferred to the Call Protection Accumulation Deposit Account and retained in the relevant Note Series ledger identified for the Note Series of class B notes in question), for payment, in each case, as described in "*Annual, Semi-Annual, Quarterly or Monthly payments*" below.

4. for each Note Series of class C notes *pari passu* and in no priority between each item;
 - (a) in respect of a Distribution Date falling during any period that is not an Amortisation Period, an amount equal to the Monthly Distribution Amount for the relevant class C Loan Note credited to the Distribution Ledger for the relevant Note Series of class C notes shall be used or retained in the Issuer Distribution Account, identified for the Note Series in question, for payment, in each case as described in paragraphs (1), (2) or (3) in "*Annual, Semi-Annual, Quarterly or Monthly payments*" below;
 - (b) in respect of a Distribution Date falling in the Regulated Amortisation Period or the Rapid Amortisation Period (where there is either no Swap Agreement entered into by the Issuer or if the Swap Agreement entered into by the Issuer is not subject to Redemption Protection Period), an amount equal to the Monthly Distribution Amount for the relevant class C Loan Note credited to the Distribution Ledger for the relevant Note Series of class C notes on the Transfer Date falling on or immediately prior to such Distribution Date shall be paid by the Issuer to the Swap Counterparty and/or the Noteholders of the relevant Note Series of class C notes (as the case may be) and converted to a sum for distribution to such Noteholders in

accordance with the terms and conditions of the notes and subject to the terms of the Swap Agreement (if applicable); and

- (c) if a Swap Agreement has been entered into in respect of the notes (and is subject to the Redemption Protection Period), then in respect of a Distribution Date during the Regulated Amortisation Period or the Rapid Amortisation Period on or prior to the relevant Scheduled Redemption Date, an amount equal to the Monthly Distribution Amount for the relevant class C Loan Note shall be retained in the Issuer Distribution Account and credited to the Distribution Ledger for the relevant Note Series of class C notes (or transferred to the Call Protection Accumulation Deposit Account and retained in the relevant Note Series ledger identified for the Note Series of class C notes in question), for payment, in each case, as described in "*Annual, Semi-Annual, Quarterly or Monthly payments*" below.

5. for each Note Series of class D notes *pari passu* and in no priority between each item;

- (a) in respect of a Distribution Date falling during any period that is not an Amortisation Period, an amount equal to the Monthly Distribution Amount for the relevant class D Loan Note credited to the Distribution Ledger for the relevant Note Series of class D notes shall be used or retained in the Issuer Distribution Account, identified for the Note Series in question, for payment, in each case as described in paragraphs (1), (2) or (3) in "*Annual, Semi-Annual, Quarterly or Monthly payments*" below;
- (b) in respect of a Distribution Date falling in the Regulated Amortisation Period or the Rapid Amortisation Period (where there is either no Swap Agreement entered into by the Issuer or if the Swap Agreement entered into by the Issuer is not subject to Redemption Protection Period), an amount equal to the Monthly Distribution Amount for the relevant class D Loan Note credited to the Distribution Ledger for the relevant Note Series of class D notes on the Transfer Date falling on or immediately prior to such Distribution Date shall be paid by the Issuer to the Swap Counterparty and/or the Noteholders of the relevant Note Series of class D notes (as the case may be) and converted to a sum for distribution to such Noteholders in accordance with the terms and conditions of the notes and subject to the terms of the Swap Agreement (if applicable); and
- (c) if a Swap Agreement has been entered into in respect of the notes (and is subject to the Redemption Protection Period), then in respect of a Distribution Date during the Regulated Amortisation Period or the Rapid Amortisation Period on or prior to the relevant Scheduled Redemption Date, an amount equal to the Monthly Distribution Amount for the relevant class D Loan Note shall be retained in the Issuer Distribution Account and credited to the Distribution Ledger for the relevant Note Series of class D notes (or transferred to the Call Protection Accumulation Deposit Account and retained in the relevant Note Series ledger identified for the Note Series of class D notes in question), for payment, in each case, as described in "*Annual, Semi-Annual, Quarterly or Monthly payments*" below.

6. amounts equal to the Loan Note Holder's Profit Amount, in respect of Distribution Dates during all periods, will be retained in the Issuer profit retention ledger in the Issuer Distribution Account; and

7. the remainder (if any) shall be paid to Funding 1 as deferred subscription price.

Where the full amount of any payment described in "*Monthly Payments of an Income Nature*" above and "*Annual, Semi-Annual, Quarterly or Monthly payments*" below cannot be made due to insufficiency in the funds credited to the relevant Distribution Ledger or account which are available to make such payment, the payment will be made to the extent of available funds and the shortfall will be deferred to the next and succeeding Distribution Dates, Transfer Dates or Interest Payment Dates, as applicable, but only if such deferral is specified in the relevant documents for that Note Series.

Any change in the priorities of payments which will materially adversely affect the repayment of the notes shall be disclosed without undue delay to the extent required under Article 21(9) of the UK Securitisation Regulation.

Annual, Semi-Annual, Quarterly or Monthly payments

On each Interest Payment Date which occurs annually, semi-annually, quarterly or monthly during a period as specified below, the Issuer shall (subject to the priorities of payments set out in "*Monthly Payments of an Income Nature*" above) make the following payments in respect of the relevant Note Series:

1. if no Swap Agreement has been entered into in respect of the relevant Note Series, in respect of an Interest Payment Date falling in a period that is not an Amortisation Period and prior to the Scheduled Redemption Date for the relevant Note Series, the aggregate of the Monthly Distribution Amounts for the relevant Loan Note credited to the Distribution Ledger for the relevant Note Series on the one, three, six or twelve (depending on whether monthly, quarterly, semi-annual or annual payments apply or unless otherwise specified) Distribution Dates falling on or immediately prior to such Interest Payment Date, shall be paid by the Issuer to the relevant Note Series Noteholders in accordance with the terms and conditions of the notes; or
2. if a Swap Agreement has been entered into in respect of the relevant Note Series (whether or not subject to Redemption Protection Period), in respect of an Interest Payment Date falling in a period that is not an Amortisation Period and on or prior to the Scheduled Redemption Date for the relevant Note Series, the aggregate of the Monthly Distribution Amounts for the relevant Loan Note credited to the Distribution Ledger for the relevant Note Series on the one, three, six or twelve (depending on whether monthly, quarterly, semi-annual or annual payments apply or unless otherwise specified) Distribution Dates falling on or immediately prior to such Interest Payment Date, shall be paid by the Issuer to the Swap Counterparty and converted to a sum for distribution to the relevant Note Series Noteholders in accordance with the terms and conditions of the notes and subject to the terms of the Swap Agreement; or
3. if a Swap Agreement has been entered into in respect of the relevant Note Series and is subject to Redemption Protection Period, in respect of an Interest Payment Date falling in a period that is the Regulated Amortisation Period or the Rapid Amortisation Period on or prior to the Scheduled Redemption Date for the relevant Note Series, the aggregate of the Monthly Distribution Amounts for the relevant Loan Note credited to the Distribution Ledger or the Call Protection Accumulation Deposit Account for the relevant Note Series on the one, three, six or twelve (depending on whether monthly, quarterly, semi-annual or annual distribution apply or unless otherwise specified) Distribution Dates falling on or immediately prior to such Interest Payment Date, shall be retained by the Issuer in the Distribution Ledger or the Call Protection Accumulation Deposit Account of the Issuer to be paid by the Issuer to the Swap Counterparty and converted to a sum for distribution to the relevant Note Series Noteholders in accordance with the terms and conditions of the notes and subject to the terms of the Swap Agreement.

Interest and payments

Each Note Series will bear interest for a period equal to an Interest Period under the notes at a rate determined in accordance with the relevant Note Trust Deed Supplement and the terms and conditions of the notes to be paid by or on behalf of the Issuer.

The First Interest Payment Date for each Note Series will be specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement.

With respect to a Note Series where there is no Swap Agreement or the Swap Agreement entered into by the Issuer is not subject to the Redemption Protection Period, during any period that is not an Amortisation

Period, interest on the notes will be paid monthly, quarterly, semi-annually or annually (depending on the note terms and conditions) on the Interest Payment Date in accordance with the relevant note terms and conditions after making any necessary payments described in "*Monthly Payments of an Income Nature*" above. During the Regulated Amortisation Period or the Rapid Amortisation Period, interest will be paid monthly.

With respect to a Note Series where the Issuer has entered into any Swap Agreement that is subject to the Redemption Protection Period, during any period prior to and on the relevant Scheduled Redemption Date, amounts in Sterling will be paid monthly, quarterly, semi-annually or annually (depending on the note terms and conditions) on the Interest Payment Date by the Issuer to the Swap Counterparty under the terms of the Swap Agreement and in accordance with the terms and conditions of the notes and after making any necessary payments described in "*Monthly Payments of an Income Nature*" above.

With respect to a Note Series where the Issuer has entered into a Swap Agreement that is subject to the Redemption Protection Period, during the Regulated Amortisation Period or the Rapid Amortisation Period on, prior to or (as applicable) after the relevant Scheduled Redemption Date, interest will be paid in accordance with the relevant note terms and conditions after making any necessary payments described in "*Monthly Payments of an Income Nature*" above. See also "*Description of the Swap Agreements*".

If any withholding or deduction for any taxes, duties, assessments or government charges of whatever nature is imposed, levied, collected, withheld or assessed on payments of principal or interest on any note by any jurisdiction or any political subdivision or authority in or of any jurisdiction having power to tax, payments by the Issuer to the holder of the relevant note will be reduced accordingly and neither the Issuer, nor the Note Trustee, nor any Paying Agent or the Registrar nor any other person, will be required to make any additional payments to the Noteholders for that withholding or deduction. Such reduced payments will not be treated as Deferred Interest and, accordingly, will not bear Additional Interest. See "*United Kingdom Taxation*" for information on the United Kingdom withholding tax treatment of payments under the notes.

Payments will be subject in all cases to any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement).

Termination payments for a Swap Agreement

Where the Issuer has entered into a Swap Agreement for a Note Series and if the Swap Agreement is terminated otherwise than as a result of a Counterparty Swap Event of Default, the sum of (x) the aggregate amounts of Monthly Distribution Amounts credited to the Distribution Ledger for the relevant Note Series in the Issuer Distribution Account, plus (y) principal amounts available to the Issuer to make payments in respect of the relevant Note Series, will be utilised on the relevant Interest Payment Date(s) on which the swap termination payment in respect of the Note Series is payable by the Issuer (if applicable) to pay, in no order of priority between them but in proportion to the respective amounts due, (1) the swap termination payment, and (2) interest, then Deferred Interest and Additional Interest (due and unpaid) and then principal amounts to the Noteholders. The Issuer shall use any principal amounts available to it in respect of the Note Series (whether credited to the Call Protection Accumulation Deposit Account (in respect of such Note Series) or the Distribution Ledger for the relevant Note Series of the Issuer Distribution Account) to make such payments.

If the Swap Agreement is terminated as a result of a Counterparty Swap Event of Default and there are insufficient amounts available to the Issuer to make payment of the Swap Termination Amount then the Issuer shall use principal amounts available to it in respect of the relevant Note Series, as provided above, to make payment of the Swap Termination Amount, if all amounts payable to the relevant Noteholders on the relevant Interest Payment Date have first been paid.

If any termination payment under a Swap Agreement is made by the Swap Counterparty to the Issuer in U.S. Dollars, such amount shall be paid to the Issuer Swap USD Account and credited to the Distribution Ledger of the Issuer Swap USD Account in respect of the relevant Note Series and applied in accordance with the provisions of the corresponding Note Trust Deed Supplement.

Scheduled Redemption of a Note Series

Unless the Regulated Amortisation Period or the Rapid Amortisation Period has earlier commenced (see "*Mandatory Redemption of a Note Series*" below), each note will be redeemed on its relevant Scheduled Redemption Date to the extent of the amount which has on that day been credited to the relevant Distribution Ledger for the relevant Note Series in the Issuer Distribution Account (or, if the Issuer has entered into a Swap Agreement that is subject to the Redemption Protection Period in respect of the Note Series being redeemed, to the extent of the amount which on that day has been credited to the relevant Distribution Ledger in the Issuer Distribution Account or, as applicable, the relevant Note Series ledger in the Call Protection Accumulation Deposit Account by Funding 1 or the Swap Counterparty, as the case may be) in accordance with the provisions of the relevant Loan Note Supplement in respect of amounts owing under the relevant Loan Notes (less any amount which is to be utilised to make payment of any Swap Termination Amount due to any event other than a Counterparty Swap Event of Default, if a Swap Agreement has been entered into). For the avoidance of doubt, if the Issuer has entered into a Swap Agreement, any amount described above to be applied on the relevant Scheduled Redemption Date towards redemption of the relevant Note Series shall be paid by the Issuer to the Swap Counterparty and converted to a sum for distribution to the Noteholders in accordance with the terms and conditions of the notes and subject to the terms of the Swap Agreement. See also "*Description of the Swap Agreements*".

Mandatory Redemption of a Note Series

Where the Issuer has entered into a Swap Agreement for a Note Series (where the Swap Agreement is subject to Redemption Protection Period) and if the Regulated Amortisation Period or Rapid Amortisation Period commences prior to or on the relevant Scheduled Redemption Date, then the principal amounts credited to the Distribution Ledger for the relevant Note Series in the Issuer Distribution Account or, as applicable, the Distribution Ledger for the relevant Note Series in the Call Protection Accumulation Deposit Account by Funding 1, less any amount which is to be utilised to make payment of any Swap Termination Amount (other than as a result of a Counterparty Swap Event of Default), will be applied as follows:

- (a) on each Distribution Date prior to the relevant Scheduled Redemption Date principal amounts in respect of the relevant note will stand to the credit of the Distribution Ledger for the relevant Note Series in the Issuer Distribution Account or, as applicable, the distribution ledger for the relevant Note Series in the Call Protection Accumulation Deposit Account until the Scheduled Redemption Date whereupon such amounts will be paid in accordance with the terms and conditions of the relevant Note Series; or
- (b)
 - (i) on the Scheduled Redemption Date, principal amounts credited to the Distribution Ledger for the relevant Note Series in the Issuer Distribution Account or, as applicable, the distribution ledger for the relevant Note Series in the Call Protection Accumulation Deposit Account will be applied in accordance with the terms and conditions of the relevant Note Series; and
 - (ii) on each Distribution Date after the Scheduled Redemption Date, any principal amounts credited to the Distribution Ledger for the relevant Note Series of the Issuer Distribution Account by Funding 1 will be applied in accordance with the terms and conditions of the relevant Note Series until the earlier of (A) redemption of the Note Series in full or (B) the Distribution Date falling on the Final Redemption Date of the notes.

As at the date of this Base Prospectus, it is not intended that (a) any Swap Agreement will be subject to the Redemption Protection Period or (b) any amounts will be credited to the Call Protection Accumulation Deposit Account.

See also "*Description of the Swap Agreements*" and "*Terms and Conditions of the Notes*".

Where the Issuer has not entered into a Swap Agreement for a Note Series or if the Swap Agreement entered into by the Issuer is not subject to the Redemption Protection Period and if the Regulated Amortisation Period or Rapid Amortisation Period commences prior to or on the relevant Scheduled Redemption Date, then the principal amounts will be credited monthly to the Distribution Ledger for the relevant Note Series in the Issuer Distribution Account by Funding 1 and on each Interest Payment Date principal amounts will be applied in accordance with the terms and conditions of the relevant Note Series until the earlier of (A) redemption of the Note Series in full (B) such date prior to the Final Redemption Date (if any) specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement and (C) the Distribution Date falling on the Final Redemption Date of the notes. For the avoidance of doubt, if the Issuer has entered into a Swap Agreement, any amount described above to be applied on the relevant Interest Payment Date towards redemption of the relevant Note Series shall be paid by the Issuer to the Swap Counterparty and converted to a sum for distribution to the Noteholders in accordance with the terms and conditions of the notes and subject to the terms of the Swap Agreement.

Optional Early Redemption in full of a Note Series

If a Note Series is specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement as being able to be redeemed on any Call Date, then (subject to any additional Conditions (if any) specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement) on any Interest Payment Date falling on or after the relevant Call Date and upon giving not more than 60 nor less than 30 days' prior written notice to the Note Trustee, the Swap Counterparty and the Noteholders (in accordance with Condition 7(c) (*Optional Early Redemption in Full*)), the Issuer may redeem all (but not some only) of the notes of such Note Series then outstanding at their then Principal Amount Outstanding together with accrued interest provided that, prior to giving any such notice, the Issuer shall have provided to the Note Trustee a certificate signed by two directors of the Issuer to the effect that it will have the funds, not subject to any interest of any other person, required to redeem the relevant Note Series on such Interest Payment Date as aforesaid and to pay any amounts required to be paid in priority or *pari passu* with such Note Series outstanding in accordance with the conditions of the Note Trust Deed and relevant Note Trust Deed Supplement. See also "*Terms and Conditions of the Notes*".

Optional Early Redemption in full or in part of a class D note

If so specified in the relevant Pricing Supplement in respect of a class D note, the Issuer may redeem all or some of the relevant class D notes on any Interest Payment Date, subject to giving notice thereof to the Note Trustee and the Noteholders in accordance with the Conditions and at least four Business Days prior to the proposed redemption date.

Where such class D note is a class D VFN note, following any redemption in whole or in part of such class D VFN note, the relevant Registrar shall record the reduced Principal Amount Outstanding of the relevant class D VFN note in the corresponding register.

Application of Proceeds Upon Enforcement

The Note Trust Deed and each Note Trust Deed Supplement contains provisions regulating the priority of application of amounts prior to the enforcement of any Security. Following the enforcement of any Security, payments shall be applied in the order of priority set out in Condition 4(c) (*Application of Proceeds upon Enforcement*) of the Terms and Conditions of the notes (the **Post Enforcement Priority of Payments**).

MATURITY ASSUMPTIONS

The De-Linked Supplement provides that Funding 1 will receive distributions of Principal Collections in respect of the Funding 1 Investor Interest on a Transfer Date when the Principal Amortisation Amount or Controlled Deposit Amount in respect of any Loan Note is greater than zero or when the Targeted Pre-Funding Amount is greater than zero. The aggregate amount of the targeted distribution of principal in such circumstances is referred to as the **Targeted Principal Amount**. Principal Collections distributed to Funding 1 will be utilised in respect of the Loan Notes in accordance with the priority of payments applicable to the Funding 1 available principal amount.

If the Targeted Principal Amount is greater than zero, then on each Transfer Date prior to the payment of the Funding 1 Investor Interest in full, an amount equal to the Monthly Principal Amount will be credited to Funding 1's Principal Ledger of the Funding 1 Distribution Account in accordance with the priority of payments applicable to the Funding 1 available principal amount until the Targeted Principal Amount is reduced to zero. Although it is anticipated that Principal Collections will be available on each Transfer Date to make a deposit of the applicable amounts to Funding 1 in respect of Loan Notes in an Accumulation Period (for the avoidance of doubt, other than for pre-funding) to allow repayment of such Loan Notes on the Scheduled Redemption Date for each such Loan Note, no assurance can be given in this regard. If the amount required to pay the relevant Loan Note in full on its Scheduled Redemption Date is not available, then an Early Redemption Event will occur for that Loan Note and the Rapid Amortisation Period for that Loan Note will commence.

If a Pay Out Event or an Early Redemption Event occurs during the Accumulation Period for a Loan Note, the Regulated Amortisation Period or the Rapid Amortisation Period will commence and any amount standing to the credit of the Principal Funding Account Ledger for that Loan Note will be paid to Funding 1 on the first Transfer Date relating to the Regulated Amortisation Period or the Rapid Amortisation Period for that Loan Note. In addition, to the extent that the Initial Principal Amount of that Loan Note has not been paid in full, Funding 1 will be entitled to monthly distributions of Principal Collections equal to the Targeted Principal Amount (which will include the amount required for the relevant Loan Note) until, among other things, the Initial Principal Amount of that Loan Note has been paid in full or until the termination date. A Pay Out Event occurs, either automatically or after specified notice, upon the occurrence of a Trust Pay Out Event or a Funding 1 Pay Out Event (see "*The Delamare Cards Receivables Trust — Trust Pay Out Events and Series Pay Out Events*" and "*Sources of Funds to Pay the Loan Notes*"). An Early Redemption Event occurs either automatically or after specified notice (see "*The Loan Notes — Early Redemption Events*").

Each Drawdown Prospectus/Final Terms/Pricing Supplement will contain a table presenting the highest and lowest cardholder monthly payment rates for the TPF Total Portfolio during any month in the periods shown and the average cardholder monthly payment rates for all months during the periods shown, in each case calculated as a percentage of total opening monthly account balances during the periods shown (the **Cardholder Monthly Payments Rates TPF Total Portfolio Table**). Payment rates shown in the Cardholder Monthly Payments Rates TPF Total Portfolio Table are based on amounts which would be deemed payments of Principal Receivables and Finance Charge Receivables with respect to the related Accounts.

Generally, cardholders must make a monthly minimum payment on the account of a certain percentage of the statement balance. There can be no assurance that the monthly payment rates by cardholders in the future will be similar to the historical experience as set out in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement. In addition, the amount of Collections may vary from month to month due to seasonal variations, general economic conditions, regulatory change and payment habits of individual cardholders and/or in the event of a modification or withdrawal of the Clubcard reward points incentive scheme operated by Tesco plc. See, for example, "*UK Credit Card Regulation – Interchange fees*" and "*Risk Factors – Ability of TPF to generate Receivables and associated risk that principal on the notes may be paid earlier than expected – creating a reinvestment risk*".

There can be no assurance that the payment rates of the Principal Receivables with respect to the Securitised Portfolio will be similar to the historical experience presented in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement or that sufficient amounts will be available to be credited to the Principal Funding Account Ledger in respect of each Loan Note or Funding 1's Principal Ledger, in each case, maintained for such Loan Note. If a Pay Out Event or an Early Redemption Event occurs, the average life and maturity of the notes of any Note Series could be significantly reduced.

In the case of a Note Series backed by a Loan Note with an Accumulation Period, because there may be a slowdown in the payment rate below the payment rates used to determine the accumulation amount or a Pay Out Event or an Early Redemption Event may occur which would initiate the Regulated Amortisation Period or the Rapid Amortisation Period in respect of such Loan Note, there can be no assurance that the actual number of months elapsed from the date of issuance of the notes to the final Distribution Date relating thereto will equal the expected number of months. As described above, the Servicer may shorten the Accumulation Period and, in such event, there can be no assurance that there will be sufficient time to accumulate all amounts necessary to pay the relevant amounts on the Scheduled Redemption Date for each such Loan Note.

RECEIVABLE YIELD CONSIDERATIONS

Each Drawdown Prospectus/Final Terms/Pricing Supplement issued in connection with the issuance of a Note Series will contain a table setting forth the gross revenues from finance charges and fees billed to Accounts in the TPF Total Portfolio for each of the periods shown (the **TPF Total Portfolio Yield Table**).

The historical yield figures in the TPF Total Portfolio Yield Table will be calculated on an accruals basis. Collections of Receivables included in the Delamare Cards Receivables Trust will be on a cash basis and may not reflect the historical yield experience in the TPF Total Portfolio Yield Table. During periods of increasing delinquencies or periodic payment deferral programmes, accrual yields may exceed cash amounts received from cardholders. Conversely, as delinquencies decrease, cash yields may exceed accrual yields as amounts collected in a current period may include amounts accrued during prior periods. The yield on both an accrual and a cash basis will be affected by numerous factors, including the number of working days in the month, the monthly Periodic Finance Charges on the Receivables, the amount of Annual Fees (if any) and other fees, changes in the delinquency rate on the Receivables, the percentage of cardholders who pay their balances in full each month and do not incur monthly Periodic Finance Charges and the allocation of payments by cardholders (see "*UK Credit Card Regulation – Interchange fees*" and "*Risk Factors — Social, legal, regulatory, political, economic and health factors may affect repayment*").

The revenue for the TPF Total Portfolio of credit card accounts shown in the TPF Total Portfolio Yield Table will comprise monthly Periodic Finance Charges, credit card fees and Interchange. These revenues vary for each account based on the type and volume of activity for each account (see "*Tesco Personal Finance PLC's Credit Card Portfolio*").

DESCRIPTION OF THE SWAP AGREEMENTS

The Issuer may enter into Swap Agreements with one or more Swap Counterparties for each Note Series (i) where the notes are issued in a currency other than Sterling, to protect the Issuer against changes in the relevant foreign exchange rate, or (ii) where the notes pay (x) a fixed rate of interest or (y) a floating rate of interest different to the floating rate applicable to the relevant Loan Note, to protect the Issuer against the risk that the interest received by the Issuer from Funding 1 under the relevant Loan Note may fall below the fixed rate of interest payable on such notes. Where the Issuer enters into a Swap Agreement, the key terms of the Swap Agreement will be specified in the relevant Drawdown Prospectus. Under separate ISDA master agreements (and the schedules, credit support annexes and confirmations relating thereto) for any such Note Series requiring a swap, as the same may be amended and/or supplemented, each between the Issuer and the Swap Counterparty, the Issuer will (i) in respect of a foreign exchange Swap Agreement, pay to the Swap Counterparty (a) on the closing date of a Note Series issuance, certain initial payments in the currency denomination of that Note Series and (b) thereafter, Sterling sums equal to the payments required under such foreign exchange Swap Agreement and (ii) in respect of an interest rate Swap Agreement, pay to the Swap Counterparty, after the closing date, Sterling sums equal to the payments required under such interest rate Swap Agreement. The relevant Swap Agreement may also provide protection in respect of the corresponding Note Series that is subject to Redemption Protection Period (as described in more detail below).

A Series and Class (or sub-Class) of Notes may be denominated in U.S. Dollars, Euro, Sterling or a currency other than US Dollars, Euro or Sterling and, in each case, will accrue interest at such rate specified in the applicable Drawdown Prospectus/Final Terms/Pricing Supplement. To deal with (a) the potential currency mismatch (if any) between (i) its receipts and liabilities in respect of a Loan Note and (ii) its receipts and liabilities under the Notes that funded such Loan Note and/or (b) the potential interest rate mismatch between interest received in respect of the Loan Note and interest payable under the Notes that funded such Loan Note, the Issuer will, pursuant to the terms of a currency Swap Agreement in respect of such Notes, swap its receipts and liabilities in respect of the relevant Loan Note on terms that match the Issuer's obligations under the relevant Notes.

The currency amount of each currency Swap Agreement will be the principal amount outstanding under the Series and Class (or sub-Class) of Notes to which the relevant currency swap relates. Subject, in the case of the Issuer's obligations under certain Classes of Notes, to certain deferral of interest provisions that will apply when payment of interest under the corresponding Notes is deferred in accordance with the Conditions and to the extent that the Issuer makes its corresponding payments to the relevant Swap Counterparty, the relevant Swap Counterparty will pay to the Issuer amounts in U.S. Dollars, or Euro or in such other currencies in which the relevant Series and Classes (or sub-Classes) of Notes are denominated, as applicable, that are equal to the amounts of interest to be paid on each of the Classes or sub-Classes of the Notes of the relevant Series and the Issuer will pay to the relevant Swap Counterparty the Sterling interest amounts received on the Loan Note funded by the Classes or sub-Classes of Notes of the relevant Series. In order to allow for the effective currency amount of each currency Swap to amortise at the same rate as the relevant Series and Class (or sub-Class) of Notes, each currency Swap will provide that, as and when the Notes amortise, a corresponding portion of the currency amount of the relevant currency Swap will amortise. Pursuant to each currency Swap, any portion of currency Swap so amortised will be swapped from Sterling into U.S. Dollars at the relevant U.S. Dollar currency exchange rate, or into Euro at the Euro currency exchange rate or into such other currency at the relevant currency exchange rate as specified in the applicable Drawdown Prospectus specified for the relevant Series and Class (or sub-Class) of Notes in the applicable Drawdown Prospectus for such Notes.

On the Scheduled Redemption Date of a Series and Class (or sub-Class) of Notes or, if earlier, the date on which such Notes are redeemed in full, the relevant Swap Counterparty will pay to the Issuer an amount in U.S. Dollars, or Euro or such other relevant currency, as applicable, equal to the principal amount outstanding under the relevant Notes and the Issuer will pay to the relevant Swap Counterparty an equivalent amount in Sterling, converted by reference to the relevant currency exchange rate. If the Issuer does not have

sufficient principal available pursuant to the Note Trust Deed or Note Trust Deed Supplement to pay such amount in full on such date and accordingly pays only a part of such amount to the relevant Swap Counterparty, the relevant Swap Counterparty will be obliged on such date to pay only the equivalent of such partial amount in U.S. Dollars, or Euro or such other relevant currency, as applicable, in each case converted by reference to the relevant currency exchange rate.

Further details of the Swap Counterparty will be set out in the applicable Drawdown Prospectus.

Redemption Period and Redemption Protection Period

This section "*Redemption Period and Redemption Protection Period*" contains a summary of provisions which may apply in respect of a Note Series and the related Swap Agreement if the Redemption Protection Period is specified as applicable to such Note Series in the related Drawdown Prospectus. The summary contained in this section is not purported to be an exhaustive overview of the applicable arrangements and may be amended and/or supplemented in respect of any relevant Note Series in a Drawdown Prospectus.

As at the date of this Base Prospectus, it is not intended that (a) any Swap Agreement will be subject to the Redemption Protection Period or (b) any amounts will be credited to the Call Protection Accumulation Deposit Account.

In relation to any Swap Agreement subject to the Redemption Protection Period

In the event that an Amortisation Period commences prior to the Scheduled Redemption Date in respect of a Note Series, certain deposit arrangements may apply in relation to the Swap Agreement for that Note Series. In such event, the period from the date of the commencement of the Amortisation Period to (and including) the relevant Scheduled Redemption Date in respect of the Note Series is called the **Redemption Protection Period**. During the Redemption Protection Period, on any Business Day on which an amount is paid by Funding 1 from the Funding 1 Distribution Account (and the balance of the distribution ledger for the relevant Note Series in the Funding 1 Distribution Account shall be debited accordingly) to and credited to the appropriate Note Series ledger in an account (the **Call Protection Accumulation Deposit Account**) in the name of the Issuer, each such deposit by Funding 1 in respect of the relevant tranche of Loan Note in amortisation shall be defined as a deposit of **Interim Principal Repayment Funds**.

All amounts representing any Interim Principal Repayment Funds shall be: (1) maintained in the relevant Note Series ledger in the Call Protection Accumulation Deposit Account; (2) held by the Issuer subject to the security created pursuant to the Note Trust Deed (including the relevant Note Trust Deed Supplement thereto); and (3) invested in Swap Permitted Investments as directed by the Swap Counterparty. All income (the **Reinvested Collateral Income**) in relation to the Interim Principal Repayment Funds and Swap Permitted Investments shall be released to the Issuer on each Distribution Date. The Issuer shall use Reinvested Collateral Income towards the amounts payable to the Swap Counterparty pursuant to the Swap Agreement on a Distribution Date. On any Distribution Date during the Redemption Protection Period, the Issuer's obligation to pay the applicable amount calculated pursuant to a Swap Agreement for a Note Series shall be reduced by an amount (if any) by which (a) the aggregate amount of the Interim Principal Repayment Funds then standing to the credit of the relevant Note Series ledger in the Call Protection Accumulation Deposit Account on that Distribution Date (but not including any Interim Principal Repayment Funds to be deposited on that Distribution Date) multiplied by the relevant interest rate for the applicable tranche of Global Loan Note No. 1 as specified in the related Loan Note Supplement, exceeds (b) the Reinvested Collateral Income released to the Issuer on such Distribution Date.

Swap Permitted Investments has the meaning given to it in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement.

On each Distribution Date, the Issuer's obligation to pay the relevant amount calculated pursuant to the Swap Agreement shall be increased by the amount (if any) by which: (a) the Reinvested Collateral Income released

to the Issuer on such Distribution Date, exceeds (b) the aggregate amount of the Interim Principal Repayment Funds then standing to the credit of the relevant Note Series ledger in the Call Protection Accumulation Deposit Account on that Distribution Date (but not including any Interim Principal Repayment Funds to be deposited on that Distribution Date) multiplied by the relevant interest rate for the applicable tranche of Global Loan Note No. 1 as specified in the related Loan Note Supplement.

In relation to foreign exchange Swap Agreements only

In the event that (a) the Regulated Amortisation Period or the Rapid Amortisation Period commences on the Scheduled Redemption Date of the relevant Note Series, (b) the Redemption Protection Period has earlier commenced and on or prior to the Scheduled Redemption Date of the relevant Note Series there have been credited to the Issuer's Distribution Ledger for the relevant Note Series insufficient funds to redeem the relevant Note Series in full, or (c) in the event that the Regulated Amortisation Period or the Rapid Amortisation Period commences on or prior to the Scheduled Redemption Date of the relevant Note Series in relation to a Swap Agreement without the benefit of the Redemption Protection Period (any such event, a **Redemption Trigger**), then the following provisions shall apply. The **Redemption Period End Date** is the Interest Payment Date as set out in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement. From the occurrence of the Redemption Trigger, the termination date under the relevant Swap Agreement shall be amended to be the Redemption Period End Date. The period from (and including) the date of commencement of the Amortisation Period or the Scheduled Redemption Date, as specified in the Swap Agreement, for the relevant Note Series to the Redemption Period End Date is called the **Redemption Period**. On each Distribution Date during the Redemption Period, the notional amount applicable in respect of payments to be made by the Issuer under the relevant Swap Agreement shall be reduced (for the next following calculation period for the Issuer) by an amount equal to the amount credited to the Distribution Ledger for the relevant Note Series during the period from (and including) the immediately preceding Distribution Date to (but excluding) such Distribution Date (the amount of such reduction, the **Issuer Amortisation Amount**). On each Interest Payment Date during the Redemption Period, the notional amount applicable in respect of payments to be made by the Swap Counterparty under the relevant Swap Agreement shall be reduced (for the next following calculation period for the Swap Counterparty) by an amount (the **Counterparty Amortisation Amount**) calculated as specified below. The Counterparty Amortisation Amount is equal to $A \times B/C$

where:

- A = the notional amount applicable in respect of payments to be made by the Swap Counterparty pursuant to the relevant Swap Agreement and calculated on the effective date under such Swap Agreement;
- B = the Issuer Amortisation Amount applicable on the relevant Distribution Date;
- C = the notional amount applicable to payments to be made by the Issuer pursuant to the relevant Swap Agreement and calculated on the effective date under such Swap Agreement.

Swap Collateral

Subject to the terms of the relevant Swap Agreement, amounts received by the Issuer in respect of Excess Swap Collateral, Swap Collateral, Swap Tax Credits and Replacement Swap Premium shall not be applied in accordance with the Issuer pre-enforcement priority of payments set out in the Note Trust Deed (as supplemented by the relevant Note Trust Deed Supplement) or, as the case may be, the Issuer post-enforcement priority of payments set forth in the Conditions of such Note Series.

Any amounts received by the Issuer comprising Excess Swap Collateral, Swap Collateral (other than Swap Collateral that has been applied, pursuant to the provisions of the relevant Swap Agreement, to reduce the amount that would otherwise be payable by the Swap Counterparty to the Issuer on early termination of the

swap under that Swap Agreement), Swap Tax Credits and/or Replacement Swap Premium (only to the extent it is applied directly to pay a termination payment due and payable by the Issuer to the Swap Counterparty) shall, to the extent due and payable to the Swap Counterparty under the terms of the Swap Agreement, be paid directly to the Swap Counterparty without regard to the Issuer pre-enforcement priority of payments set out in the Note Trust Deed (as supplemented by the relevant Note Trust Deed Supplement) or, as the case may be, the Issuer post-enforcement priority of payments set forth in the Conditions of such Note Series, and the relevant Swap Collateral Ledger shall be debited as appropriate.

If the terms of the relevant Swap Agreement permit any Swap Collateral credited to the relevant Swap Collateral Ledger to be applied in or towards satisfaction of the relevant Swap Counterparty's obligations to the Issuer under that Swap Agreement, and in the event that such Swap Collateral is to be so applied, such Swap Collateral shall be applied in respect of the corresponding Series and Class of Notes in accordance with the relevant priority of payments (for the avoidance of doubt, after application of such Swap Collateral toward any termination amount payable to the Swap Counterparty).

If the Issuer receives a termination payment from a Swap Counterparty in respect of a currency Swap Agreement, then the Issuer shall use those funds towards meeting its costs in effecting currency exchanges at the applicable spot rate of exchange until a Replacement Swap Agreement is entered into and/or to acquire a Replacement Swap Agreement.

If the Issuer is obligated to pay a Swap Termination Amount to a Swap Counterparty due to early termination of the relevant Swap Agreement, then such Swap Termination Amount will be paid in accordance with the applicable priority of payments and may affect the funds available to pay amounts due to the Noteholders (see further "*Risk Factors—Where the Issuer has entered into a Swap Agreement*").

For these purposes:

Excess Swap Collateral means an amount equal to the value of the collateral (or the applicable part of any collateral) provided by a Swap Counterparty to the Issuer in respect of that Swap Counterparty's obligations to transfer collateral to the Issuer under the relevant Swap Agreement which is in excess of that Swap Counterparty's liability under such Swap Agreement as at the date of termination of such Swap Agreement or which it is otherwise entitled to have returned to it under the terms of such Swap Agreement;

Replacement Swap Agreement means, in respect of any Swap Agreement which has subsequently terminated, the agreement entered into documenting the replacement swap;

Replacement Swap Premium means an amount received (if any) by the Issuer from a replacement swap counterparty upon entry by the Issuer into a Replacement Swap Agreement with such replacement swap counterparty;

Swap Collateral means, in respect of any Swap Agreement, cash or securities (and any interest, distributions and/or liquidation proceeds thereon (as applicable)) transferred by the corresponding Swap Counterparty to the Issuer on any date pursuant to the terms of the relevant credit support annex to the Swap Agreement;

Swap Collateral Ledger means the ledger of such name maintained by or on behalf of the Issuer to record the Swap Collateral standing to the credit of the Swap Collateral Account from time to time for each Series and Class of Notes in respect of which Swap Collateral has been posted under the relevant Swap Agreement;

Swap Tax Credits means any credit, allowance, set-off or repayment received by the Issuer in respect of tax from the tax authorities of any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Swap Counterparty to the Issuer; and

Swap Termination Amount means any termination payment under the Swap Agreement to be paid to the Swap Counterparty by the Issuer in accordance with the early termination provisions of the relevant Swap Agreement.

Details of Swap Agreements in relation to any relevant Note Series

A summary of the provisions relating to a Swap Agreement including, but not limited to, details in relation to any early termination provisions, rating downgrade or withdrawal triggers in relation to a Swap Counterparty and any relevant provisions in relation to taxation in respect of any relevant Note Series will be set out in the relevant Drawdown Prospectus for such Note Series.

See also the risk factor entitled "*Where the Issuer has entered into a Swap Agreement*".

THE SECURITY TRUST DEED AND CASH MANAGEMENT AGREEMENT

General

Global Loan Note No. 1 will be issued by Funding 1 and will be governed by a security trust deed and cash management agreement dated prior to the date of the first issuance of a Note Series (as amended and/or varied or supplemented and/or novated from time to time) and made between, *inter alios*, TPF, The Bank of New York Mellon (the **Security Trustee**) and Funding 1 (the **STDCMA**). Global Loan Note No. 1 and each other global loan note issued under the STDCMA may be varied and supplemented, from time to time, by the creation of a Loan Note by a Supplement to a Global Loan Note of which that Loan Note forms a notional tranche (each a **Supplement to a Global Loan Note**). Under the STDCMA, the Security Trustee declares that it will hold all secured property upon the security trust set out in the STDCMA for the secured creditors of Funding 1 and for each other person which from time to time becomes an additional secured creditor, in accordance with the terms of the STDCMA.

Covenants of Funding 1

The STDCMA also contains positive and negative covenants made by Funding 1 in favour of the Security Trustee to be held on trust for each holder at any time of a Loan Note (a **Loan Note Holder**). One of the covenants is that Funding 1 will pay interest and repay principal on each Loan Note when due. Other covenants are included to ensure, among other things, that Funding 1 remains bankruptcy remote and gives the Security Trustee access to all information and reports that it may need in order to discharge its responsibilities in relation to the Loan Note Holders.

Loan Note Security

The STDCMA creates security for all Loan Notes created or to be created by Funding 1, comprising an assignment by way of first fixed security of all of Funding 1's right, title and interest:

- in the Corporate Administration Agreement;
- as an Investor Beneficiary of the Delamare Cards Receivables Trust;
- to any sums of money standing to the credit of the Funding 1 Distribution Account (in respect of such amount as is available for the Funding 1 Beneficial Interest); and
- to any Permitted Investments in respect of the Funding 1 Beneficial Interest,

and a floating charge granted by Funding 1 over all of its business and assets not otherwise secured (and over Scottish assets otherwise secured) under the STDCMA in favour of the Security Trustee.

The security described above and created under the STDCMA in respect of the Funding 1 Beneficial Interest is described as the **Loan Note Security**.

The STDCMA creates Security complying with Scots law in relation to assets governed by or otherwise subject to Scots law and Security Interests complying with Northern Irish law in relation to assets governed by or otherwise subject to Northern Irish law. All other security is created under English law.

Enforcement and priority of payments

The terms and provisions of the STDCMA also set out the general procedures by which the Security Trustee may take steps to enforce the Loan Note Security in accordance with the terms of the STDCMA and the terms and conditions of each Loan Note. The STDCMA provides for a general discretion of the Security Trustee to enforce the Loan Note Security and also provides for the Security Trustee to be instructed by the

Note Trustee to take action in relation to the enforcement of the relevant Loan Notes (registered in the name of such Note Trustee) and Loan Note Security. The Security Trustee will seek instructions or directions from the Note Trustee prior to taking any enforcement action and the Note Trustee will (subject to and in accordance with the note Conditions and the Note Trust Deed and that it is indemnified and/or secured to its satisfaction) give such instruction or direction either in its absolute discretion or as directed to do so by an Extraordinary Resolution of Noteholders (see "*Terms and Conditions of the Notes*"). The Security Trustee is not, however, obliged to act on the Note Trustee's directions unless it is indemnified and/or secured to its satisfaction.

The STDCMA sets out the priority in which the Security Trustee will pay out any monies that it receives under the Loan Notes constituted by the relevant Loan Note Supplement before and after the Loan Note Security is enforced. This is described further in "*The Loan Notes*".

Appointment, powers, responsibilities and liability of the Security Trustee

The STDCMA also sets out the terms on which the Security Trustee is appointed, the indemnification of the Security Trustee, the payment it receives and the extent of the Security Trustee's authority. It also contains provisions limiting or excluding the liability of the Security Trustee in certain circumstances (some of which are summarised below). The Security Trustee is also given the ability to appoint a delegate or agent in the execution of any of its duties under the STDCMA. The STDCMA also sets out the circumstances in which the Security Trustee may resign or retire.

The STDCMA states that the Security Trustee is entitled to be indemnified and/or secured to its satisfaction and relieved from responsibility in certain circumstances, including, without restriction, in relation to taking action to enforce Loan Note Security or debt which it holds. The Security Trustee is also entitled to be paid its fees, costs and expenses and any other amounts due to the Security Trustee (for its own account) in priority to the claims of the Loan Note Holders.

The Security Trustee is not responsible for any liability which may be suffered because any assets comprised in the Loan Note Security, or any deeds or documents of title to such assets, are inadequately insured or are held by custodians on behalf of the Security Trustee.

The Security Trustee and its related companies are entitled to enter into business transactions with Funding 1, Funding 2, the Receivables Trustee, TPF or related companies of any of those companies without accounting for any profit resulting from those transactions.

The Security Trustee is relieved of liability for making searches or other enquiries in relation to the assets comprising the Loan Note Security. The Security Trustee has no responsibility in relation to the legality and the enforceability of the trust arrangements and the connected Loan Note Security. The Security Trustee will not be obliged to take any action which might result in its incurring personal liabilities. The Security Trustee is not obliged to monitor or investigate the performance of any other person under the documents relating to Funding 1 or the documents relating to the Delamare Cards Receivables Trust and shall be entitled to assume, until it has actual notice to the contrary, that all such persons are properly performing their duties and that no Loan Note Event of Default, Pay Out Event or Funding 1 Pay Out Event has occurred, unless it receives express notice to the contrary.

The Security Trustee is not responsible for any deficiency which may arise because it is liable to tax in respect of the proceeds of any Loan Note Security.

The Security Trustee is not responsible for checking the calculations contained in or otherwise verifying any information coming into its possession in relation to the Delamare Cards Receivables Trust. The Security Trustee is not responsible for monitoring or determining whether or not any or all of the Issuance Tests are satisfied prior to or at the time of any issue of Loan Notes or any increase of the Outstanding Principal Amount of an existing Loan Note by Funding 1.

Cash Manager

TPF has been appointed by Funding 1 as cash manager (the **Cash Manager**) under the terms of the STDCMA. The Cash Manager carries out cash management services in accordance with the terms of the STDCMA.

Termination of appointment of Cash Manager

The appointment of TPF as Cash Manager under the STDCMA and the appointment of any person as Cash Manager in succession to TPF or the then Cash Manager (a **Successor Cash Manager**), may be terminated upon the occurrence of a Cash Manager Default (as defined below). Where a Cash Manager Default has not been remedied within the applicable grace period (if any), the Loan Note Issuer by notice in writing to the Cash Manager (a **Termination Notice**), may terminate all of the rights and obligations of the Cash Manager as Cash Manager under the STDCMA.

Cash Manager Default means any one of the following events:

- (a) any failure by the Cash Manager to instruct or notify the Loan Note Issuer pursuant to an agreed schedule of collections and allocations or to instruct or notify Loan Note Issuer to make any required drawing, withdrawal, or payment pursuant to the Relevant Documents on or before the date occurring five Business Days after the date such payment, transfer, deposit, withdrawal, transfer or drawing or such instruction or notification is required to be made or given, as the case may be, under the terms of the STDCMA or any Relevant Document;
- (b) failure on the part of the Cash Manager duly to observe or perform in any respect any other covenants or agreements of the Cash Manager set forth in the STDCMA or any Relevant Document which has a Material Adverse Effect on the interests of any Loan Note Holders with an Outstanding Principal Amount of greater than zero and which continues unremedied for a period of 30 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Cash Manager by the Loan Note Issuer, or to the Cash Manager and the Loan Note Issuer by Loan Note Holders in respect of more than 50%, or more of the Outstanding Principal Amount of any Loan Notes adversely affected thereby and continues to have a Material Adverse Effect on the interests of such Loan Note Holders in respect of such Loan Notes for such period;
- (c) delegation by the Cash Manager of its duties under the STDCMA to any other entity, except as permitted under the STDCMA where such default goes unremedied for a period of 60 days or more;
- (d) any relevant representation, warranty or certification made by the Cash Manager in the STDCMA, any Global Loan Notes or any Supplement to the Global Loan Note or in any certificate delivered pursuant hereto proves to have been incorrect when made, which has a Material Adverse Effect on the interests of the Loan Note Holders in respect of Loan Notes with Outstanding Principal Amounts of greater than zero and continues to be incorrect in any material respect for a period of 60 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Cash Manager by the Loan Note Issuer or to the Cash Manager and the Loan Note Issuer by a Loan Note Holder or Loan Note Holders in respect of more than 50%, or more of the Outstanding Principal Amount of any Loan Notes adversely affected thereby and continues to have a Material Adverse Effect on the interests of Loan Note Holders in respect of Loan Notes with Outstanding Principal Amounts of greater than zero affected for such period;
- (e) an order of the court is made for the winding-up, dissolution, administration, bank insolvency, bank administration or reorganisation (except for a solvent re-organisation) of the Cash Manager and such order shall have remained in force undischarged or unstayed for a period of 30 days;

- (f) a receiver, administrator, administrative receiver, liquidator, trustee or similar officer is legally and validly appointed over the Cash Manager or relating to all of the Cash Manager's revenues and assets;
- (g) the Cash Manager shall consent to or take any corporate action relating to the appointment of a receiver, administrator, administrative receiver, liquidator, trustee or similar officer of it or relating to all or substantially all of its revenues and assets or an order of the court is made for its winding-up, dissolution, administration, bank insolvency, bank administration or re-organisation (except for a solvent reorganisation) and such order shall have remained in force undischarged or unstayed for a period of 60 days or a receiver, administrator, administrative receiver, liquidator, trustee or similar officer of it or relating to all of its revenues and assets is legally and validly appointed; or
- (h) a duly authorised officer of the Cash Manager shall admit in writing that the Cash Manager is unable to pay its debts as they fall due within the meaning of Section 123(1) of the Insolvency Act 1986 or the Cash Manager makes a general assignment or trust for the benefit of or a composition with its creditors or voluntarily suspends payment of its obligations with a view to the general readjustment or rescheduling of its indebtedness,

However, a delay or failure to perform any matters referred to in (a) above, if capable of remedy, remain unremedied for a period of 5 Business Days or (b), (c) or (d) above, if capable of remedy, remain unremedied for a period of 60 Business Days, will not be a Cash Manager Default if such delay or failure is caused by an event amounting to force majeure (as listed in the STDCMA) and that delay or failure could not have been prevented by the exercise of reasonable diligence by the Cash Manager.

After receipt of a Termination Notice and the appointment of a Successor Cash Manager (as referred to below), all authority and power of the Cash Manager under the STDCMA will pass from the then Cash Manager to the Successor Cash Manager. The STDCMA sets out certain requirements in respect of such transfer of the cash management role, including the prompt transfer from the Cash Manager to the Successor Cash Manager of all records, correspondence and documents necessary for the Successor Cash Manager to carry out cash management services.

Following its receipt of a Termination Notice, the Cash Manager will continue to act as Cash Manager until a date specified in the Termination Notice or otherwise agreed by the Loan Note Issuer and the Cash Manager. The Loan Note Issuer must attempt to appoint a Successor Cash Manager.

Governing law

The STDCMA will be governed by English law and, any terms therein particular to Scots law will be construed in accordance with Scots law and any terms therein particular to Northern Irish law will be construed in accordance with Northern Irish law.

Funding 1 Bank Account Operating Agreement

Funding 1 has entered into a bank account operating agreement (**the Funding 1 Bank Account Operating Agreement**) with TPF as the Bank Account Operator. Under the terms of the Funding 1 Bank Account Operating Agreement, the Bank Account Operator agrees to exercise certain rights and powers in relation to the bank accounts of Funding 1 on behalf of Funding 1 under the De-Linked Supplement, the STDCMA and any Supplement to a Global Loan Note (including Global Loan Note No. 1) and in accordance with the instructions and directions of Funding 1.

THE NOTE TRUST DEED

General

Each of the notes issued by the Issuer will be governed by the Note Trust Deed made between the Note Trustee and the Issuer. For each issue of a Note Series, the Note Trust Deed will be varied and supplemented upon the Issue Date of such Note Series by a supplemental trust deed for that Note Series (each a **Note Trust Deed Supplement**). Under the Note Trust Deed, the Issuer has declared in favour of the Note Trustee that it (i) has assigned by way of security its rights, title and interest in the Transaction Documents to which it is party and (ii) created a floating charge over the whole of its undertaking and assets not charged by any fixed charge (and Scottish assets so charged) upon the security trust set out in the Note Trust Deed (as varied and supplemented by any Note Trust Deed Supplement). The Note Trust Deed Supplement for a Note Series will also secure, in respect of that Note Series, the rights of the Issuer in and to the Loan Note created by Funding 1 in favour of the Issuer which supports the Note Series in question. Together, the terms of the Note Trust Deed with the terms of a particular Note Trust Deed Supplement for a Note Series will set out the following:

- the constitution of the notes for that Note Series;
- the applicable covenants, representations and warranties of the Issuer in relation to that Note Series;
- the Security for that Note Series;
- the pre-enforcement and post-enforcement priorities and enforcement procedures relating to that Note Series; and
- the appointment of the Note Trustee, its powers and responsibilities and the limitations on those responsibilities.

Constitution of the notes

The Note Trust Deed, when supplemented by a particular Note Trust Deed Supplement, sets out the form of each note for the relevant Note Series. It also sets out the terms and conditions of each note and the conditions for the cancellation of any note of that Note Series.

Covenants, representations and warranties of the Issuer

The Note Trustee holds the benefit of the Issuer covenants for the Noteholders. The covenants are set out in the Note Trust Deed with reference to the issuer master framework agreement, among, *inter alios*, the Issuer and the Note Trustee (the **Issuer Master Framework Agreement**). Covenants given by the Issuer include compliance with and performance of all its obligations under the Conditions, the payment of interest and repayment of principal on each note when due, and the provision to the Note Trustee of access to all information and reports that it may need in order to discharge its responsibilities in relation to the Noteholders.

Note Security

Each Note Trust Deed Supplement will create a segregated Security Interest held on trust by the Note Trustee for the benefit of, *inter alia*, the Noteholders of that Note Series and such Security will be separate and distinct from the Security created by any other Note Trust Deed Supplement.

Enforcement and priority of payments

The terms and provisions of the Note Trust Deed and each Note Trust Deed Supplement also set out the general procedures by which the Note Trustee may take steps to enforce the Security created thereunder in

accordance with the terms of the Note Trust Deed and such Note Trust Deed Supplement and the terms and conditions of each Note Series.

The notes

As the beneficial holder of Global Loan Note No. 1, the Issuer will be entitled to receive a payment, at specified times, of a portion of interest payments and Principal Payments, as well as certain other amounts. These payments will be received by the Issuer in respect of each relevant Note Series and utilised in and towards payment of interest on, and redemption of, the relevant Note Series as well as payments to the Swap Counterparty under any Swap Agreement (if one is entered into in relation to the notes of such Note Series) and payment of certain other expenses. See "*Description of the Swap Agreements*", and "*Issuer Cashflows*" above.

See also "*The Loan Notes*" for further information on the cash flows relating to the Loan Notes utilised to pay interest on and to redeem the notes.

The ability of the Issuer to meet its obligations to repay the principal of, and to pay interest on, each Note Series will depend on the receipt by it of funds from Funding 1 and receipt by it of amounts from a Swap Counterparty under the Swap Agreement if one is entered into in relation to a particular Note Series. See "*Risk Factors*" and "*Description of the Swap Agreements*".

The Issuer and the Note Trustee will have no recourse to TPF or any of its affiliates.

Recourse

It should be noted that, if the net proceeds of the enforcement of Security in respect of a particular Note Series following a mandatory redemption — after meeting the fees, costs, expenses, legal fees, charges, losses, damages, claims, indemnity payments and liabilities of the Note Trustee and any receiver — are insufficient to make all payments due on the notes of that Note Series, the assets of the Issuer not already secured under a fixed charge will not be available for payment of that shortfall.

Appointment, powers, responsibilities and liability of the Note Trustee

The Note Trust Deed also sets out the terms upon which the Note Trustee is appointed, the indemnification of the Note Trustee, the payment it receives and the extent of the Note Trustee's authority. It also contains provisions limiting or excluding liability of the Note Trustee in certain circumstances (some of which are summarised below). The Note Trustee is also given the ability to appoint a delegate or agent in the execution of any of its duties under the Note Trust Deed. The Note Trust Deed also sets out the circumstances in which the Note Trustee may resign or retire.

The Note Trust Deed states that the Note Trustee is entitled to be indemnified and/or secured to its satisfaction and relieved from responsibility in certain circumstances, including, without restriction, in relation to taking action to enforce any Security or debt which it holds. The Note Trustee is also entitled to be paid its fees, costs and expenses and any other amounts due to it (for its own account) in priority to the claims of the Noteholders.

The Note Trustee is not bound or concerned to examine or enquire into or be liable for any defect or failure in the right or title of the Issuer to all or any of the property in respect of which the Issuer has created Security. The Note Trustee is not liable for any failure, omission or defect in perfecting, protecting or further assuring the Security. The Note Trustee is not responsible for investigating, monitoring or supervising the observance or performance by any person in respect of the charged property or otherwise. The Note Trustee is not under any obligation to insure any of the Security or any deed or documents of title. The Note Trustee is not responsible for any deficiency which may arise because it is liable to tax in respect of the proceeds of

Security. The Note Trustee shall not be responsible for monitoring whether a Loan Note Event of Default or an Event of Default has occurred or is continuing.

THE CLASS D VFN NOTES

Form of the class D VFN notes

The class D VFN notes will be issued pursuant to a Pricing Supplement in dematerialised registered form and will not be cleared through any clearing system, listed or admitted to trading by any listing authority, stock exchange and/or quotation system. A register will be maintained by the relevant Registrar, on the Issuer's behalf, in which each Series of class D VFN notes will be registered in the name of the holder of such Series of class D VFN note. Transfers of all or any portion of the interest in the class D VFN notes may be made only through the register maintained by the relevant Registrar.

Increase to the Principal Amount Outstanding and the Maximum Principal Amount of the class D VFN notes

If the Issuer receives a notice from the Cash Manager (on behalf of Funding 1) during the Drawdown Period requesting a further advance of principal in respect of a Series of Class D VFN Loan Note, and, if applicable, an increase in the Maximum Principal Amount of that Series of Class D VFN Loan Note, then the Issuer shall send a notice to the corresponding Series of class D VFN Noteholder requesting a further advance of principal in respect of the relevant Series of class D VFN note and, if applicable, an increase in the Maximum Principal Amount of such Series of class D VFN note.

Any further advance under a Series of class D VFN note (and corresponding increase in the Principal Amount Outstanding and, if applicable, the Maximum Principal Amount) is subject to, *inter alia*, the Issuance Tests being met in respect of the related Class D VFN Loan Note on the Drawdown Date

Repayment of class D VFN notes

Principal in respect of a class D VFN note may be repaid in whole or in part on any Interest Payment Date. Any repayment of the class D VFN notes (and corresponding decrease in the Outstanding Principal Amount) is subject to, *inter alia*, the Repayment Tests being met in respect of the related Class D VFN Loan Note on the relevant Loan Note Interest Payment Date.

Re-borrowing

Subject to satisfying the conditions set out in "*Increase to the Outstanding Principal Amount and Maximum Principal Amount of the Class D VFN Loan Notes*" above, the Issuer may request the advance of any principal amount repaid under a Series of class D VFN note.

Reduction in Maximum Principal Amount

A class D VFN Noteholder may, from time to time, notify the Issuer, the Note Trustee, Funding 1 and the Registrar of a decrease in the Maximum Principal Amount of the relevant Series of class D VFN note, provided that such reduction would not cause the then Principal Amount Outstanding of such Series of class D VFN note to be greater than the applicable Maximum Principal Amount.

FORMS OF THE NOTES

The issue of all Note Series under the Programme have been or will be authorised by a resolution of the board of directors of the Issuer passed on or prior to the date of issue of the relevant Note Series. Each Note Series will be constituted by a Note Trust Deed Supplement to be dated on or about the relevant Issue Date between the Issuer and the Note Trustee, as trustee for, among others, the holders for the time being of the notes. The Note Trust Deed includes provisions which enable it to be modified or supplemented and any reference to the Note Trust Deed is a reference also to the document as modified or supplemented in accordance with its terms.

The statements set out below include summaries of, and are subject to, the detailed provisions of the Note Trust Deed and the relevant Note Trust Deed Supplement for a Note Series, which will contain the forms of the Global Note Certificates and the Individual Note Certificates. The Issuer has entered into, for the benefit of the Programme, the Paying Agency Agreement (see "*Terms and Conditions of the Notes*" below) which will regulate how payments will be made on all Note Series and how determinations and notifications will be made. It will be dated on or prior to the date of the first issuance of notes.

Investors in the notes will be entitled to the benefit of, will be bound by and will be deemed to have notice of, all the provisions of the Note Trust Deed, the relevant Note Trust Deed Supplement and the Paying Agency Agreement. Investors can see copies of these agreements at the principal office for the time being of the Note Trustee, which is, as of the date of this Base Prospectus, One Canada Square, London E14 5AL and at the office for the time being of the Principal Paying Agent.

Form of notes

Unless otherwise specified in the relevant Note Trust Deed Supplement, each class of notes (other than the class D VFN notes) will be represented initially by a Global Note Certificate in registered form, in the principal amount specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement.

If specified in the relevant Final Terms or Drawdown Prospectus, as applicable, notes may be sold outside the United States to non-U.S. Persons in compliance with Regulation S and each class of notes so sold will be represented by a corresponding Regulation S Global Note Certificate either registered (i) in the case of notes which are not to be held under the New Safekeeping Structure, in the name of a Common Depositary (or its nominee), and deposited with such Common Depositary for, Clearstream and/or Euroclear and/or any other relevant clearing system; or (ii) in the case of notes to be held under the New Safekeeping Structure, in the name of a Common Safekeeper (or its nominee), and deposited with such Common Safekeeper for, Clearstream and/or Euroclear.

If specified in the relevant Drawdown Prospectus/Final Terms, notes may be sold to a U.S. Person only if it is a Qualified Institutional Buyer purchasing for its own account or for the account of another Qualified Institutional Buyer in compliance with Rule 144A and each class of notes will be represented on issue by a Rule 144A Global Note Certificate either (i) registered in the name of Cede as nominee and deposited with The Bank of New York Mellon as the DTC; or (ii) in the case of notes which are not to be held under the New Safekeeping Structure, registered in the name of a Common Depositary (or its nominee), and deposited with such Common Depositary for, Clearstream and/or Euroclear and/or any other relevant clearing system; or (iii) in the case of notes to be held under the New Safekeeping Structure, registered in the name of a Common Safekeeper (or its nominee), and deposited with such Common Safekeeper for, Clearstream and/or Euroclear. Beneficial interests in a Rule 144A Global Note Certificate may only be held through, and transfers thereof will only be effected through, records maintained by DTC or its participants (as applicable) at any time.

Beneficial interests in Global Note Certificates may be subject to certain restrictions on transfer set forth therein, in the Note Trust Deed, any Note Trust Deed Supplement and in Rule 144A, and the notes will bear

the applicable legends regarding the restrictions as set forth in the applicable Drawdown Prospectus/Final Terms/Pricing Supplement.

The amount of notes represented by each Global Note Certificate is evidenced by the register maintained for that purpose (the **Register**) by the Registrar. Together, the notes represented by the Global Note Certificates and any outstanding Individual Note Certificates will equal the aggregate principal amount of the notes outstanding at any time. However, except in exceptional circumstances, Individual Note Certificates will not be issued.

The class D VFN notes will be issued pursuant to a Pricing Supplement in dematerialised registered form and will not be cleared through any clearing system, listed or admitted to trading on any regulated market, stock exchange and/or quotation system. A register will be maintained by the relevant Registrar, on the Issuer's behalf, in which each Series of class D VFN notes will be registered in the name of the holder of such Series of class D VFN note. Transfers of all or any portion of the interest in the class D VFN notes may be made only through the register maintained by the relevant Registrar.

Exchange for Individual Certificates

(a) *Rule 144A Global Note Certificates*

Each Rule 144A Global Note Certificate will be exchangeable, free of charge to the holder, on or after its Individual Exchange Date (as defined below), in whole but not in part, for certificates in individual certificate form (**Rule 144A Individual Certificates**) upon one of the following:

- (i) if DTC notifies the Note Trustee or the Principal Paying Agent that it is unwilling or unable to continue as depository for the Rule 144A Global Note Certificate or DTC ceases to be a "clearing agency" registered under the United States Securities and Exchange Act of 1934, as amended, and a successor depository or clearing system is not appointed by the Note Trustee or the Principal Paying Agent within 90 days of receiving such notice; or
- (ii) if the Issuer or any Paying Agent or any other person is or will be required to make any withholding or deduction from any payment in respect of the Notes for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature or the Issuer suffers or will suffer any other disadvantage as a result of such change, which withholding or deduction would not be required or other disadvantage would not be suffered (as the case may be) if the notes were in individual certificate form.

(b) *Regulation S Global Note Certificates*

Each Regulation S Global Note Certificate will be exchangeable, free of charge to the holder, on or after its Individual Exchange Date (as defined below), in whole but not in part, for certificates in individual certificate form (**Regulation S Individual Certificates**) upon one of the following:

- (i) if a Regulation S Global Note Certificate is held (directly or indirectly) on behalf of Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) if as a result of changes to any taxation provisions in the UK, the Issuer or any Paying Agent is or will be required to make any deduction or withholding from any payment in respect of the Notes which would not be required were the relevant Notes in individual definitive form and a certificate to such effect signed by an authorised director of the Issuer is delivered to the Note Trustee.

The relevant Registrar will not register the transfer of, or exchange interests in, a Global Note Certificate for Rule 144A Individual Certificates or Regulation S Individual Certificates for a period of 15 days ending on the date for any payment of principal or interest in respect of the notes.

Individual Exchange Date means a day falling not less than 30 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the Specified Office of the Registrar and any Transfer Agent is located.

The Clearing Systems

The information set out below has been obtained from the Clearing Systems and the Issuer believes that such sources are reliable, but prospective investors are advised to make their own enquiries as to such procedures. The Issuer accepts responsibility for the accurate reproduction of such information from publicly available information and as far as the Issuer is aware and is able to ascertain from such information published by the clearing systems, no facts have been omitted which would render the reproduced information inaccurate or misleading. In particular, such information is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear or Clearstream, Luxembourg currently in effect and investors wishing to use the facilities of any of the Clearing Systems are therefore advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Arranger, Issuer, Funding 1, Security Trustee, Dealers, the Note Trustee, any Paying Agent, the Agent Bank, the Registrar or any affiliate of any of the above, or any person by whom any of the above is controlled for the purposes of the Securities Act, will have any responsibility for the performance by the Clearing Systems or their respective direct and indirect participants or cardholders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described below.

The Global Note Certificates of classes of notes denominated in Euro or in Sterling will be deposited with the Common Depositary (or, with respect to notes in NSS form, a Common Safekeeper) and registered in the name of a nominee of Euroclear and Clearstream (or, with respect to notes in NSS form in the name of a nominee of a Common Safekeeper for Euroclear and Clearstream, Luxembourg). On confirmation from the Common Depositary (or, with respect to notes in NSS form, a Common Safekeeper) that it holds the Global Note Certificates, Clearstream and/or Euroclear, as applicable, will record Book-Entry Interests in a Noteholder's account or the participant account through which Noteholders hold their interests in the notes. These Book-Entry Interests will represent the beneficial owner's or participant's beneficial interest in the relevant notes represented by such Global Note Certificate.

The Global Note Certificates of classes of notes denominated in U.S. Dollars will be deposited with the DTC Custodian and registered in the name of Cede. On confirmation from the DTC Custodian that it holds the Global Note Certificates, DTC will record Book-Entry Interests to the Noteholder's account or the participant account through which Noteholders hold their interests in the notes. These Book-Entry Interests will represent the beneficial owner's or participant's beneficial interest in the relevant notes represented by such Global Note Certificate.

Beneficial owners may hold their interest in the notes represented by each Global Note Certificate in Clearstream, Euroclear or DTC, as applicable, or indirectly through organisations that are participants in any of those systems. Ownership of these beneficial interests in notes represented by each Global Note Certificate will be shown on, and the transfer of that ownership will be effected only through, records maintained by Clearstream, Euroclear or DTC (with respect to interests of their participants) and the records of their participants (with respect to interests of other persons). By contrast, ownership of direct interests in a Global Note Certificate will be shown on, and the transfer of that ownership will be effected through, the Register maintained by the relevant Registrar. Because of this holding structure of the notes, beneficial owners of notes may look only to Clearstream, Euroclear or DTC, as applicable, or their respective participants for their beneficial entitlement to those notes. The Issuer expects that Clearstream, Euroclear and DTC, as applicable, will take any action permitted to be taken by a beneficial owner of notes only in

accordance with its rules and at the direction of one or more participants to whose account the interests in a Global Note Certificate is credited and only in respect of that portion of the aggregate principal amount of notes as to which that participant or those participants has or have given that direction.

The class D VFN notes will be issued pursuant to a Pricing Supplement in dematerialised registered form and will not be cleared through any clearing system.

Payment

Principal and interest payments on the notes will be made via the Paying Agents to Euroclear, Clearstream or DTC, as applicable, or their nominee, as the registered holder of the relevant Global Note Certificate. DTC's practice is to credit its participants' accounts on the applicable Distribution Date according to their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on that Distribution Date.

Payments by Clearstream, Euroclear and DTC participants (as applicable) to the beneficial owners of notes will be governed by standing instructions, customary practice, and any statutory or regulatory requirements as may be in effect from time to time. These payments will be the responsibility of Clearstream, Euroclear and DTC participants (as applicable) and not of Clearstream, Euroclear, DTC, any Paying Agent, the Note Trustee or the Issuer. None of the Issuer, the Note Trustee, any Dealer nor any Paying Agent will have the responsibility or liability for any aspect of the records of Clearstream, Euroclear or DTC on account of beneficial interests in the Global Note Certificates or for maintaining, supervising or reviewing any records of Clearstream, Euroclear or DTC relating to those beneficial interests.

The laws of some states of the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer interests in a Global Note Certificate to such persons may be limited. Because DTC, Euroclear and Clearstream can only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Global Note Certificate to pledge such interest to persons or entities which do not participate, directly or indirectly, in the relevant Clearing System, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

Transfers between participants on the Clearstream system, participants on the Euroclear system and participants on the DTC system will occur under each of their rules and operating procedures.

Clearstream

Clearstream is incorporated under the laws of Luxembourg as a professional registrar. Clearstream holds securities for its participating organisations and facilitates the clearance and settlement of securities transactions between Clearstream participants through electronic book-entry changes in accounts of Clearstream participants, thereby eliminating the need for physical movement of notes. Transactions may be settled in Clearstream in any of 38 currencies, including U.S. Dollars, Euro and Sterling.

Clearstream participants are financial institutions around the world, including dealers, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Clearstream is also available to others, including banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream participant, either directly or indirectly.

Euroclear

The Euroclear system was created in 1968 to hold securities for its participants and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment. This eliminates the need for physical movement of certificates. Transactions may be settled in any of 32 currencies, including U.S. Dollars, Euro and Sterling.

The Euroclear system is operated by Morgan Guaranty Trust Company of New York, Brussels office, the Euroclear operator, under contract with Euroclear Clearance System, Société Cooperative, a Belgian co-operative corporation, the Euroclear co-operative. All operations are conducted by the Euroclear operator. All Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear operator, not the Euroclear co-operative. The board of the Euroclear co-operative establishes policy for the Euroclear system.

Euroclear participants include banks — including central banks — securities brokers and dealers and other professional financial intermediaries. Indirect access to the Euroclear system is also available to other firms that maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

Securities clearance accounts and cash accounts with the Euroclear operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear system. These terms and conditions govern transfers of securities and cash within the Euroclear system, withdrawal of securities and cash from the Euroclear system, and receipts of payments for securities in the Euroclear system. All securities in the Euroclear system are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear operator acts under these terms and conditions only on behalf of Euroclear participants and has no record of or relationship with persons holding through Euroclear participants.

DTC

DTC has advised the Issuer and the Dealers that it intends to follow the following procedures:

DTC is a limited-purpose trust company organised under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments that DTC's participants (**Direct Participants**) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerised book-entry transfers and pledges between Direct Participants' accounts. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organisations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (**DTCC**). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (**Indirect Participants**). The "DTC Rules" applicable to its participants are on file with the Securities and Exchange Commission.

Purchases of notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the notes on DTC's records. The ownership interest of each actual purchaser of each note (**Beneficial Owner**) is in turn to be recorded on the Direct Participants' and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the notes are to be accomplished by entries made on the books of Direct Participants and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in notes, except in the event that use of the book-entry system for the notes is discontinued.

To facilitate subsequent transfers, all notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede, or such other name as may be requested by an authorised representative of DTC. The deposit of notes with DTC and their registration in the name of Cede or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such notes are credited, which may or may not be the Beneficial Owners. The Direct Participants and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede (nor any other DTC nominee) will consent or vote with respect to notes unless authorised by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede's consenting or voting rights to those Direct Participants to whose accounts notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the notes will be made to Cede, or such other nominee as may be requested by an authorised representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer, on payable date in accordance with their respective holdings shown on DTC's records. Payments by participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such participant and not of DTC, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede (or such other nominee as may be requested by an authorised representative of DTC) is the responsibility of the Issuer, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct Participants and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the notes at any time by giving reasonable notice to the Issuer. Under such circumstances, in the event that a successor depository is not obtained, notes certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, notes certificates will be printed and delivered to DTC.

General

Because of time-zone differences, credits of securities in Clearstream or Euroclear as a result of a transaction with a DTC participant will be made during the subsequent securities settlement processing, dated the business day following the DTC settlement date. The credits for any transactions in these securities settled during this processing will be reported to the relevant Clearstream participant or Euroclear participant on that business day. Cash received in Clearstream or Euroclear as a result of sales of securities by or through a Clearstream participant or a Euroclear participant to a DTC participant will be received and available on the DTC settlement date. However, it will not be available in the relevant Clearstream or Euroclear cash account until the business day following settlement in DTC.

Distributions on the notes held indirectly through Clearstream, Euroclear or DTC, as applicable, will be credited to the cash accounts of Clearstream participants, Euroclear participants or DTC participants, as applicable, according to the relevant system's rules and procedures, to the extent received by its registrar. These distributions may need to be reported for tax purposes under U.S. tax laws and regulations. Each of Clearstream, Euroclear or DTC, as the case may be, will take any other action permitted to be taken by a Noteholder on behalf of its participants only as permitted by its rules and procedures and only if its registrar is able to take these actions on its behalf.

Although Clearstream, Euroclear and DTC have agreed to these procedures to facilitate transfers of notes among participants of Clearstream, Euroclear and DTC, they are not obligated to perform these procedures. Additionally, these procedures may be discontinued at any time.

So long as the registrar or its nominee is the holder of the Global Note Certificates underlying the Book-Entry Interests, it or its nominees will be the Noteholder under the Note Trust Deed. Because of this, each person holding a Book-Entry Interest must rely on the procedures of the registrar, Euroclear, Clearstream and/or DTC or other intermediary through which the interests are held, to exercise any rights and obligations of Noteholders under the Note Trust Deed and the relevant Note Trust Deed Supplement.

As the holder of Book-Entry Interests the Noteholders will not have the right under the Note Trust Deed to act on solicitations by the Issuer for action by Noteholders. Noteholders will only be able to act to the extent they receive the appropriate proxies to do so from Euroclear, Clearstream or DTC. No assurances are made about these procedures or their adequacy for ensuring timely exercise of remedies under the Note Trust Deed.

Noteholders and other holders of Book-Entry Interests will be entitled to receive Individual Note Certificates, in the form and under the circumstances set out in the Note Trust Deed and the terms and conditions of the notes. In the event that a Global Note Certificate is exchanged for Individual Note Certificates, such Individual Note Certificates shall be issued in denominations of €100,000 (or the equivalent in another currency) only. Noteholders who hold Notes in the relevant Clearing System in amounts that are not integral multiples of €100,000 may need to purchase or sell, on or before the relevant exchange date, a principal amount of notes such that their holding is an integral multiple of €100,000.

So long as the notes are represented by beneficial interests in a permanent Global Note Certificate and Euroclear, Clearstream, DTC and/or any other relevant Clearing System so permits, the notes shall be tradable only in the minimum authorised denomination of €100,000 or its equivalent or as otherwise specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement (as applicable to the currency of each particular Note Series) and higher integral multiples of €1,000, notwithstanding that no Individual Note Certificate will be issued with a denomination above €199,000 or its equivalent or as otherwise specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement.

PURCHASE AND TRANSFER RESTRICTIONS

Because of the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, sale, resale, pledge or transfer of the notes.

The notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**), or any state securities or "Blue Sky" laws or the securities laws of any other jurisdiction and, accordingly, may not be reoffered, resold, pledged or otherwise transferred except in accordance with the restrictions described below.

Without limiting the foregoing, by holding a note, each Noteholder will acknowledge and agree, among other things, that such Noteholder understands that neither of the Issuer nor the Securitised Portfolio is registered as an investment company under the Investment Company Act, but that the Issuer and the Securitised Portfolio are exempt from registration as such.

Prospective Initial Investors in the notes

Each prospective purchaser of the notes offered in reliance on Rule 144A (**Rule 144A**) under the Securities Act (a **U.S. Offeree**) and each prospective purchaser of the notes offered in reliance on Regulation S (**Regulation S**) under the Securities Act (a **Non-U.S. Offeree** and together with the U.S. Offerees, the **Offerees**), by accepting delivery of this base prospectus, will be deemed to have represented, acknowledged and agreed as follows:

- (i) The Offeree acknowledges that the Drawdown Prospectus/Final Terms/Pricing Supplement and the Base Prospectus are personal to the Offeree and do not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the notes other than pursuant to Rule 144A, or another exemption from registration from the Securities Act, or in offshore transactions in accordance with Regulation S. Distribution of this Drawdown Prospectus/Final Terms/Pricing Supplement and the Base Prospectus or disclosure of any of their contents to any person other than the Offeree and those persons, if any, retained to advise the Offeree with respect thereto and other persons meeting the requirements of Rule 144A or Regulation S is unauthorised and any disclosure of any of their contents, without the prior written consent of the Issuer, is prohibited.
- (ii) The Offeree agrees to make no photocopies of this base prospectus or any documents referred to herein and, if the Offeree does not purchase the notes or the offering is terminated, to return this Drawdown Prospectus/Final Terms/Pricing Supplement and the Base Prospectus and all documents referred to herein and therein to the Issuer.
- (iii) The Offeree has carefully read and understands this Drawdown Prospectus/Final Terms/Pricing Supplement and the Base Prospectus, including, without limitation, the "*Risk Factors*" section in the Drawdown Prospectus and the "*Risk Factors*" section in the Base Prospectus, and has based its decision to purchase the notes upon the information contained herein and therein and on written information, if any, provided to it by the Issuer and the Dealers and not on any other information.

Notes

Legend

Unless determined otherwise by the Issuer in accordance with applicable law and so long as any class of Rule 144A Notes or Regulation S Notes is outstanding, the Rule 144A and the Regulation S Notes will bear a legend substantially set forth below:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), ANY STATE SECURITIES

LAW IN THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND NEITHER THE ISSUER NOR THE SECURITISED PORTFOLIO HAS BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS NOTE, REPRESENTS THAT IT HAS OBTAINED THIS NOTE IN A TRANSACTION IN COMPLIANCE WITH THE SECURITIES ACT, THE INVESTMENT COMPANY ACT AND ALL OTHER APPLICABLE LAWS OF THE UNITED STATES OR ANY OTHER JURISDICTION, AND THE RESTRICTIONS ON SALE AND TRANSFER SET FORTH IN THE NOTE TRUST DEED (THE "NOTE TRUST DEED"), DATED 31 OCTOBER 2008 (AS AMENDED AND RESTATED FROM TIME TO TIME), BETWEEN THE ISSUER AND THE BANK OF NEW YORK MELLON (THE "NOTE TRUSTEE"). THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS NOTE, FURTHER REPRESENTS, ACKNOWLEDGES AND AGREES THAT IT WILL NOT REOFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER THIS NOTE (OR ANY INTEREST HEREIN) EXCEPT IN COMPLIANCE WITH THE SECURITIES ACT, THE INVESTMENT COMPANY ACT AND ALL OTHER APPLICABLE LAWS OF ANY JURISDICTION AND IN ACCORDANCE WITH THE RESTRICTIONS, CERTIFICATIONS AND OTHER REQUIREMENTS SPECIFIED IN THE NOTE TRUST DEED (i) TO A TRANSFEREE THAT IS A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT (A "QIB") PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER QIB IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT OR (ii) TO A TRANSFEREE THAT IS NOT A U.S. PERSON (AS DEFINED IN REGULATION S OF THE SECURITIES ACT) AND THAT IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND, IN THE CASE OF CLAUSES (i) AND (ii), IN A PRINCIPAL AMOUNT WITH RESPECT TO EACH CLASS OF NOTES OF NOT LESS THAN €100,000 (OR THE EQUIVALENT THEREOF IN THE SPECIFIED CURRENCY) FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING. EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE DEEMED TO HAVE MADE THE REPRESENTATIONS AND AGREEMENTS SET FORTH IN THE NOTE TRUST DEED.

The following paragraph is to be included in the legend for Regulation S Global Note Certificate only:

EACH TRANSFEROR OF THIS NOTE AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE NOTE TRUST DEED TO THE TRANSFEREE. IN ADDITION TO THE FOREGOING, THE ISSUER MAINTAINS THE RIGHT TO RESELL ANY INTEREST IN THIS NOTE PREVIOUSLY TRANSFERRED TO HOLDERS NOT ELIGIBLE TO PURCHASE SUCH INTERESTS IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE NOTE TRUST DEED. HOWEVER, WITHOUT PREJUDICE TO THE RIGHTS OF THE ISSUER AGAINST ANY BENEFICIAL OWNER OR PURPORTED BENEFICIAL OWNER OF NOTES, NOTHING IN THE NOTE TRUST DEED OR THE NOTES SHALL BE INTERPRETED TO CONFER ON THE ISSUER, THE NOTE TRUSTEE OR ANY PAYING AGENT ANY RIGHT AGAINST EUROCLEAR BANK S.A./N.V. ("EUROCLEAR") AND/OR CLEARSTREAM BANKING, SOCIÉTÉ ANONYME ("CLEARSTREAM") TO REQUIRE THAT EUROCLEAR AND/OR CLEARSTREAM, AS THE CASE MAY BE, REVERSE OR RESCIND ANY TRADE COMPLETED IN ACCORDANCE WITH THE RULES OF EUROCLEAR AND/OR CLEARSTREAM, AS THE CASE MAY BE.

ANY TRANSFERS, PLEDGE OR OTHER USE OF THIS NOTE FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, THE BANK OF NEW YORK DEPOSITORY (NOMINEE) LIMITED, HAS AN INTEREST HEREIN, UNLESS THIS NOTE IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF EUROCLEAR AND CLEARSTREAM TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF THE BANK OF NEW YORK DEPOSITORY (NOMINEE) LIMITED OR OF SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF EUROCLEAR AND CLEARSTREAM

(AND ANY PAYMENT HEREON IS MADE TO THE BANK OF NEW YORK DEPOSITORY (NOMINEE) LIMITED).

TRANSFERS OF THIS NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, AND NOT IN PART, TO NOMINEES OF EUROCLEAR AND CLEARSTREAM OR TO SUCCESSORS THEREOF OR SUCH SUCCESSORS' NOMINEE AND TRANSFERS OF INTERESTS IN THIS NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE NOTE TRUST DEED.

The following paragraphs should be included in the legend for Rule 144A Global Note Certificate only:

EACH TRANSFEROR OF THIS NOTE AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE NOTE TRUST DEED TO THE TRANSFEREE. IN ADDITION TO THE FOREGOING, THE ISSUER MAINTAINS THE RIGHT TO RESELL ANY INTEREST IN THIS NOTE PREVIOUSLY TRANSFERRED TO HOLDERS NOT ELIGIBLE TO PURCHASE SUCH INTERESTS IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE NOTE TRUST DEED.

EACH TRANSFEROR OF THIS NOTE AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE NOTE TRUST DEED TO THE TRANSFEREE. IN ADDITION TO THE FOREGOING, THE ISSUER MAINTAINS THE RIGHT TO RESELL ANY INTEREST IN THIS NOTE PREVIOUSLY TRANSFERRED TO HOLDERS NOT ELIGIBLE TO PURCHASE SUCH INTERESTS IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE NOTE TRUST DEED. HOWEVER, WITHOUT PREJUDICE TO THE RIGHTS OF THE ISSUER AGAINST ANY BENEFICIAL OWNER OR PURPORTED BENEFICIAL OWNER OF NOTES, NOTHING IN THE NOTE TRUST DEED OR THE NOTES SHALL BE INTERPRETED TO CONFER ON THE ISSUER, THE NOTE TRUSTEE OR ANY NOTE PAYING AGENT ANY RIGHT AGAINST THE DEPOSITORY TRUST COMPANY ("DTC") TO REQUIRE THAT DTC REVERSE OR RESCIND ANY TRADE COMPLETED IN ACCORDANCE WITH THE RULES OF DTC.

THE FAILURE TO PROVIDE THE ISSUER AND ANY PAYING AGENT, WHENEVER REQUESTED BY THE ISSUER OR THE INVESTMENT MANAGER ON BEHALF OF THE ISSUER, WITH THE APPLICABLE U.S. FEDERAL INCOME TAX CERTIFICATIONS PURCHASE AND TRANSFER RESTRICTIONS (GENERALLY, AN INTERNAL REVENUE SERVICE FORM W-9 (OR SUCCESSOR APPLICABLE FORM) IN CASE OF A PERSON THAT IS A "UNITED STATES PERSON" WITHIN THE MEANING OF SECTION 7701(a)(30) OF THE CODE OR AN APPROPRIATE INTERNAL REVENUE SERVICE FORM W-8 (OR SUCCESSOR APPLICABLE FORM) IN THE CASE OF A PERSON THAT IS NOT A "UNITED STATES PERSON" WITHIN THE MEANING OF SECTION 7701(a)(30) OF THE CODE) MAY RESULT IN U.S. FEDERAL BACK UP WITHHOLDING FROM PAYMENTS TO THE HOLDER IN RESPECT OF THIS SECURITY.

EACH HOLDER AND BENEFICIAL OWNER OF THIS NOTE THAT IS NOT A "UNITED STATES PERSON" (AS DEFINED IN SECTION 7701(a)(30) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE")) WILL MAKE, OR BY ACQUIRING SUCH NOTE OR AN INTEREST THEREIN WILL BE DEEMED TO MAKE, A REPRESENTATION TO THE EFFECT THAT (A) EITHER (I) IT IS NOT A BANK EXTENDING CREDIT PURSUANT TO A LOAN AGREEMENT ENTERED INTO IN THE ORDINARY COURSE OF ITS TRADE OR BUSINESS (WITHIN THE MEANING OF SECTION 881(c)(3)(A) OF THE CODE), OR (II) IT IS A PERSON THAT IS ELIGIBLE FOR BENEFITS UNDER AN INCOME TAX TREATY WITH THE UNITED STATES THAT ELIMINATES U.S. FEDERAL INCOME TAXATION OF U.S. SOURCE INTEREST NOT ATTRIBUTABLE TO A PERMANENT ESTABLISHMENT IN THE UNITED STATES; AND (B) EACH HOLDER AND BENEFICIAL OWNER OF THIS NOTE REPRESENTED WILL MAKE, OR BY ACQUIRING SUCH NOTE OR AN INTEREST THEREIN WILL BE DEEMED TO MAKE, A REPRESENTATION TO THE EFFECT THAT IT IS NOT PURCHASING THE NOTE IN ORDER TO

REDUCE ITS U.S. FEDERAL INCOME TAX LIABILITY PURSUANT TO A TAX AVOIDANCE PLAN.

ANY TRANSFERS, PLEDGE OR OTHER USE OF THIS NOTE FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO. ("CEDE"), HAS AN INTEREST HEREIN, UNLESS THIS NOTE IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF DTC TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE OR OF SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF DTC (AND ANY PAYMENT HEREON IS MADE TO CEDE).

TRANSFERS OF THIS NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, AND NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF INTERESTS IN THIS NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE NOTE TRUST DEED.

PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH IN THE NOTE TRUST DEED. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE BANK OF NEW YORK MELLON AS THE PRINCIPAL PAYING AGENT.

THE HOLDER OF THIS NOTE ACKNOWLEDGES THAT NOTWITHSTANDING ANY OTHER PROVISION OF THE NOTE TRUST DEED OR ANY OTHER TRANSACTION DOCUMENT, ALL PAYMENTS OF PRINCIPAL, INTEREST OR ANY OTHER AMOUNT TO BE MADE BY THE ISSUER IN RESPECT OF THE NOTES OR UNDER ANY TRANSACTION DOCUMENT WILL BE PAYABLE PURSUANT TO THE PRIORITY OF PAYMENTS AND ONLY FROM, AND TO THE EXTENT OF, THE SUMS PAID TO, OR NET PROCEEDS RECOVERED BY OR ON BEHALF OF, THE ISSUER IN RESPECT OF THE SECURITY (AS DEFINED IN THE STDCMA). IF THE PROCEEDS OF THE SECURITY (AS DEFINED IN THE STDCMA) ARE NOT SUFFICIENT FOR THE ISSUER TO MEET ITS OBLIGATIONS IN RESPECT OF THE NOTES AND OTHER TRANSACTION DOCUMENTS, NO OTHER ASSETS OF THE ISSUER WILL BE AVAILABLE TO MEET SUCH INSUFFICIENCY.

The following paragraph is to be included in the legend for Global Note Certificates where the applicable Drawdown Prospectus / Final Terms / Pricing Supplement indicates the Note is a Debt Note for U.S. federal income tax purposes issued pursuant to Regulation S only:

EACH ORIGINAL PURCHASER AND EACH TRANSFEREE OF THIS NOTE OR ANY INTEREST HEREIN IS DEEMED TO REPRESENT, WARRANT AND AGREE THAT EITHER (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, AND FOR SO LONG AS IT HOLDS THIS NOTE OR ANY INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF, (I) AN "EMPLOYEE BENEFIT PLAN" (AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA")) THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (II) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (III) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY (EACH OF THE FOREGOING, A "BENEFIT PLAN INVESTOR"), OR (IV) A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW"), AND NO PART OF THE ASSETS TO BE USED BY IT TO ACQUIRE OR HOLD SUCH NOTE OR ANY INTEREST THEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN; OR (B) THE ACQUISITION,

HOLDING AND SUBSEQUENT DISPOSITION OF THIS NOTE (OR ANY INTEREST HEREIN) DOES NOT AND WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF ANY SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A VIOLATION OF ANY SUCH SIMILAR LAW.

EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN THAT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR IS DEEMED TO REPRESENT, WARRANT AND AGREE THAT (I) NONE OF THE ISSUER, THE RECEIVABLES TRUSTEE, THE LOAN NOTE ISSUER, THE TRANSFEROR, THE ARRANGER OR ANY DEALER OR ANY OF THEIR RESPECTIVE AFFILIATES, HAS PROVIDED ANY INVESTMENT ADVICE WITHIN THE MEANING OF SECTION 3(21) OF ERISA TO THE BENEFIT PLAN INVESTOR, OR TO ANY FIDUCIARY OR OTHER PERSON INVESTING THE ASSETS OF THE BENEFIT PLAN INVESTOR ("FIDUCIARY"), AND THEY ARE NOT OTHERWISE UNDERTAKING TO ACT AS A FIDUCIARY, AS DEFINED IN SECTION 3(21) OF ERISA OR SECTION 4975(e)(3) OF THE CODE, TO THE BENEFIT PLAN INVESTOR OR THE FIDUCIARY IN CONNECTION WITH ITS ACQUISITION OF THIS NOTE, AND (II) THE FIDUCIARY IS EXERCISING ITS OWN INDEPENDENT JUDGMENT IN EVALUATING THE INVESTMENT IN THIS NOTE.

The following paragraph is to be included in the legend for Global Note Certificates where the applicable Drawdown Prospectus / Final Terms / Pricing Supplement indicates the Note is a Debt Note for U.S. federal income tax purposes issued pursuant to Rule 144A only:

EACH HOLDER OF THIS NOTE (OR ANY INTEREST THEREIN), BY PURCHASING SUCH NOTE (OR ANY SUCH INTEREST), WILL BE DEEMED TO HAVE REPRESENTED AND AGREED TO TREAT SUCH NOTE (OR ANY SUCH INTEREST) AS INDEBTEDNESS FOR U.S. FEDERAL INCOME TAX PURPOSES.

THIS NOTE HAS BEEN ISSUED WITH ORIGINAL ISSUE DISCOUNT ("OID") FOR U.S. FEDERAL INCOME TAX PURPOSES. INFORMATION RELATING TO THE ISSUE PRICE OF THE NOTE, THE AMOUNT OF OID ON THE NOTE, ITS ISSUE DATE AND THE YIELD TO MATURITY OF THE NOTE MAY BE OBTAINED FROM [INSERT CONTACT INFO.]¹

EACH ORIGINAL PURCHASER AND EACH TRANSFEREE OF THIS NOTE OR ANY INTEREST HEREIN IS DEEMED TO REPRESENT, WARRANT AND AGREE THAT EITHER (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, AND FOR SO LONG AS IT HOLDS THIS NOTE OR ANY INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF, (I) AN "EMPLOYEE BENEFIT PLAN" (AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA")) THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (II) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (III) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY (EACH OF THE FOREGOING, A "BENEFIT PLAN INVESTOR"), OR (IV) A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW"), AND NO PART OF THE ASSETS TO BE USED BY IT TO ACQUIRE OR HOLD SUCH NOTE OR ANY INTEREST THEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN; OR (B) THE ACQUISITION, HOLDING AND SUBSEQUENT DISPOSITION OF THIS NOTE (OR ANY INTEREST HEREIN) DOES NOT AND WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED

¹ Use if applicable Drawdown Prospectus/Final Terms/Pricing Supplement indicates that Note is Debt Note issued with OID for U.S. federal income tax purposes.

TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF ANY SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A VIOLATION OF ANY SUCH SIMILAR LAW.

EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN THAT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR IS DEEMED TO REPRESENT, WARRANT AND AGREE THAT (I) NONE OF THE ISSUER, THE RECEIVABLES TRUSTEE, THE LOAN NOTE ISSUER, THE TRANSFEROR, THE ARRANGER OR ANY DEALER OR ANY OF THEIR RESPECTIVE AFFILIATES, HAS PROVIDED ANY INVESTMENT ADVICE WITHIN THE MEANING OF SECTION 3(21) OF ERISA TO THE BENEFIT PLAN INVESTOR, OR TO ANY FIDUCIARY OR OTHER PERSON INVESTING THE ASSETS OF THE BENEFIT PLAN INVESTOR ("FIDUCIARY"), AND THEY ARE NOT OTHERWISE UNDERTAKING TO ACT AS A FIDUCIARY, AS DEFINED IN SECTION 3(21) OF ERISA OR SECTION 4975(e)(3) OF THE CODE, TO THE BENEFIT PLAN INVESTOR OR THE FIDUCIARY IN CONNECTION WITH ITS ACQUISITION OF THIS NOTE, AND (II) THE FIDUCIARY IS EXERCISING ITS OWN INDEPENDENT JUDGMENT IN EVALUATING THE INVESTMENT IN THIS NOTE.

The following paragraph is to be included in the legend for Global Note Certificates where the applicable Drawdown Prospectus / Final Terms / Pricing Supplement indicates the Note is an Equity Note for U.S. federal income tax purposes issued pursuant to Regulation S only:

EACH PURCHASER AND TRANSFEREE OF THIS NOTE OR ANY INTEREST HEREIN IS DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, AND FOR SO LONG AS IT HOLDS THIS NOTE OR ANY INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF, (A) AN "EMPLOYEE BENEFIT PLAN" (AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA")) THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (B) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY (EACH OF THE FOREGOING, A "BENEFIT PLAN INVESTOR"), OR (D) A CONTROLLING PERSON OR (II) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (1) IT IS NOT, AND FOR SO LONG AS IT HOLDS SUCH NOTES OR INTERESTS THEREIN WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER OR THE COLLATERAL MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO ANY FEDERAL, STATE, NON-U.S. OR LOCAL LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW") AND (2) THE ACQUISITION, HOLDING AND SUBSEQUENT DISPOSITION OF THIS NOTE (OR ANY INTEREST HEREIN) DOES NOT AND WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY SUCH SIMILAR LAW. "CONTROLLING PERSON" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "AFFILIATE" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "CONTROL" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON.

The following paragraph is to be included in the legend for Global Note Certificates where the applicable Drawdown Prospectus / Final Terms / Pricing Supplement indicates the Note is an Equity Note for U.S. federal income tax purposes issued pursuant to Rule 144A only:

EACH HOLDER OF THIS NOTE (OR ANY INTEREST HEREIN), BY PURCHASING SUCH NOTE (OR ANY SUCH INTEREST), WILL BE DEEMED TO HAVE REPRESENTED AND AGREED TO TREAT SUCH NOTE (OR ANY SUCH INTEREST) AS EQUITY FOR U.S. FEDERAL INCOME TAX PURPOSES.

EACH PURCHASER AND TRANSFEREE OF THIS NOTE OR ANY INTEREST HEREIN IS DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, AND FOR SO LONG AS IT HOLDS THIS NOTE OR ANY INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF, (A) AN "EMPLOYEE BENEFIT PLAN" (AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (ERISA)) THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (B) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE CODE), (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY (EACH OF THE FOREGOING, A "BENEFIT PLAN INVESTOR"), OR (D) A CONTROLLING PERSON OR (II) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (1) IT IS NOT, AND FOR SO LONG AS IT HOLDS SUCH NOTES OR INTERESTS THEREIN WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER OR THE COLLATERAL MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO ANY FEDERAL, STATE, NON-U.S. OR LOCAL LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (SIMILAR LAW) AND (2) THE ACQUISITION, HOLDING AND SUBSEQUENT DISPOSITION OF THIS NOTE (OR ANY INTEREST HEREIN) DOES NOT AND WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY SUCH SIMILAR LAW. "CONTROLLING PERSON" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "AFFILIATE" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "CONTROL" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON.

The following paragraph is to be included in the legend for Regulation S Individual Note Certificate only:

EACH TRANSFEROR OF THIS NOTE AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE NOTE TRUST DEED TO THE TRANSFEREE. IN ADDITION TO THE FOREGOING, THE ISSUER MAINTAINS THE RIGHT TO RESELL ANY INTEREST IN THIS NOTE PREVIOUSLY TRANSFERRED TO HOLDERS NOT ELIGIBLE TO PURCHASE SUCH INTERESTS IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE NOTE TRUST DEED. HOWEVER, WITHOUT PREJUDICE TO THE RIGHTS OF THE ISSUER AGAINST ANY BENEFICIAL OWNER OR PURPORTED BENEFICIAL OWNER OF NOTES, NOTHING IN THE NOTE TRUST DEED OR THE NOTES SHALL BE INTERPRETED TO CONFER ON THE ISSUER, THE NOTE TRUSTEE OR ANY PAYING AGENT ANY RIGHT AGAINST EUROCLEAR BANK S.A./N.V. ("EUROCLEAR") AND/OR CLEARSTREAM BANKING, SOCIÉTÉ

ANONYME ("CLEARSTREAM") TO REQUIRE THAT EUROCLEAR AND/OR CLEARSTREAM, AS THE CASE MAY BE, REVERSE OR RESCIND ANY TRADE COMPLETED IN ACCORDANCE WITH THE RULES OF EUROCLEAR AND/OR CLEARSTREAM, AS THE CASE MAY BE.

ANY TRANSFERS, PLEDGE OR OTHER USE OF THIS NOTE FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, THE BANK OF NEW YORK DEPOSITORY (NOMINEE) LIMITED, HAS AN INTEREST HEREIN, UNLESS THIS NOTE IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF EUROCLEAR AND CLEARSTREAM TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF THE BANK OF NEW YORK DEPOSITORY (NOMINEE) LIMITED OR OF SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF EUROCLEAR AND CLEARSTREAM (AND ANY PAYMENT HEREON IS MADE TO THE BANK OF NEW YORK DEPOSITORY (NOMINEE) LIMITED).

TRANSFERS OF THIS NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, AND NOT IN PART, TO NOMINEES OF EUROCLEAR AND CLEARSTREAM OR TO SUCCESSORS THEREOF OR SUCH SUCCESSORS' NOMINEE AND TRANSFERS OF INTERESTS IN THIS NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE NOTE TRUST DEED.

The following paragraph is to be included in the legend for Rule 144A Individual Note Certificate only:

EACH TRANSFEROR OF THIS NOTE AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE NOTE TRUST DEED TO THE TRANSFEREE. IN ADDITION TO THE FOREGOING, THE ISSUER MAINTAINS THE RIGHT TO RESELL ANY INTEREST IN THIS NOTE PREVIOUSLY TRANSFERRED TO HOLDERS NOT ELIGIBLE TO PURCHASE SUCH INTERESTS IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE NOTE TRUST DEED.

EACH TRANSFEROR OF THIS NOTE AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE NOTE TRUST DEED TO THE TRANSFEREE. IN ADDITION TO THE FOREGOING, THE ISSUER MAINTAINS THE RIGHT TO RESELL ANY INTEREST IN THIS NOTE PREVIOUSLY TRANSFERRED TO HOLDERS NOT ELIGIBLE TO PURCHASE SUCH INTERESTS IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE NOTE TRUST DEED. HOWEVER, WITHOUT PREJUDICE TO THE RIGHTS OF THE ISSUER AGAINST ANY BENEFICIAL OWNER OR PURPORTED BENEFICIAL OWNER OF NOTES, NOTHING IN THE NOTE TRUST DEED OR THE NOTES SHALL BE INTERPRETED TO CONFER ON THE ISSUER, THE NOTE TRUSTEE OR ANY NOTE PAYING AGENT ANY RIGHT AGAINST THE DEPOSITORY TRUST COMPANY ("DTC") TO REQUIRE THAT DTC REVERSE OR RESCIND ANY TRADE COMPLETED IN ACCORDANCE WITH THE RULES OF DTC.

THE FAILURE TO PROVIDE THE ISSUER AND ANY PAYING AGENT, WHENEVER REQUESTED BY THE ISSUER OR THE INVESTMENT MANAGER ON BEHALF OF THE ISSUER, WITH THE APPLICABLE U.S. FEDERAL INCOME TAX CERTIFICATIONS PURCHASE AND TRANSFER RESTRICTIONS (GENERALLY, AN INTERNAL REVENUE SERVICE FORM W-9 (OR SUCCESSOR APPLICABLE FORM) IN CASE OF A PERSON THAT IS A "UNITED STATES PERSON" WITHIN THE MEANING OF SECTION 7701(a)(30) OF THE CODE OR AN APPROPRIATE INTERNAL REVENUE SERVICE FORM W-8 (OR SUCCESSOR APPLICABLE FORM) IN THE CASE OF A PERSON THAT IS NOT A "UNITED STATES PERSON" WITHIN THE MEANING OF SECTION 7701(a)(30) OF THE CODE) MAY RESULT IN U.S. FEDERAL BACK UP WITHHOLDING FROM PAYMENTS TO THE HOLDER IN RESPECT OF THIS SECURITY.

EACH HOLDER AND BENEFICIAL OWNER OF THIS NOTE THAT IS NOT A "UNITED STATES PERSON" (AS DEFINED IN SECTION 7701(a)(30) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE")) WILL MAKE, OR BY ACQUIRING SUCH NOTE OR AN INTEREST THEREIN WILL BE DEEMED TO MAKE, A REPRESENTATION TO THE EFFECT THAT (A) EITHER (I) IT IS NOT A BANK EXTENDING CREDIT PURSUANT TO A LOAN AGREEMENT ENTERED INTO IN THE ORDINARY COURSE OF ITS TRADE OR BUSINESS (WITHIN THE MEANING OF SECTION 881(c)(3)(A) OF THE CODE), OR (II) IT IS A PERSON THAT IS ELIGIBLE FOR BENEFITS UNDER AN INCOME TAX TREATY WITH THE UNITED STATES THAT ELIMINATES U.S. FEDERAL INCOME TAXATION OF U.S. SOURCE INTEREST NOT ATTRIBUTABLE TO A PERMANENT ESTABLISHMENT IN THE UNITED STATES; AND (B) EACH HOLDER AND BENEFICIAL OWNER OF THIS NOTE REPRESENTED WILL MAKE, OR BY ACQUIRING SUCH NOTE OR AN INTEREST THEREIN WILL BE DEEMED TO MAKE, A REPRESENTATION TO THE EFFECT THAT IT IS NOT PURCHASING THE NOTE IN ORDER TO REDUCE ITS U.S. FEDERAL INCOME TAX LIABILITY PURSUANT TO A TAX AVOIDANCE PLAN.

ANY TRANSFERS, PLEDGE OR OTHER USE OF THIS NOTE FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO. ("CEDE"), HAS AN INTEREST HEREIN, UNLESS THIS NOTE IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF DTC TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE OR OF SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF DTC (AND ANY PAYMENT HEREON IS MADE TO CEDE).

TRANSFERS OF THIS NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, AND NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF INTERESTS IN THIS NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE NOTE TRUST DEED.

PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH IN THE NOTE TRUST DEED. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE BANK OF NEW YORK MELLON AS THE PRINCIPAL PAYING AGENT.

THE HOLDER OF THIS NOTE ACKNOWLEDGES THAT NOTWITHSTANDING ANY OTHER PROVISION OF THE NOTE TRUST DEED OR ANY OTHER TRANSACTION DOCUMENT, ALL PAYMENTS OF PRINCIPAL, INTEREST OR ANY OTHER AMOUNT TO BE MADE BY THE ISSUER IN RESPECT OF THE NOTES OR UNDER ANY TRANSACTION DOCUMENT WILL BE PAYABLE PURSUANT TO THE PRIORITY OF PAYMENTS AND ONLY FROM, AND TO THE EXTENT OF, THE SUMS PAID TO, OR NET PROCEEDS RECOVERED BY OR ON BEHALF OF, THE ISSUER IN RESPECT OF THE SECURITY (AS DEFINED IN THE STDCMA). IF THE PROCEEDS OF THE SECURITY (AS DEFINED IN THE STDCMA) ARE NOT SUFFICIENT FOR THE ISSUER TO MEET ITS OBLIGATIONS IN RESPECT OF THE NOTES AND OTHER TRANSACTION DOCUMENTS, NO OTHER ASSETS OF THE ISSUER WILL BE AVAILABLE TO MEET SUCH INSUFFICIENCY.

The following paragraphs should be included in the legend for Individual Note Certificates where the applicable Drawdown Prospectus / Final Terms / Pricing Supplement indicates the Note is a Debt Note for U.S. federal income tax purposes issued pursuant to Regulation S only:

EACH ORIGINAL PURCHASER AND EACH TRANSFEREE OF THIS NOTE OR ANY INTEREST HEREIN IS DEEMED TO REPRESENT, WARRANT AND AGREE THAT EITHER (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, AND FOR SO LONG AS IT HOLDS THIS NOTE OR ANY INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF, (I) AN

"EMPLOYEE BENEFIT PLAN" (AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA")) THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (II) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (III) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY (EACH OF THE FOREGOING, A "BENEFIT PLAN INVESTOR"), OR (IV) A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW"), AND NO PART OF THE ASSETS TO BE USED BY IT TO ACQUIRE OR HOLD SUCH NOTE OR ANY INTEREST THEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN; OR (B) THE ACQUISITION, HOLDING AND SUBSEQUENT DISPOSITION OF THIS NOTE (OR ANY INTEREST HEREIN) DOES NOT AND WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF ANY SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A VIOLATION OF ANY SUCH SIMILAR LAW.

EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN THAT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR IS DEEMED TO REPRESENT, WARRANT AND AGREE THAT (I) NONE OF THE ISSUER, THE RECEIVABLES TRUSTEE, THE LOAN NOTE ISSUER, THE TRANSFEROR, THE ARRANGER OR ANY DEALER OR ANY OF THEIR RESPECTIVE AFFILIATES, HAS PROVIDED ANY INVESTMENT ADVICE WITHIN THE MEANING OF SECTION 3(21) OF ERISA TO THE BENEFIT PLAN INVESTOR, OR TO ANY FIDUCIARY OR OTHER PERSON INVESTING THE ASSETS OF THE BENEFIT PLAN INVESTOR ("FIDUCIARY"), AND THEY ARE NOT OTHERWISE UNDERTAKING TO ACT AS A FIDUCIARY, AS DEFINED IN SECTION 3(21) OF ERISA OR SECTION 4975(e)(3) OF THE CODE, TO THE BENEFIT PLAN INVESTOR OR THE FIDUCIARY IN CONNECTION WITH ITS ACQUISITION OF THIS NOTE, AND (II) THE FIDUCIARY IS EXERCISING ITS OWN INDEPENDENT JUDGMENT IN EVALUATING THE INVESTMENT IN THIS NOTE.

The following paragraphs should be included in the legend for Individual Note Certificates where the applicable Drawdown Prospectus / Final Terms / Pricing Supplement indicates the Note is a Debt Note for U.S. federal income tax purposes issued pursuant to Rule 144A only:

EACH HOLDER OF THIS NOTE (OR ANY INTEREST THEREIN), BY PURCHASING SUCH NOTE (OR ANY SUCH INTEREST), WILL BE DEEMED TO HAVE REPRESENTED AND AGREED TO TREAT SUCH NOTE (OR ANY SUCH INTEREST) AS INDEBTEDNESS FOR U.S. FEDERAL INCOME TAX PURPOSES.

[THIS NOTE HAS BEEN ISSUED WITH ORIGINAL ISSUE DISCOUNT ("OID") FOR U.S. FEDERAL INCOME TAX PURPOSES. INFORMATION RELATING TO THE ISSUE PRICE OF THE NOTE, THE AMOUNT OF OID ON THE NOTE, ITS ISSUE DATE AND THE YIELD TO MATURITY OF THE NOTE MAY BE OBTAINED FROM [INSERT CONTACT INFO.]]²

EACH ORIGINAL PURCHASER AND EACH TRANSFEREE OF THIS NOTE OR ANY INTEREST HEREIN IS DEEMED TO REPRESENT, WARRANT AND AGREE THAT EITHER (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, AND FOR SO LONG AS IT HOLDS THIS NOTE OR ANY INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF, (I) AN "EMPLOYEE BENEFIT PLAN" (AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA")) THAT IS SUBJECT TO PART 4 OF

² Use if applicable Drawdown Prospectus /Final Terms/Pricing Supplement indicates that Note is Debt Note issued with OID for U.S. federal income tax purposes.

SUBTITLE B OF TITLE I OF ERISA, (II) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE CODE), (III) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY (EACH OF THE FOREGOING, A "BENEFIT PLAN INVESTOR"), OR (IV) A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW"), AND NO PART OF THE ASSETS TO BE USED BY IT TO ACQUIRE OR HOLD SUCH NOTE OR ANY INTEREST THEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN; OR (B) THE ACQUISITION, HOLDING AND SUBSEQUENT DISPOSITION OF THIS NOTE (OR ANY INTEREST HEREIN) DOES NOT AND WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF ANY SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A VIOLATION OF ANY SUCH SIMILAR LAW.

EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN THAT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR IS DEEMED TO REPRESENT, WARRANT AND AGREE THAT (I) NONE OF THE ISSUER, THE RECEIVABLES TRUSTEE, THE LOAN NOTE ISSUER, THE TRANSFEROR, THE ARRANGER OR ANY DEALER OR ANY OF THEIR RESPECTIVE AFFILIATES, HAS PROVIDED ANY INVESTMENT ADVICE WITHIN THE MEANING OF SECTION 3(21) OF ERISA TO THE BENEFIT PLAN INVESTOR, OR TO ANY FIDUCIARY OR OTHER PERSON INVESTING THE ASSETS OF THE BENEFIT PLAN INVESTOR ("FIDUCIARY"), AND THEY ARE NOT OTHERWISE UNDERTAKING TO ACT AS A FIDUCIARY, AS DEFINED IN SECTION 3(21) OF ERISA OR SECTION 4975(e)(3) OF THE CODE, TO THE BENEFIT PLAN INVESTOR OR THE FIDUCIARY IN CONNECTION WITH ITS ACQUISITION OF THIS NOTE, AND (II) THE FIDUCIARY IS EXERCISING ITS OWN INDEPENDENT JUDGMENT IN EVALUATING THE INVESTMENT IN THIS NOTE.

The following paragraph is to be included in the legend for Individual Note Certificates where the applicable Drawdown Prospectus / Final Terms / Pricing Supplement indicates the Note is an Equity Note for U.S. federal income tax purposes issued pursuant to Regulation S only:

EACH PURCHASER AND TRANSFEREE OF THIS NOTE OR ANY INTEREST HEREIN IS DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, AND FOR SO LONG AS IT HOLDS THIS NOTE OR ANY INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF, (A) AN "EMPLOYEE BENEFIT PLAN" (AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA")) THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (B) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY (EACH OF THE FOREGOING, A "BENEFIT PLAN INVESTOR"), OR (D) A CONTROLLING PERSON OR (II) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (1) IT IS NOT, AND FOR SO LONG AS IT HOLDS SUCH NOTES OR INTERESTS THEREIN WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER OR THE COLLATERAL MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO ANY FEDERAL, STATE, NON-U.S. OR LOCAL LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE

("SIMILAR LAW") AND (2) THE ACQUISITION, HOLDING AND SUBSEQUENT DISPOSITION OF THIS NOTE (OR ANY INTEREST HEREIN) DOES NOT AND WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY SUCH SIMILAR LAW. "CONTROLLING PERSON" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "AFFILIATE" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "CONTROL" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON.

The following paragraphs should be included in the legend for Individual Note Certificates where the applicable Drawdown Prospectus / Final Terms / Pricing Supplement indicates the Note is an Equity Note for U.S. federal income tax purposes issued pursuant to Rule 144A only:

EACH HOLDER OF THIS NOTE (OR ANY INTEREST HEREIN), BY PURCHASING SUCH NOTE (OR ANY SUCH INTEREST), WILL BE DEEMED TO HAVE REPRESENTED AND AGREED TO TREAT SUCH NOTE (OR ANY SUCH INTEREST) AS EQUITY FOR U.S. FEDERAL INCOME TAX PURPOSES.

EACH PURCHASER AND TRANSFEREE OF THIS NOTE OR ANY INTEREST HEREIN IS DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, AND FOR SO LONG AS IT HOLDS THIS NOTE OR ANY INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF, (A) AN "EMPLOYEE BENEFIT PLAN" (AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA")) THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (B) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY (EACH OF THE FOREGOING, A "BENEFIT PLAN INVESTOR"), OR (D) A CONTROLLING PERSON OR (II) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (1) IT IS NOT, AND FOR SO LONG AS IT HOLDS SUCH NOTES OR INTERESTS THEREIN WILL NOT BE SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER OR THE COLLATERAL MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO ANY FEDERAL, STATE, NON-U.S. OR LOCAL LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW") AND (2) THE ACQUISITION, HOLDING AND SUBSEQUENT DISPOSITION OF THIS NOTE (OR ANY INTEREST HEREIN) DOES NOT AND WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY SUCH SIMILAR LAW. "CONTROLLING PERSON" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "AFFILIATE" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "CONTROL" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON.

Initial Investors and transferees of Interests in Rule 144A Global Note Certificates

Each initial investor in, and subsequent transferee of, an interest in a Rule 144A Global Note Certificate will be deemed to have represented and agreed as follows:

- (i) It (a) is a Qualified Institutional Buyer and is acquiring the notes for its own account or for the account of another Qualified Institutional Buyer in reliance on the exemption from the Securities Act registration provided by Rule 144A thereunder, (b) understands the notes will bear the legend set forth above and be represented by one or more Rule 144A Global Notes Certificates, (c) will provide notice of the transfer restrictions described herein to any subsequent transferee, (d) is aware, and each Beneficial Owner of the Rule 144A Notes has been advised, that the sale of the Rule 144A Notes to it is being made in reliance on Rule 144A and (e) acknowledges that neither the Issuer nor the Dealers (or any person representing them) has made any representation to it with respect to the Issuer or sale of the Notes, other than the information contained in this Base Prospectus upon which it is relying in making its investment decision with respect to the Notes, and understands and agrees that any information provided to it prior to delivery of this Base Prospectus is superseded by the information herein. In addition, it will be deemed to have represented and agreed that it will hold and transfer in an amount of not less than, with respect to each class of notes, €100,000 (or the equivalent thereof in the specified currency) for it or for each account for which it is acting.
- (ii) It understands that the notes have been offered only in a transaction not involving any public offering in the United States within the meaning of the Securities Act, the notes have not been and will not be registered under the Securities Act and, if in the future it decides to offer, resell, pledge or otherwise transfer the notes, such notes may be offered, resold, pledged or otherwise transferred only in accordance with the provisions of the Note Trust Deed and the legend on such notes. It acknowledges that no representation is made as to the availability of any exemption under the Securities Act or any state securities laws for resale of the notes.
- (iii) In connection with the purchase of the notes: (a) the Issuer is not acting as a fiduciary or financial or investment advisor for it; (b) it is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuer or the Dealers (in its capacity as such) or any of their agents, other than any statements in a current prospectus for such notes and any representations expressly set forth in a written agreement with such party; (c) it has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisors to the extent it has deemed necessary and has made its own investment decisions based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Issuer or the Dealers; (d) its purchase of the notes will comply with all applicable laws in any jurisdiction in which it resides or is located; (e) it is acquiring the notes as principal solely for its own account for investment and not with a view to the resale, distribution or other disposition thereof in violation of the Securities Act; and (f) it is a sophisticated investor and is purchasing the notes with a full understanding of all of the terms, conditions and risks thereof and is capable of assuming and willing to assume those risks.
- (iv) [If the notes are Debt Notes] either: (A) it is not, and is not acting on behalf of, and for so long as it holds a note or any interest therein will not be, and will not be acting on behalf of, (i) an "employee benefit plan" (as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended (**ERISA**)) that is subject to Part 4 of Subtitle B of Title I of ERISA, (ii) a "plan" as defined in and subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the **Code**), (iii) any entity whose underlying assets include "plan assets" by reason of any such employee benefit plan's or plan's investment in such entity (each of the foregoing, a **Benefit Plan Investor**), or (iv) a governmental, church, non-U.S. or other plan which is subject to any other federal, state, local or non-U.S. law or regulation that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code (**Similar Law**), and no part of the assets to be used by it to acquire or hold such Note or any interest therein constitutes the assets of any Benefit

Plan Investor or such governmental, church, non-U.S. or other plan; or (B) the acquisition, holding and subsequent disposition of such note (or any interest therein) does not and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or, in the case of any such governmental, church, non-U.S. or other plan, a violation of any such Similar Law; and if it is, or is acting on behalf of, a Benefit Plan Investor that (i) none of the Issuer, the Receivables Trustee, the Loan Note Issuer, the Transferor, the Arranger or any Dealer, or any of their respective affiliates, has provided any investment advice within the within the meaning of Section 3(21) of ERISA to the Benefit Plan Investor, or to any fiduciary or other person investing the assets of the Benefit Plan Investor (**Fiduciary**), and they are not otherwise undertaking to act as a fiduciary, as defined in Section (3)(21) of ERISA or Section 4975(e)(3) of the Code, to the Benefit Plan Investor or the Fiduciary in connection with its acquisition of such note, and (ii) the Fiduciary is exercising its own independent judgment in evaluating the investment in such note.

- (v) [If the notes are Equity Notes] that (i) it is not, and is not acting on behalf of, and for so long as it holds a note or any interest therein will not be, and will not be acting on behalf of, (A) an "employee benefit plan" as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, (as amended (**ERISA**)) that is subject to Part 4 of Subtitle B of Title I of ERISA, (B) a "plan" as defined in and subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the **Code**), (C) any entity whose underlying assets include "plan assets" by reason of any such employee benefit plan's or plan's investment in the entity, or (D) a Controlling Person and (ii) if it is a governmental, church, non-U.S. or other plan, (1) it is not, and for so long as it holds such Notes or interests therein will not be, subject to any federal, state, local or non-U.S. law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or interest therein) by virtue of its interest and thereby subject the Issuer or the Collateral Manager (or other persons responsible for the investment and operation of the Issuer's assets) to any federal, state, non-U.S. or local law or regulation that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code (**Similar Law**) and (2) the acquisition, holding and subsequent disposition of such note (or any interest therein) does not and will not constitute or result in a violation any such Similar Law.
- (vi) It understands that an investment in the notes involves certain risks, including the risk of loss of all or a substantial part of its investment under certain circumstances. It has had access to such financial and other information concerning the Issuer and the notes, as it deemed necessary or appropriate in order to make an informed investment decision with respect to its acquisition of the notes, including an opportunity to ask questions of and request information from the Issuer. It understands that the notes will be highly illiquid and are not suitable for short term trading. It understands that it is possible that due to the structure of the transaction and the performance of the Securitised Portfolio, payments on the notes may be deferred, reduced or eliminated entirely. The Issuer has assets limited to the Security (as defined in the STDCMA) for payment of the notes.
- (vii) It understands that the Note Trust Deed permits the Issuer to demand that any beneficial owner of Rule 144A Global Notes who is determined not to be a Qualified Institutional Buyer at the time of acquisition of such Rule 144A Global Notes Certificates to sell all its right, title and interest in such notes (a) to a person who is a Qualified Institutional Buyer in a transaction meeting the requirements of Rule 144A or (b) to a person who will take delivery of its interest in Rule 144A Global Note Certificates in the form of an interest in a Regulation S Global Note Certificate and who is not a U.S. Person in a transaction meeting the requirements of Regulation S in a transaction exempt from registration under the Securities Act or any state or other relevant securities laws and, if it does not comply with such demand within thirty (30) days thereof, the Issuer may sell its interest in the Note.
- (viii) It acknowledges that it is its intent and that it understands it is the Issuer's intent, that for purposes of U.S. federal, state and local income taxes, the Issuer will be treated as a corporation; the applicable Drawdown Prospectus/Final Terms/Pricing Supplement will indicate whether the Issuer will treat the notes as equity in the Issuer or as debt of the Issuer for U.S. federal income tax purposes, and it

agrees to such treatment, to report all income (or loss) in accordance with such treatment and to take no action inconsistent with such treatment, except as otherwise required by any taxing authority under applicable law.

- (ix) It is aware that, except as otherwise provided in the Note Trust Deed, the notes being sold to it will be represented by one or more Global Note Certificate, and that beneficial interests therein may be held only through Euroclear and Clearstream or DTC or one of their nominees, as applicable.
- (x) It understands that the Issuer, the Note Trustee, the Dealers and their counsel will rely on the accuracy and truth of the foregoing representation, and it hereby consents to such reliance, and agrees that, if any of the acknowledgements, representations or agreements deemed to have been made by it by its purchase of Rule 144A Notes is no longer accurate, it shall promptly notify the Issuer and the relevant Dealers.

Initial Investors and transferees of Interests in Regulation S Global Note Certificates

Each initial investor in, and subsequent transferee of, an interest in a Regulation S Global Note Certificate will be deemed to have made the representations set forth in clauses (ii), (iii), (iii), (v), (vii), (viii) and (ix) above and will be deemed to have further represented and agreed as follows:

- (i) It is aware that the sale of notes to it is being made in reliance on the exemption from registration provided by Regulation S and understands that the notes offered in reliance on Regulation S will bear the legend set forth above and be represented by one or more Regulation S Global Note Certificate. The notes so represented may not at any time be held by or on behalf of U.S. Persons within the meaning of Regulation S. It and each beneficial owner of the notes that it holds is not, and will not be, a U.S. Person (within the meaning of Regulation S) and its purchase of the notes will comply with all applicable laws in any jurisdiction in which it resides or is located.
- (ii) If it is not a "United States person" as defined in Section 7701(a)(30) of the Code, it is not acquiring any Note as part of a plan to reduce, avoid or evade U.S. federal income taxes owed, owing or potentially owed or owing.
- (iii) It understands that the Note Trust Deed permits the Issuer to demand that any beneficial owner of Regulation S Global Notes who is determined to be a U.S. Person to sell all its right, title and interest in such Regulation S Global Note Certificate (a) to a person who is not a U.S. Person in a transaction meeting the requirements of Regulation S or (b) to a person who will take delivery of the holder's Regulation S Global Notes in the form of an interest in a Rule 144A Global Note Certificate, who is a Qualified Institutional Buyer in a transaction meeting the requirements of Rule 144A or another exemption from registration under the Securities Act and, if it does not comply with such demand within thirty (30) days thereof, the Issuer may sell its interest in the Note.

Settlement

All payments in respect of the Sterling notes shall be made in Sterling in same-day funds. All payments in respect of the Euro notes shall be made in Euros in same-day funds. All payments in respect of the U.S. Dollar notes shall be made in dollars in same-day funds.

Class D VFN notes

The class D VFN notes will be issued pursuant to a Pricing Supplement in dematerialised registered form and will not be cleared through any clearing system, listed or admitted to trading on any regulated market, stock exchange and/or quotation system.

Because of the foregoing restrictions, prospective purchasers of notes are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of such Notes.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, subject to completion in accordance with the provisions of the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, will be endorsed on each note in definitive form issued under the Programme. References in these terms and conditions to "notes" are to the notes of a particular Note Series only and not to all notes that may be issued under the Programme.

1. Introduction

- (a) *Programme*: Delamare Cards MTN Issuer plc (the **Issuer**) has established a medium term note programme (the **Programme**). The notes of a particular Note Series (the **notes**) are constituted and secured by a Note Trust Deed dated 31 October 2008 as amended on 17 May 2011 and as amended and restated on 24 April 2013, 20 May 2014, 1 November 2017, 1 November 2018, 27 July 2020 and 11 May 2022 (the **Note Trust Deed**) between the Issuer and The Bank of New York Mellon (the **Note Trustee**), which expression includes the trustee, or co-trustees for the time being of the Note Trust Deed) and a supplement to the Note Trust Deed (the **Note Trust Deed Supplement**) in respect of notes issued in each Note Series. References to the Note Trust Deed include reference to the relevant Note Trust Deed Supplement where the context admits.
- (b) *Drawdown Prospectus/Final Terms/Pricing Supplement*: Notes issued under the Programme are issued in series (each a **Note Series**) and each Note Series comprises only one class of notes. A Note Series may be constituted of a single class of either class A notes, class B notes, class C notes or class D notes, as designated in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement. Each Note Series is the subject of a Drawdown Prospectus/Final Terms/Pricing Supplement (the **Drawdown Prospectus/Final Terms/Pricing Supplement**) which supplements these terms and conditions (the **Conditions**). The terms and conditions applicable to any particular Note Series are these Conditions as supplemented or completed, as the case may be, by the relevant Drawdown Prospectus/Final Terms/Pricing Supplement. In the event of any inconsistency between these Conditions and the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, the relevant Drawdown Prospectus/Final Terms/Pricing Supplement shall prevail.
- (c) *Paying Agency Agreement*: The notes are the subject of a Paying Agency Agreement dated 24 April 2013 (the **Paying Agency Agreement**) between (*inter alios*) the Issuer, The Bank of New York Mellon SA/NV, Luxembourg Branch as Registrar (the **Registrar**), The Bank of New York Mellon as Principal Paying Agent (the **Principal Paying Agent**), the Paying Agents named in the Paying Agency Agreement (the **Paying Agents**), the Agent Bank named in the Paying Agency Agreement (the **Agent Bank**), the Exchange Agent named in the Paying Agent Agreement (the **Exchange Agent**), the Calculation Agent named in the Paying Agency Agreement (the **Calculation Agent**) and in each case, the expression **Principal Paying Agent**, the **Paying Agents**, the **Agent Bank**, the **Registrar**, the **Exchange Agent** and the **Calculation Agent** includes any successor to such Person in such capacity.
- (d) *The Notes*: All subsequent references in these Conditions to "notes" are to the notes which are the subject of the relevant Drawdown Prospectus/Final Terms/Pricing Supplement. Copies of the relevant Drawdown Prospectus/Final Terms/Pricing Supplement are available for inspection by the Noteholders during normal business hours at the Specified Office of the Principal Paying Agent, the initial Specified Office of which is set out below.
- (e) *Summaries*: Certain provisions of these Conditions are summaries of the Note Trust Deed and the Paying Agency Agreement and are subject to their detailed provisions. The holders of the notes (the **Noteholders**) are bound by, and are deemed to have notice of, all the provisions of the Note Trust Deed, the Note Trust Deed Supplement, the Drawdown Prospectus/Final Terms/Pricing Supplement and the Paying Agency Agreement applicable to them. Copies of the Note Trust Deed, the Note

Trust Deed supplement, the Drawdown Prospectus/Final Terms/Pricing Supplement and the Paying Agency Agreement are available for inspection by Noteholders during normal business hours at the Specified Offices of the Principal Paying Agent, the initial Specified Offices of which are set out below.

2. Interpretation

(a) *Definitions:* In these Conditions the following expressions have the following meanings:

Account Bank means HSBC Bank plc, The Bank of New York Mellon, London Branch, Elavon Financial Services DAC, UK Branch and/or any other bank at which an Issuer Bank Account is maintained from time to time;

Account Bank Agreements means the Issuer Distribution Account Bank Agreements, the Call Protection Accumulation Deposit Account Bank Agreement, the Issuer Swap USD Account Bank Agreement, the Swap Collateral Account Bank Agreement and/or such other bank account agreement entered into by the Issuer from time to time with the consent of the Note Trustee and **Account Bank Agreement** means any one of them;

Accumulation Period means, for any Note Series, for the purposes of these Conditions, unless an Amortisation Period has earlier commenced, the period commencing on the close of business on the Accumulation Period Commencement Date for that Note Series or such later date as is determined in accordance with the provisions of the Loan Note Supplement for the Related Loan Note and ending (for the purposes of these Conditions) on the first to occur of (a) the commencement of an Amortisation Period for that Note Series, (b) the day the Outstanding Principal Amount of the Related Loan Note is reduced to zero and (c) the date specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement;

Accumulation Period Commencement Date means, in respect of the Loan Note, the first day of the month that is 12 whole months prior to the Scheduled Redemption Date for the Loan Note (or such other longer or shorter period as may be specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, provided that such period shall be less than 18 whole months prior to the Scheduled Redemption Date for the Loan Note) **provided, however that**, if the Accumulation Period Length for such Loan Note is less than 12 months (or such other longer or shorter period of time as may be specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement), the Accumulation Period Commencement Date will be the first day of the month that is the number of whole months prior to such Scheduled Redemption Date at least equal to the Accumulation Period Length and, as a result, the number of Monthly Periods during the period from the Accumulation Period Commencement Date to such Scheduled Redemption Date will be at least equal to the number of months comprising the Accumulation Period Length;

Additional Business Centre(s) means the city or cities specified as such in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement;

Additional Financial Centre(s) means the city or cities specified as such in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement;

Additional Interest Margin has the meaning given in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement (if applicable);

Additional Issuer Bank Account has the meaning given to it in Clause 11.8(a) of the Note Trust Deed;

Amortisation Period means the Regulated Amortisation Period or the Rapid Amortisation Period or such other period specified as an Amortisation Period in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement;

Basic Terms Modification means any change:

- (a) to any date fixed for payment of principal or interest in respect of the notes, to reduce or cancel the amount of principal or interest payable on any date in respect of the notes, to alter the method of calculating the amount of any payment in respect of the notes or the date for any such payment,
- (b) to the currency of any payment under the notes,
- (c) to the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution, or
- (d) to amend this definition;

Business Day means, unless otherwise specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, in relation to any sum payable in any currency, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in London, England; New York, New York; the principal financial centre of the relevant currency and in each (if any) Additional Financial Centre;

Business Day Convention, in relation to any particular date, has the meaning given in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement and, if so specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (i) **Following Business Day Convention** means that the Relevant Date shall be postponed to the first following day that is a Business Day;
- (ii) **Modified Following Business Day Convention** or **Modified Business Day Convention** means that the Relevant Date shall be postponed to the first following day that is a Business Day, unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day;
- (iii) **Preceding Business Day Convention** means that the Relevant Date shall be brought forward to the first preceding day that is a Business Day; and
- (iv) **No Adjustment** means that the Relevant Date shall not be adjusted in accordance with any Business Day Convention;

Calculation Agent means the Agent Bank or such other Person specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement as the party responsible for calculating the rate(s) of interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement;

Call Protection Accumulation Deposit Account means the account or ledger of an account opened pursuant to the Call Protection Accumulation Deposit Account Bank Agreement in relation to all notes of a Note Series with a Swap Agreement, with call protection for that Note Series;

Call Protection Accumulation Deposit Account Bank Agreement means the agreement so named and dated 24 April 2013 between, amongst others, the Issuer, the Note Trustee and the Account Bank and, as applicable any additional account bank agreement entered into by the Issuer and an

Account Bank in relation to the establishment of an additional Call Protection Accumulation Deposit Account from time to time;

class A notes means any Note Series designated as such in the relevant Drawdown Prospectus/Final Terms;

class B notes means any Note Series designated as such in the relevant Drawdown Prospectus/Final Terms;

class C notes means any Note Series designated as such in the relevant Drawdown Prospectus/Final Terms;

class D notes means any Note Series designated as such in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement;

Counterparty Swap Event of Default means either (i) an Event of Default (as defined in the relevant Swap Agreement) in respect of which the Swap Counterparty is the Defaulting Party (as defined in the relevant Swap Agreement) has occurred and is continuing, or (ii) a termination by the Issuer of the Swap Agreement as a result of a failure to comply with the requirements set out in the Swap Agreement following a downgrade occurring with respect to the rating of the Swap Counterparty which failure is not cured by the Swap Counterparty, during the requisite cure period pursuant to the terms of the Swap Agreement;

Day Count Fraction means, in respect of the calculation of an amount for any period of time (the **Calculation Period**), such Day Count Fraction as may be specified in these Conditions or the relevant Drawdown Prospectus/Final Terms/Pricing Supplement and:

- (i) if **Actual/Actual (ICMA)** is so specified, means:
 - (a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (b) where the Calculation Period is longer than one Regular Period, the sum of:
 - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (ii) if **Actual/365** or **Actual/Actual (ISDA)** is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (iii) if **Actual/365 (Fixed)** is so specified, means the actual number of days in the Calculation Period divided by 365;

- (iv) if **Actual/360** is so specified, means the actual number of days in the Calculation Period divided by 360; and
- (v) if **30/360** is so specified, means the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month));

Dealer Agreement means the agreement between the Issuer and certain Dealers (as named therein) concerning the subscription and purchase of notes to be issued pursuant to the Programme as amended from time to time or any restatement thereof for the time being in force;

Distribution Date means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Drawdown Prospectus/Final Terms/Pricing Supplement and, where the relevant Distribution Date is not a Business Day, as the same may be adjusted in accordance with the relevant Business Day Convention;

Distribution Ledger means a ledger within the Issuer Distribution Account, Call Protection Accumulation Deposit Account (if any), Issuer Swap USD Account (if any) or the relevant Swap Collateral Account (if any), in relation to a specific Note Series;

Extraordinary Resolution means a resolution passed at a Meeting duly convened and held in accordance with Schedule 4 (Provisions Relating to Meetings of Noteholders) to the Note Trust Deed by a majority of not less than three-quarters of the votes cast;

Final Redemption Date means the date specified as such in, or determined in accordance with the provisions of, the relevant Note Trust Deed Supplement and the relevant Drawdown Prospectus/Final Terms/Pricing Supplement and, where the Final Redemption Date is not a Business Day, as the same may be adjusted in accordance with the relevant Business Day Convention;

First Interest Payment Date means the date specified as such in, or determined in accordance with the provisions of, the relevant Drawdown Prospectus/Final Terms/Pricing Supplement and, where the First Interest Payment Date is not a Business Day, as the same may be adjusted in accordance with the relevant Business Day Convention;

Floating Rate Commencement Date means the date specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement as either the Interest Payment Date of the first month falling in the Regulated Amortisation Period or the Rapid Amortisation Period (or if such date has passed, the immediately following Interest Payment Date) or the Scheduled Redemption Date;

Global Note Certificate means a Note Certificate in global form;

Indebtedness means any indebtedness of any Person for money borrowed or raised including (without limitation) any Indebtedness for or in respect of:

- (i) amounts raised by acceptance under any acceptance credit facility;
- (ii) amounts raised under any note purchase facility;

- (iii) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;
- (iv) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 60 days; and
- (v) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing;

Individual Note Certificate means an Individual Note Certificate issued in the circumstances set out in the Note Trust Deed;

Initial Rate has the meaning given in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement;

Interest Amount means, in relation to a note and an Interest Period, the amount of interest payable in respect of that note for that Interest Period;

Interest Commencement Date means the Issue Date of the notes or such other date as may be specified as the Interest Commencement Date in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement;

Interest Determination Date has the meaning given in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement;

ISDA Definitions means the 2000 ISDA Definitions (as amended and updated as at the date of issue of the first notes of the relevant Note Series (as specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement) as published by the International Swaps and Derivatives Association, Inc.) or, if so specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first notes of the relevant Note Series (as specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement) as published by the International Swaps and Derivatives Association, Inc.);

Issue Date has the meaning given in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement for a Note Series;

Issuer Bank Accounts means the Issuer Distribution Account, the Call Protection Accumulation Deposit Account, the Issuer Swap USD Account, the Swap Collateral Cash Account and any other bank account in which the Issuer may at any time acquire a benefit;

Issuer Distribution Account means an account or accounts opened pursuant to an Issuer Distribution Account Bank Agreement in relation to all notes issued by the Issuer;

Issuer Distribution Account Bank Agreement means the agreements so named and dated (i) 24 April 2013 between, amongst others, the Issuer, the Note Trustee and HSBC Bank plc as an Account Bank, (ii) 1 November 2017 between, *inter alios*, the Issuer, the Note Trustee and The Bank of New York Mellon acting through its London branch as an Account Bank, (iii) 11 October 2019 between, *inter alios*, the Issuer, the Note Trustee and Elavon Financial Services DAC, UK Branch and, as applicable any additional account bank agreement entered into by the Issuer and an Account Bank in relation to the establishment of an additional Issuer Distribution Account from time to time;

Issuer Swap USD Account means an account or accounts opened pursuant to an Issuer Swap USD Account Bank Agreement in relation to all notes issued by the Issuer with a Swap Agreement in respect of which termination payments are made in U.S. Dollars;

Issuer Swap USD Account Bank Agreement means the agreement so named and dated 1 November 2018 between, amongst others, the Issuer, the Note Trustee and The Bank of New York Mellon acting through its London branch and, as applicable any additional account bank agreement entered into by the Issuer and an Account Bank in relation to the establishment of an additional Issuer Swap USD Account from time to time;

Loan Note means each notional tranche of Global Loan Note No. 1 created pursuant to a Loan Note Supplement;

Loan Note Issuer No.1 Refinancing Notice means a notice delivered under a Loan Note Supplement notifying the Issuer of a redemption in full or in part of a Loan Note;

Loan Note Holder's Profit Amount means in respect of each Loan Note Holder and in respect of each Transfer Date an amount rounded up to the nearest penny, equal to the lesser of one-twelfth of (i) £12,000 and (ii) the aggregate of £1,200 per Note Series outstanding on such Transfer Date;

Loan Note Supplement means the relevant supplement to Global Loan Note No.1 creating a Loan Note certain details of which are set out in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement;

London Business Day means a day on which commercial banks and foreign exchange markets settle payments generally in London, England;

Margin has the meaning given in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement;

Note Certificate means a Global Note Certificate or an Individual Note Certificate;

Note Series means those notes of the same class and with the same terms and conditions issued in accordance with a particular Drawdown Prospectus/Final Terms/Pricing Supplement;

Participating Member State means a member state of the European Communities which adopts the Euro as its lawful currency in accordance with the Treaty;

Payment Business Day means, unless otherwise specified in the Drawdown Prospectus/Final Terms/Pricing Supplement, a Business Day;

Person means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

Principal Amount Outstanding means, in relation to a note on any date, the principal amount of that note on the Issue Date (and, in respect of any variable funding notes, any advances made in respect of the principal amount of such note by the relevant Noteholder) less the aggregate amount of all Principal Payments in respect of that note that have become due and payable by the Issuer to the Noteholder concerned by virtue of the Issuer having received funds in respect thereof from Funding 1 as described in Condition 7 (*Redemption and Purchase*) (whether or not such Principal Payments have been paid to such Noteholder) prior to such date in accordance with the conditions of the Related Loan Note; provided, however, that solely for the purpose of calculating the Principal Amount Outstanding under Conditions 6 (*Interest*), 7 (*Redemption and Purchase*) and 10 (*Events of Default*) all such Principal Payments due and unpaid on or prior to such date shall also be taken into account as forming part of such Principal Amount Outstanding;

Principal Financial Centre means, in relation to Sterling, London, in relation to U.S. Dollars, New York and in relation to Euro, it means the Principal Financial Centre of such member state of the

European Communities as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

Rapid Amortisation Period means, for any Note Series, for the purposes of these Conditions, the period commencing on the day on which a Rapid Amortisation Trigger Event is deemed to occur for the Related Loan Note pursuant to the provisions of the relevant Loan Note Supplement, and ending on the earlier of (i) the day on which the Outstanding Principal Amount of the Related Loan Note is reduced to zero and (ii) the Final Redemption Date of the notes;

Rate of Interest means the rate or rates (expressed as a percentage per year) of interest payable in respect of the notes specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Drawdown Prospectus/Final Terms/Pricing Supplement;

Rating Agencies means S&P Global Ratings Europe Limited, Fitch Ratings Limited and Moody's Investors Service Limited;

Redemption Period Interest Payment Dates means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, and where the relevant Redemption Period Interest Payment Date is not a Business Day, as the same may be adjusted in accordance with the relevant Business Day Convention;

Reference Banks means the principal London office of each of Barclays Bank PLC, HSBC Bank plc, Lloyds TSB Bank plc and The Royal Bank of Scotland plc, or any duly appointed substitute reference bank(s) as may be appointed by the Issuer to provide the Agent Bank with its offered quotation to leading banks in the London interbank market;

Regular Interest Payment Dates means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Drawdown Prospectus/Final Terms/Pricing Supplement and, where the relevant regular Interest Payment Date is not a Business Day, as the same may be adjusted in accordance with the relevant Business Day Convention;

Regular Period means, unless specified otherwise in a Condition containing a specific provision or the relevant Drawdown Prospectus/Final Terms/Pricing Supplement:

- (i) in the case of notes where interest is scheduled to be paid only by means of regular payments, each period from (and including) the Interest Commencement Date to (but excluding) the First Interest Payment Date and each successive period from (and including) one Interest Payment Date to (but excluding) the next Interest Payment Date;
- (ii) in the case of notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from (and including) a Regular Date falling in any year to (but excluding) the next Regular Date, where **Regular Date** means the day and month (but not the year) on which any Interest Payment Date falls; and
- (iii) in the case of notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from (and including) a Regular Date falling in any year to (but excluding) the next Regular Date, where **Regular Date** means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

Regulated Amortisation Period means, for any Note Series, for the purposes of these Conditions, the period commencing on the day on which a **Regulated Amortisation Trigger Event** is deemed to occur for the Related Loan Note pursuant to the provisions of the relevant Loan Note Supplement, and ending on the earlier of (i) the day on which the Outstanding Principal Amount of the Related Loan Note is reduced to zero, (ii) the commencement of a Rapid Amortisation Period for the Related Loan Note and (iii) the Final Redemption Date of the notes;

Related Loan Note means, for any Note Series, the Loan Note specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement as the Loan Note the subject of first fixed Loan Note Security to collateralise that Note Series;

Relevant Date means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in London by the Principal Paying Agent or the Note Trustee on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders in accordance with Condition 16 (*Notices*);

Relevant Indebtedness means any Indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market);

Revolving Period means, for any Note Series, for the purposes of these Conditions, any period which is not an Accumulation Period or Amortisation Period for that Note Series;

Scheduled Redemption Date has the meaning given in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement;

Security Interest means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction;

Specified Currency has the meaning given in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement;

Specified Denomination(s) has the meaning given in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement;

Specified Office has the meaning given in the Paying Agency Agreement;

STDCMA means the security trust deed and cash management agreement originally dated 31 October 2008 between, *inter alios*, the Security Trustee and Funding 1, as supplemented or amended and restated from time to time;

Subsidiary means, in relation to any Person (the **First Person**) at any particular time, any other Person (the **Second Person**):

- (i) whose affairs and policies the First Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the Second Person or otherwise; or
- (ii) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the First Person;

Swap Agreement means the relevant currency swap agreement and the interest swap agreement in respect of a Note Series, in each case, in the form of an ISDA Master Agreement, including a schedule, one or more confirmations and a credit support annex;

Swap Collateral Account means an account or accounts opened pursuant to the relevant Swap Collateral Account Bank Agreement in relation to notes issued by the Issuer in respect of which a Swap Agreement has been entered into and swap collateral is required to be posted;

Swap Collateral Account Bank Agreement means the agreement so named and dated 1 November 2018 between, *inter alios*, the Issuer, the Note Trustee and The Bank of New York Mellon acting through its London branch as an Account Bank and, as applicable, any additional account bank agreement entered into by the Issuer and an Account Bank in relation to the establishment of an additional Swap Collateral Account from time to time;

Swap Collateral Cash Account means a Swap Collateral Account which is credited with all cash collateral posted by the relevant Swap Counterparty to the extent such collateral is required to be transferred in accordance with the relevant Swap Agreement;

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

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;

Treaty means the Treaty establishing the European Communities, as amended.

(b) *Interpretation:* In these Conditions:

- (i) any reference to principal shall be deemed to include any redemption amount, any premium (excluding interest) payable to the holder in respect of a note and any other amount in the nature of principal payable pursuant to these Conditions;
- (ii) any reference to interest shall be deemed to include any other amount in the nature of interest payable pursuant to these Conditions;
- (iii) references to notes being **outstanding** shall be construed in accordance with the Paying Agency Agreement and the Note Trust Deed;
- (iv) if an expression is stated in Condition 2(a) to have the meaning given in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, but the relevant Drawdown Prospectus/Final Terms/Pricing Supplement gives no such meaning or specifies that such expression is "not applicable", then such expression is Not Applicable to the notes; and
- (v) any reference to the Paying Agency Agreement and the Note Trust Deed shall be construed with respect to any Note Series as a reference to the Paying Agency Agreement or the Note Trust Deed, as the case may be, as amended and/or supplemented up to and including the Issue Date of the notes of that Note Series.

3. Form, Denomination and Title

Unless otherwise specified in the relevant Note Trust Deed Supplement, (i) the notes will be issued in registered form (**Registered Notes**), in the minimum authorised denomination of €100,000 or its equivalent or as otherwise specified in the related Drawdown Prospectus/Final Terms/Pricing Supplement and higher integral multiples of €1,000 **provided that** in the case of any notes which are

to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the UK Prospectus Regulation, the minimum denomination shall be €100,000 (or such amount as shall be at least equal to its equivalent in any other currency as at the date of issue of those notes as specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement), and (ii) the provisions set out in Condition 3(a) to (j) (inclusive) shall apply to the notes. References in these Conditions to "notes" include Registered Notes and all applicable classes (if any) in the Note Series.

- (a) *Register*: The relevant Registrar will maintain a register (a **Register**) in respect of the notes in accordance with the provisions of the Paying Agency Agreement. The "holder" of a note means the Person in whose name such note is for the time being registered in the Register maintained by the relevant Registrar (or, in the case of a joint holding, the first named thereof) and **Noteholder** shall be construed accordingly. A certificate (each, a **Note Certificate**) will be issued to each Noteholder in respect of its registered holding. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register maintained by the relevant Registrar.
- (b) *Title*: The holder of each note shall (except as otherwise required by law) be treated as the absolute owner of such note for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft of such Note Certificate) and no Person shall be liable for so treating such holder.
- (c) *Transfers*: Subject to paragraphs (g) (*Closed periods*) and (h) (*Regulations concerning transfers and registration*) below, a note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the relevant Registrar together with such evidence as such Registrar may reasonably require to prove the title of the Transferor and the authority of the individuals who have executed the form of transfer; **provided, however, that** a note may not be transferred unless the principal amount of notes transferred and (where not all of the notes held by a holder are being transferred) the principal amount of the balance of notes not transferred are an authorised denomination or multiple thereof. Where not all the notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the notes will be issued to the Transferor.
- (d) *Denomination*: So long as the notes are represented by a Global Note Certificate and the relevant clearing system(s) so permit, the notes shall be tradable only in the minimum authorised denomination of €100,000 (or such amount as shall be at least equal to its equivalent in any other currency as at the date of issue of those notes as specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement) and higher integral multiples of €1,000 as specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, notwithstanding that no Individual Note Certificate will be issued with a denomination above €99,000 (or such amount as shall be at least equal to its equivalent in any other currency as at the date of issue of those notes as specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement).
- (e) *Registration and delivery of Note Certificates*: Within five Business Days of the surrender of a Note Certificate in accordance with paragraph (c) (*Transfers*) above, the relevant Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the notes transferred to each relevant holder at its Specified Office or (at the request and risk of any such relevant holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant holder.

- (f) *No charge*: The transfer of a note will be effected without charge by or on behalf of the Issuer or the relevant Registrar, but against such indemnity as such Registrar or Issuer may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.
- (g) *Closed periods*: Noteholders may not require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the notes.
- (h) *Regulations concerning transfers and registration*: All transfers of notes and entries on the relevant Register are subject to the detailed regulations concerning the transfer of notes scheduled to the Paying Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Note Trustee and the relevant Registrar. A copy of the current regulations will be mailed (free of charge) by the relevant Registrar to any Noteholder who requests in writing a copy of such regulations.
- (i) *Uncertificated*: A note may be issued in dematerialised, uncertificated form, if so specified in the relevant Note Trust Deed Supplement.
- (j) *Variable funding note*: A note may be issued providing for increases and decreases in the Principal Amount Outstanding thereof (a **variable funding note**). The relevant Note Trust Deed Supplement will set out the method of requesting a further advance under that variable funding note from the Noteholder. Notice of any partial redemption of a variable funding note will be given in accordance with Condition 7(d) and subject to the conditions set out in the relevant Note Trust Deed Supplement.

4. Status, Security and Priority of Payment

(a) Status

The notes of each Note Series are direct, secured and unconditional obligations of the Issuer which will at all times rank *pari passu* and *pro rata* without preference or priority amongst themselves.

Each Note Series will rank *pari passu* with each other Note Series of the same class with respect to the cashflows available to that Note Series secured by first fixed Security both prior to and following enforcement but otherwise a Note Series of class A notes will rank in priority to a Note Series of class B notes, a Note Series of class C notes and a Note Series of class D notes, if any, and a Note Series of class B notes will rank in priority to a Note Series of class C notes and a Note Series of class D notes, if any, and a Note Series of class C notes will rank in priority to a Note Series of class D notes, if any, and each Note Series of a class will rank *pari passu* without preference or priority amongst other Note Series of the same class.

(b) Security

As security for the payment of all monies payable in respect of a Note Series under the Note Trust Deed (including the remuneration, expenses and any other claims of the Note Trustee and any receiver appointed under the Note Trust Deed), the Issuer will, pursuant to the Note Trust Deed and the Note Trust Deed Supplement, create the following security (the **Security**) in favour of the Note Trustee for itself and on trust for, *inter alios*, the Noteholders of such Note Series:

- (i) an assignment by way of first fixed security under English law of the Issuer's right, title, interest and benefit in and to the Related Loan Note for that Note Series under Global Loan Note No. 1 and the Loan Note Supplement for the Related Loan Note for that Note Series;

- (ii) an assignment by way of first fixed security under English law of the Issuer's right, title and interest in the Security Interest created in favour of the Security Trustee by Funding 1 in respect of Global Loan Note No. 1 (to the extent it relates to such Note Series);
- (iii) an assignment by way of first fixed security under English law of the Issuer's right, title, interest and benefit in and to any agreements or documents to which the Issuer is a party (and sums received or recoverable thereunder);
- (iv) an assignment by way of first fixed security under English law of the Issuer's right, title, interest and benefit in and to all monies credited in respect of the relevant Distribution Ledger(s) of the Issuer Distribution Account or to any bank or other account in which the Issuer may at any time have any right, title, interest or benefit; and
- (v) a first floating charge under English law over the Issuer's undertaking and assets not charged under (i) to (iv) above (including all assets governed by or otherwise subject to Scots law),

all as more particularly described in the Note Trust Deed and the Note Trust Deed Supplement.

(c) *Application of Proceeds upon Enforcement*

The Note Trust Deed and each Note Trust Deed Supplement will contain provisions regulating the priority of application of amounts prior to the enforcement of any Security. Following the enforcement of any Security, payments shall be applied in the following order of priority (the **Post Enforcement Priority of Payments**):

- (i) *firstly*, in no order of priority among the respective amounts then due but proportionally to such amounts, to pay remuneration (including any VAT in respect therewith) then due to any receiver or the Note Trustee and all amounts due in respect of fees, legal fees and other costs, charges, liabilities, expenses, losses, damages, Proceedings, claims, indemnity payments and demands then incurred by or due to the Note Trustee under and in respect of the Related Documents (as defined in Condition 5(ii)(a), but excluding the Dealer Agreement) and in enforcing the Security created by or pursuant to the Note Trust Deed and each Note Trust Deed Supplement thereto or in perfecting title to the Security, together with interest thereon as provided in any such document;
- (ii) *secondly*, in priority (A) (to the extent not met by (i) above) in payment or satisfaction of all amounts then due and unpaid to the Note Trustee and/or any appointee and/or any agent of the Note Trustee under the Related Documents (other than the Dealer Agreement), the Note Trust Deed and each Note Trust Deed Supplement thereto, and then (B) in payment or satisfaction of amounts then due and unpaid representing the Loan Note Holder's Costs Amount to any agent appointed pursuant to the Paying Agency Agreement, and then (C) in payment or satisfaction of amounts then due and unpaid to the Account Bank pursuant to the Issuer Distribution Account Bank Agreement and the Call Protection Accumulation Deposit Account Bank Agreement (and, solely using the proceeds from the first fixed Security granted in favour of each Note Series issued on or after 1 November 2018 that has a Swap Agreement, the Swap Collateral Account Bank Agreements and the Issuer Swap USD Account Bank Agreement), and then (D) in payment or satisfaction of all amounts then due and unpaid under the Issuer Corporate Administration Agreement;
- (iii) *thirdly*, for each Note Series of class A notes, *pari passu* and in no order of priority among themselves but proportionally to the respective amounts then due, (A) and (B) (such amount not to exceed an amount equal to the proceeds from the first fixed Security granted in favour of that Note Series less its *pro rata* share of items (i) and (ii)):

- (A) if the Issuer has entered into a Swap Agreement for the particular Note Series of class A notes:
- (a) in meeting the claims of the Swap Counterparty in respect of any termination payment under the Swap Agreement to be paid to the Swap Counterparty by the Issuer in accordance with the early termination provisions of the relevant Swap Agreement (the **Swap Termination Amount**), for the avoidance of doubt, other than the amounts set out in item (iv) below; and
 - (b) in or towards payment of all principal, premium (if any) and interest then due and unpaid in respect of the Note Series of class A notes *pro rata* and *pari passu* (for the avoidance of doubt, such amounts having been paid to the Swap Counterparty and converted to a sum for distribution under this paragraph (b) in accordance with the terms of the Swap Agreement),

provided that in the event that enforcement of the Security created by the Note Trust Deed and the relevant Note Trust Deed Supplement thereto is as a result of the termination of the applicable Swap Agreement for a reason other than a Counterparty Swap Event of Default (and without prejudice to the continuing liability of the Issuer to make payments to the Noteholders of the relevant Note Series of class A notes in accordance with the terms and conditions of the Note Series apart from these paragraphs (a) and (b)), amounts available to be paid under these paragraphs (a) and (b) will be limited to amounts which are paid to the Issuer and referable to (1) the Note Series only, or (2) the Swap Agreement; and

- (B) if the Issuer has not entered into a Swap Agreement for the particular Note Series of class A notes, in or towards payment of all principal, premium (if any) and interest then due and unpaid in respect of the Note Series of class A notes *pro rata* and *pari passu*;
- (iv) *fourthly*, if the Issuer has entered into a Swap Agreement for the particular Note Series of class A notes, then in the event the Swap Agreement is terminated as a result of a Counterparty Swap Event of Default, in meeting the claims of the Swap Counterparty in respect of any Swap Termination Amount (such amount not to exceed an amount equal to the proceeds from the first fixed Security granted in favour of that Note Series less its *pro rata* share of items (i) and (ii) and item (iii));
- (v) *fifthly*, for each Note Series of class B notes, *pari passu* and in no order of priority among themselves but proportionally to the respective amounts then due (A) and (B) (such amount not to exceed an amount equal to the proceeds from the first fixed Security granted in favour of that Note Series less its *pro rata* share of items (i) and (ii)):
- (A) if the Issuer has entered into a Swap Agreement for the particular Note Series of class B notes:
- (a) in meeting the claims of the Swap Counterparty in respect of any termination payment under the Swap Agreement to be paid to the Swap Counterparty by the Issuer in accordance with the early termination provisions of the relevant Swap Agreement (the **Swap Termination Amount**), for the avoidance of doubt, other than the amounts set out in item (vi) below; and

- (b) in or towards payment of all principal, premium (if any) and interest then due and unpaid in respect of the Note Series of class A notes *pro rata* and *pari passu* (for the avoidance of doubt, such amounts having been paid to the Swap Counterparty and converted to a sum for distribution under this paragraph (b) in accordance with the terms of the Swap Agreement),

provided that in the event that enforcement of the Security created by the Note Trust Deed and the relevant Note Trust Deed Supplement thereto is as a result of the termination of the applicable Swap Agreement for a reason other than a Counterparty Swap Event of Default (and without prejudice to the continuing liability of the Issuer to make payments to the Noteholders of the relevant Note Series of class B notes in accordance with the terms and conditions of the Note Series apart from these paragraphs (a) and (b)), amounts available to be paid under these paragraphs (a) and (b) will be limited to amounts which are paid to the Issuer and referable to (1) the Note Series only, or (2) the Swap Agreement; and

- (B) if the Issuer has not entered into a Swap Agreement for the particular Note Series of class B notes, in or towards payment of all principal, premium (if any) and interest then due and unpaid in respect of the Note Series of class B notes *pro rata* and *pari passu*;
- (vi) *sixthly*, if the Issuer has entered into a Swap Agreement for the particular Note Series of class B notes, then in the event the Swap Agreement is terminated as a result of a Counterparty Swap Event of Default, in meeting the claims of the Swap Counterparty in respect of any Swap Termination Amount (such amount not to exceed an amount equal to the proceeds from the first fixed Security granted in favour of that Note Series less its pro rata share of items (i) and (ii) and item (v));
- (vii) *seventhly*, for each Note Series of class C notes, *pari passu* and in no order of priority among themselves but proportionally to the respective amounts then due, (A) and (B) (such amount not to exceed an amount equal to the proceeds from the first fixed Security granted in favour of that Note Series less its *pro rata* share of items (i) and (ii)):
 - (A) if the Issuer has entered into a Swap Agreement for the particular Note Series of class C notes:
 - (a) in meeting the claims of the Swap Counterparty in respect of any termination payment under the Swap Agreement to be paid to the Swap Counterparty by the Issuer in accordance with the early termination provisions of the relevant Swap Agreement (the **Swap Termination Amount**), for the avoidance of doubt, other than the amounts set out in item (viii) below; and
 - (b) in or towards payment of all principal, premium (if any) and interest then due and unpaid in respect of the Note Series of class A notes *pro rata* and *pari passu* (for the avoidance of doubt, such amounts having been paid to the Swap Counterparty and converted to a sum for distribution under this paragraph (b) in accordance with the terms of the Swap Agreement),

provided that in the event that enforcement of the Security created by the Note Trust Deed and the relevant Note Trust Deed Supplement thereto is as a result of the termination of the applicable Swap Agreement for a reason other than a Counterparty Swap Event of Default (and without prejudice to the continuing liability of the Issuer to make payments to the Noteholders of the relevant Note

Series of class C notes) in accordance with the terms and conditions of the Note Series apart from these paragraphs (a) and (b), amounts available to be paid under these paragraphs (a) and (b) will be limited to amounts which are paid to the Issuer and referable to (1) the Note Series only, or (2) the Swap Agreement; and

- (B) if the Issuer has not entered into a Swap Agreement for the particular Note Series of class C notes, in or towards payment of all principal, premium (if any) and interest then due and unpaid in respect of the Note Series of class C notes *pro rata* and *pari passu*;
- (viii) *eighthly*, if the Issuer has entered into a Swap Agreement for the particular Note Series of class C notes, then in the event the Swap Agreement is terminated as a result of a Counterparty Swap Event of Default, in meeting the claims of the Swap Counterparty in respect of any Swap Termination Amount (such amount not to exceed an amount equal to the proceeds from the first fixed Security granted in favour of that Note Series less the *pro rata* share of items (i) and (ii) and item (vii));
- (ix) *ninthly*, for each Note Series of class D notes, *pari passu* and in no order of priority among themselves but proportionally to the respective amounts then due, (A) and (B) (such amount not to exceed an amount equal to the proceeds from the first fixed Security granted in favour of that Note Series less its *pro rata* share of items (i) and (ii)):
 - (A) if the Issuer has entered into a Swap Agreement for the particular Note Series of class D notes:
 - (a) in meeting the claims of the Swap Counterparty in respect of any termination payment under the Swap Agreement to be paid to the Swap Counterparty by the Issuer in accordance with the early termination provisions of the relevant Swap Agreement (the **Swap Termination Amount**), for the avoidance of doubt, other than the amounts set out in item (x) below; and
 - (b) in or towards payment of all principal, premium (if any) and interest then due and unpaid in respect of the Note Series of class D notes *pro rata* and *pari passu* (for the avoidance of doubt, such amounts having been paid to the Swap Counterparty and converted to a sum for distribution under this paragraph (b) in accordance with the terms of the Swap Agreement),

provided that in the event that enforcement of the Security created by the Note Trust Deed and the relevant Note Trust Deed Supplement thereto is as a result of the termination of the applicable Swap Agreement for a reason other than a Counterparty Swap Event of Default (and without prejudice to the continuing liability of the Issuer to make payments to the Noteholders of the relevant Note Series of class D notes in accordance with the terms and conditions of the Note Series apart from these paragraphs (a) and (b)), amounts available to be paid under these paragraphs (a) and (b) will be limited to amounts which are paid to the Issuer and referable to (1) the Note Series only, or (2) the Swap Agreement; and

- (B) if the Issuer has not entered into a Swap Agreement for the particular Note Series of class D notes, in or towards payment of all principal, premium (if any) and interest then due and unpaid in respect of the Note Series of class D notes *pro rata* and *pari passu*;

- (x) *tenthly*, if the Issuer has entered into a Swap Agreement for the particular Note Series of class D notes, then in the event the Swap Agreement is terminated as a result of a Counterparty Swap Event of Default, in meeting the claims of the Swap Counterparty in respect of any Swap Termination Amount (such amount not to exceed an amount equal to the proceeds from the first fixed Security granted in favour of that Note Series less the *pro rata* share of items (i) and (ii) and item (ix));
- (xi) *eleventhly*, in or towards payment of any sums due from (or required to be provided for by) the Issuer to meet its liabilities to any taxation authority (including in respect of corporation tax to HMRC but save in so far as such payment may be made out of sums retained as the Loan Note Holder's Profit Amount);
- (xii) *twelfthly*, in or towards payment of any sums due as the Loan Note Holder's Profit Amount;
- (xiii) *thirteenthly*, in payment of the balance (if any) of the aggregate amount remaining from the proceeds of the first fixed Security granted in favour of each relevant Note Series after the payment of the items set out above shall be paid to Funding 1 identified as deferred subscription price in respect of Global Loan Note No. 1; and
- (xiv) *fourteenthly*, in or towards payment of any other sums due to Noteholders of a Note Series or sums due to third parties under obligations incurred in the course of the Issuer's business **provided that** amounts paid to Noteholders of a Note Series should be paid, in priority, to (A) *pari passu* and *pro rata* to the amounts due to Noteholders of each Note Series of class A notes, then (B) *pari passu* and *pro rata* to the amounts due to Noteholders of each Note Series of class B note, then (C) *pari passu* and *pro rata* to the amounts due to Noteholders of each Note Series of class C notes and then (D) *pari passu* and *pro rata* to the amounts due to Noteholders of each Note Series of class D notes and any remaining amounts shall be paid to Funding 1 as deferred subscription price in respect of Global Loan Note No. 1.

5. Negative Covenants of the Issuer

So long as any of the notes remains outstanding (as defined in the Note Trust Deed), the Issuer shall not, save to the extent permitted by the Related Documents or with the prior written consent of the Note Trustee:

- (i) create or permit to subsist any mortgage, charge, pledge, lien or other security interest, including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital);
- (ii) carry on any business other than as described in this Base Prospectus relating to the issue of the notes and in respect of that business shall not engage in any activity or do anything whatsoever except:
 - (a) preserve and/or exercise and/or enforce any of its rights and perform and observe its obligations under the notes, the Note Trust Deed and each Note Trust Deed Supplement thereto, the Paying Agency Agreement, the Dealer Agreement, each Swap Agreement, Global Loan Note No. 1, each Loan Note Supplement, each Drawdown Prospectus/Final Terms/Pricing Supplement and the Account Bank Agreement and any bank mandate regarding the Issuer Distribution Account and the Call Protection Accumulation Deposit Account (together the **Related Documents**);
 - (b) use, invest or dispose of any of its property or assets in the manner provided in or contemplated by the Related Documents; and

- (c) perform any act incidental to or necessary in connection with paragraphs (a) or (b) above;
- (iii) have or form, or cause to be formed, any subsidiaries or subsidiary undertakings or undertakings of any other nature or have any employees or premises or have an interest in a bank account other than the Issuer Bank Accounts;
- (iv) create, incur or suffer to exist any Indebtedness (other than Indebtedness permitted to be incurred under the terms of its articles of association and pursuant to or as contemplated in any of the Related Documents) or give any guarantee or indemnity in respect of any obligation of any Person;
- (v) repurchase any shares of its capital stock or declare or pay any dividend or other distribution to its shareholders other than a lawful dividend under English law of amounts not exceeding the Loan Note Holder's Profit Amount from time to time received by it (after payment of any applicable taxes thereon);
- (vi) waive, modify or amend, or consent to any waiver, modification or amendment of, any of the provisions of the Related Documents without the prior written consent of the Note Trustee or, as the case may be, the Noteholders (and, in the case of the notes, of (i) the Rate of Interest, or (ii) any Interest Period, without the prior written consent of the Transferor Beneficiary);
- (vii) offer to surrender to any company any amounts which are available for surrender by way of group relief within Part 5 of the Corporation Tax Act 2010; or
- (viii) consolidate or merge with any other Persons or convey or transfer its properties or assets substantially as an entirety to any other Person.

6. Interest

(a) *Specific Provisions: Floating Rate Sterling Notes (SONIA)*

This Condition 6(a) is applicable to the notes if the Specified Currency is Sterling, the notes are designated as floating rate notes and "SONIA—Overnight Rate" is specified in the applicable Final Terms or Drawdown Prospectus:

Compounded Daily SONIA

- (i) where the Calculation Method in respect of the relevant Note Series of floating rate notes is specified in the applicable Final Terms or Drawdown Prospectus as being "Compounded Daily", the Rate of Interest for each Interest Period will be the Compounded Daily SONIA plus or minus (as indicated in the applicable Drawdown Prospectus or Final Terms) the Margin (if any), as calculated by the Agent Bank (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Drawdown Prospectus or Final Terms) where:

Compounded Daily SONIA means, with respect to an Interest Period, the rate of return of a daily compound interest investment (with the daily Sterling Overnight Index Average as the reference rate for the calculation of interest) and will be calculated by the Agent Bank (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Drawdown Prospectus or Final Terms) on the Interest Determination Date, (i) as further specified in the applicable Final Terms or Drawdown Prospectus; (ii) (if "Index Determination" is specified as being applicable in the applicable Drawdown Prospectus or Final Terms) by reference to the screen rate or index administered by the administrator of

the Sterling Overnight Index Average reference rate that is published or displayed by such administrator or other information service from time to time at the relevant time on the Interest Determination Date, as further specified in the applicable Drawdown Prospectus or Final Terms ; or (iii) (if "Index Determination" is specified as being not applicable in the applicable Drawdown Prospectus or Final Terms or "Index Determination" is specified as being applicable in the applicable Drawdown Prospectus or Final Terms but such screen rate or index is not available at the relevant time on the Interest Determination Date) as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(\frac{r_1 - pBD \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

D is the number specified in the applicable Drawdown Prospectus or Final Terms.

d is the number of calendar days in:

- (A) where "Lag" or "Lock-out" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the relevant Interest Period; or
- (B) where "Shift" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the relevant Observation Period.

d_o means:

- (A) where "Lag" or "Lock-out" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the number of Business Days in the relevant Interest Period; or
- (B) where "Shift" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the number of Business Days in the relevant Observation Period.

i is a series of whole numbers from one to **d_o**, each representing the relevant Business Day in chronological order from, and including, the first Business Day in:

- (A) where "Lag" or "Lock-out" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the relevant Interest Period; or
- (B) where "Shift" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the relevant Observation Period.

n_i, for any Business Day "i", means the number of calendar days from and including such day "i" up to but excluding the following Business Day.

p means:

- (A) where "Lag" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, for any Interest Period, the number of Business Days included in the Observation Look-Back Period specified in the applicable Drawdown Prospectus or Final Terms (or, if no such number is specified, five Business Days); or

- (B) where "Lock-out" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, for any Interest Period, zero; or
- (C) where "Shift" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, for any Observation Period, the number of Business Days included in the Observation Shift Period specified in the applicable Drawdown Prospectus or Final Terms (or, if no such number is specified five Business Days).

r_i-pBD means:

- (A) where "Lag" is specified in the applicable Drawdown Prospectus or Final Terms as the Observation Method, (save as specified in the applicable Drawdown Prospectus or Final Terms) in respect of any Business Day "i" falling in the relevant Interest Period, the SONIA reference rate for the Business Day falling "p" Business Days prior to such day;
- (B) where "Lock-out" is specified in the applicable Drawdown Prospectus or Final Terms as the Observation Method, (save as specified in the applicable Drawdown Prospectus or Final Terms) during each relevant Interest Period, the SONIA reference rate determined in accordance with paragraph (A) above, except that in respect of each Business Day "i" falling on or after the "Lock-out date" specified in the applicable Drawdown Prospectus or Final Terms (or, where no "Lock-out date" is specified, five Business Days prior to each relevant Interest Payment Date) until the end of each relevant Interest Period, the SONIA reference rate determined in accordance with paragraph (A) above in respect of such "Lock-out date"; or
- (C) where "Shift" is specified in the applicable Drawdown Prospectus or Final Terms as the Observation Method, (save as specified in the applicable Drawdown Prospectus or Final Terms) r_i, where "r_i" is, in respect of any Business Day "i" falling in the relevant Observation Period, the SONIA reference rate for such day.

Weighted Average SONIA

- (ii) Where the Calculation Method in respect of the relevant Note Series of floating rate notes is specified in the applicable Drawdown Prospectus or Final Terms as being "Weighted Average", the Rate of Interest for each Interest Period will be the Weighted Average SONIA (as defined below) plus or minus (as indicated in the applicable Drawdown Prospectus or Final Terms) the Margin (if any) as calculated by the Agent Bank (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Drawdown Prospectus or Final Terms) where:

Weighted Average SONIA, in relation to any Interest Period, means the arithmetic mean of SONIA_i in effect during such Interest Period and will be calculated by the Agent Bank (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Drawdown Prospectus or Final Terms) on the Interest Determination Date as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\left(\frac{\sum_{i=1}^{d_o} SONIA_i \times n}{d} \right) \right] \times \frac{365}{d}$$

where:

d, **d₀** and **i** have the meanings set out under the section entitled Compounded Daily SONIA above and **SONIA reference rate** has the meaning set out below;

n, for any Business Day, means the number of calendar days from and including, such Business Day up to but excluding the following Business Day;

SONIA_i means, for any Business Day "i":

- (A) where in the applicable Drawdown Prospectus or Final Terms "Lag" is specified as the Observation Method, (save as specified in the applicable Drawdown Prospectus or Final Terms) the SONIA reference rate in respect of the Business Day "i" falling "p" Business Days prior to such day;
 - (B) where in the applicable Drawdown Prospectus or Final Terms "Lock-out" is specified as the Observation Method, (save as specified in the applicable Drawdown Prospectus or Final Terms) during each relevant Interest Period, the SONIA reference rate determined in accordance with paragraph (A) above, except that in respect of each Business Day "i" falling on or after the "Lock-out date" specified in the applicable Drawdown Prospectus or Final Terms (or, where no "Lock-out date" is specified, five Business Days prior to each relevant Interest Payment Date) until the end of each relevant Interest Period, the SONIA determined in accordance with paragraph (A) above in respect of such "Lock-out date"; or
 - (C) where in the applicable Drawdown Prospectus or Final Terms "Shift" is specified as the Observation Method, (save as specified in the applicable Drawdown Prospectus or Final Terms) the SONIA reference rate on the Business Day "i".
- (iii) Where **SONIA** is specified as the Reference Rate in the applicable Drawdown Prospectus or Final Terms, if, in respect of any Business Day, the SONIA reference rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such Reference Rate shall be:
- (A) the Bank of England's Bank Rate (the **Bank Rate**) prevailing at close of business on the relevant Business Day; plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five days on which the SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or
 - (B) if such Bank Rate is not available, the SONIA reference rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding Business Day on which the SONIA reference rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors), and

in each case, "r" or "SONIA" shall be interpreted accordingly.

- (iv) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Agent Bank (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Drawdown Prospectus or Final Terms), the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest

which would have been applicable to such Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Interest Rate or Minimum Interest Rate applicable to the first Interest Period).

- (v) For the purposes of this Condition 6(a), the following definitions will apply:

Business Day or **BD** means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London.

Lock-out Period means the period from, and including, the day following the Interest Determination Date to, but excluding, the corresponding Interest Payment Date.

Observation Period means, the period from and including the date falling "p" Business Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is "p" Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" Business Days prior to such earlier date, if any, on which the Notes become due and payable).

Relevant Screen Page means, in respect of any Series and Class of Notes, the screen page specified as such for such Notes in the applicable Drawdown Prospectus/Final Terms.

SONIA reference rate means, in respect of any Business Day, a reference rate equal to the daily Sterling Overnight Index Average (SONIA) rate for such Business Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors (on the Business Day immediately following such Business Day).

- (vi) **Provided that**, if there has been a public announcement of the permanent or indefinite discontinuation of the Screen Rate or the relevant base rate that applies to the floating rate Sterling Notes at that time (the date of such public announcement being the **Relevant Time**), the Issuer (acting on the advice of the Cash Manager) shall, without undue delay, use commercially reasonable endeavours to propose an Alternative Base Rate in accordance with Condition 14(c) (*Additional right of Modification*) (the **Relevant Condition**). For the avoidance of doubt, if an Alternative Base Rate proposed by or on behalf of the Issuer (including any Alternative Base Rate which was proposed prior to the Relevant Time in accordance with the Relevant Condition) has failed to be implemented in accordance with the Relevant Condition as a result of Noteholder objections to the modification, the Issuer shall not be obliged to propose an Alternative Base Rate under this Condition 6(a). It is further provided that the Rate of Interest shall at any time be at least zero per cent.

(b) *Specific Provisions: Floating Rate U.S. Dollar Notes*

This Condition 6(b) is applicable to the notes if the Specified Currency is U.S. Dollars, the notes are designated as floating rate notes and "SOFR—Overnight Rate" is specified in the applicable Final Terms or Drawdown Prospectus.

Compounded Daily SOFR

- (i) where the Calculation Method in respect of the relevant Note Series of floating rate notes is specified in the applicable Final Terms or Drawdown Prospectus as being "Compounded Daily", the Rate of Interest for each Interest Period will be the Compounded Daily SOFR

plus or minus (as indicated in the applicable Drawdown Prospectus or Final Terms) the Margin (if any), as calculated by the Agent Bank (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Drawdown Prospectus or Final Terms) where:

Compounded Daily SOFR means, with respect to an Interest Period, the rate of return of a daily compound interest investment (with the daily US Dollars Secured Overnight Financing Rate as the Reference Rate for the calculation of interest) and will be calculated by the Agent Bank on the Interest Determination Date, (i) as further specified in the applicable Final Terms or Drawdown Prospectus; (ii) (if "Index Determination" is specified as being applicable in the applicable Final Terms or Drawdown Prospectus) by reference to the screen rate or index administered by the administrator of the Secured Overnight Financing Rate that is published or displayed by such administrator or other information service from time to time at the relevant time on the Interest Determination Date, as further specified in the applicable Final Terms or Drawdown Prospectus; or (iii) (if "Index Determination" is specified as being not applicable in the applicable Final Terms or Drawdown Prospectus or "Index Determination" is specified as being applicable in the applicable Final Terms or Drawdown Prospectus but such screen rate or index is not available at the relevant time on the Interest Determination Date) as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{r_{i-pBD} \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

D is the number specified in the applicable Drawdown Prospectus or Final Terms.

d is the number of calendar days in:

- (A) where "Lag" or "Lock-out" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the relevant Interest Period; or
- (B) where "Shift" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the relevant Observation Period.

d_o means:

- (A) where "Lag" or "Lock-out" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the number of U.S. Government Securities Business Days in the relevant Interest Period; or
- (B) where "Shift" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the number of U.S. Government Securities Business Days in the relevant Observation Period.

i is a series of whole numbers from one to d_o, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in:

- (A) where "Lag" or "Lock-out" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the relevant Interest Period; or
- (B) where "Shift" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the relevant Observation Period.

n_i, for any U.S. Government Securities Business Day "i", means the number of calendar days from and including such day "i" up to but excluding the following U.S. Government Securities Business Day.

p means:

- (A) where "Lag" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, for any Interest Period, the number of U.S. Government Securities Business Days included in the Observation Look-Back Period specified in the applicable Drawdown Prospectus or Final Terms (or, if no such number is specified, five U.S. Government Securities Business Days); or
- (B) where "Lock-out" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, for any Interest Period, zero; or
- (C) where "Shift" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, for any Observation Period, the number of U.S. Government Securities Business Days included in the Observation Shift Period specified in the applicable Drawdown Prospectus or Final Terms (or, if no such number is specified five U.S. Government Securities Business Days).

r_{i-pBD} means:

- (A) where "Lag" is specified in the applicable Drawdown Prospectus or Final Terms as the Observation Method, (save as specified in the applicable Drawdown Prospectus or Final Terms) in respect of any U.S. Government Securities Business Day "i" falling in the relevant Interest Period, the SOFR reference rate for the U.S. Government Securities Business Day falling "p" U.S. Government Securities Business Days prior to such day;
- (B) where "Lock-out" is specified in the applicable Drawdown Prospectus or Final Terms as the Observation Method, (save as specified in the applicable Drawdown Prospectus or Final Terms) during each relevant Interest Period, the SOFR reference rate determined in accordance with paragraph (A) above, except that in respect of each U.S. Government Securities Business Day "i" falling on or after the "Lock-out date" specified in the applicable Drawdown Prospectus or Final Terms (or, where no "Lock-out date" is specified, five U.S. Government Securities Business Days prior to each relevant Interest Payment Date) until the end of each relevant Interest Period, the SOFR reference rate determined in accordance with paragraph (A) above in respect of such "Lock-out date"; or
- (C) where "Shift" is specified in the applicable Drawdown Prospectus or Final Terms as the Observation Method, (save as specified in the applicable Drawdown Prospectus or Final Terms) r_i , where "ri" is, in respect of any U.S. Government Securities Business Day "i" falling in the relevant Observation Period, the SOFR reference rate for such day.

Weighted Average SOFR

- (i) Where the Calculation Method in respect of the relevant Note Series of floating rate notes is specified in the applicable Drawdown Prospectus or Final Terms as being "Weighted Average", the Rate of Interest for each Interest Period will be the Weighted Average SOFR (as defined below) plus or minus (as indicated in the applicable Drawdown Prospectus or Final Terms) the Margin (if any) as calculated by the Agent Bank (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Drawdown Prospectus or Final Terms) where:

Weighted Average SOFR, in relation to any Interest Period, means the arithmetic mean of $SOFR_i$ in effect during such Interest Period and will be calculated by the Agent Bank (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Drawdown Prospectus or Final Terms) on the Interest Determination Date as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\left(\frac{\sum_{i=1}^{d_0} SOFR_i \times n}{d} \right) \right] \times \frac{365}{d}$$

where:

d, **d₀** and **i** have the meanings set out under the section entitled Compounded Daily SOFR above and **SOFR reference rate** has the meaning set out below;

n, for any U.S. Government Securities Business Day, means the number of calendar days from and including, such U.S. Government Securities Business Day up to but excluding the following U.S. Government Securities Business Day;

SOFR_i means, for any U.S. Government Securities Business Day "i":

- (A) where in the applicable Drawdown Prospectus or Final Terms "Lag" is specified as the Observation Method, (save as specified in the applicable Drawdown Prospectus or Final Terms) the SOFR reference rate in respect of the U.S. Government Securities Business Day "i" falling "p" U.S. Government Securities Business Days prior to such day;
- (B) where in the applicable Drawdown Prospectus or Final Terms "Lock-out" is specified as the Observation Method, (save as specified in the applicable Drawdown Prospectus or Final Terms) during each relevant Interest Period, the SOFR reference rate determined in accordance with paragraph (A) above, except that in respect of each U.S. Government Securities Business Day "i" falling on or after the "Lock-out date" specified in the applicable Drawdown Prospectus or Final Terms (or, where no "Lock-out date" is specified, five U.S. Government Securities Business Days prior to each relevant Interest Payment Date) until the end of each relevant Interest Period, the SONIA determined in accordance with paragraph (A) above in respect of such "Lock-out date"; or
- (C) where in the applicable Drawdown Prospectus or Final Terms "Shift" is specified as the Observation Method, (save as specified in the applicable Drawdown Prospectus or Final Terms) the SONIA reference rate on the U.S. Government Securities Business Day "i".
- (ii) Where **SOFR** is specified as the Reference Rate in the applicable Drawdown Prospectus or Final Terms, if, in respect of any U.S. Government Securities Business Day, the SOFR reference rate is not available but a Benchmark Transition Event has not occurred, such

Reference Rate shall be the SOFR for the first preceding U.S. Government Securities Business Day on which the SOFR was published on the New York Fed's Website, and "r" shall be interpreted accordingly.

- (iii) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Agent Bank (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Drawdown Prospectus or Final Terms) but a Benchmark Transition Event has not occurred, the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Interest Rate or Minimum Interest Rate applicable to the first Interest Period).
- (iv) For the purposes of this Condition 6(b), the following definitions will apply:

Lock-out Period means the period from, and including, the day following the Interest Determination Date to, but excluding, the corresponding Interest Payment Date.

New York Fed's Website means the website of the Federal Reserve Bank of New York currently at <http://www.newyorkfed.org>, or any successor website of the Federal Reserve Bank of New York.

Observation Period means, in respect of an Interest Period, the period from and including the date falling "p" U.S. Government Securities Business Days prior to the first day of the relevant Interest Period and ending on, but excluding, the date which is "p" U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes become due and payable).

SOFR means, in respect of any U.S. Government Securities Business Day, a reference rate equal to the daily Secured Overnight Financing Rate as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) on the New York Fed's Website, in each case on or about 5:00p.m. (New York City Time) on the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day.

U.S. Government Securities Business Day means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association (or any successor thereto) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

- (v) If "SOFR" is specified as the Reference Rate in the applicable Final Terms or Drawdown Prospectus and the Issuer, or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to "SOFR" as the Reference Rate, such Reference Rate will be replaced in accordance with Condition 14(i) (Effect of Benchmark Transition Event). It is further provided that the Rate of Interest shall at any time be at least zero per cent.

(c) *Specific Provision: Floating Rate Euro Notes*

This Condition 6(c) is applicable to the notes if the Specified Currency is Euro and the notes are designated to be floating rate notes.

Each note bears interest at a floating rate on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in Euros on each Interest Payment Date.

Interest Payment Date means the following dates:

- (i) during any period that is not an Amortisation Period, the First Interest Payment Date and each Regular Interest Payment Date (unless otherwise specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement); and
- (ii) during an Amortisation Period, each Distribution Date.

Each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an **Interest Period**; **provided, however, that** with respect to an Interest Period that commences during any period that is not an Amortisation Period and ends during the Regulated Amortisation Period or the Rapid Amortisation Period, such Interest Period will end on the originally scheduled Interest Payment Date (and, for the avoidance of doubt, in the case of an Interest Period which commences on the Interest Payment Date which falls at the end of the Interest Period during which the Rapid Amortisation Period or Regulated Amortisation Period begins, the Interest Period shall end on the next Distribution Date). The first interest payment will be made on the First Interest Payment Date in respect of the Interest Period from (and including) the Interest Commencement Date to the First Interest Payment Date.

The Rate of Interest applicable to the notes each Interest Period will be determined by the Agent Bank as the sum of the Margin and EURIBOR for the relevant Interest Period (or, in the case of the first Interest Period, a linear interpolation of the EURIBOR rates for such periods as specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement). In respect of any Floating Rate Euro Notes, the minimum Rate of Interest will be zero.

EURIBOR shall be determined on the following basis:

- (i) on the second TARGET Settlement Day before the Interest Commencement Date in respect of the first Interest Period and, thereafter, on each **Interest Determination Date**, namely 11.00 a.m. (Brussels time) on the second TARGET Settlement Day before the first day of the Interest Period for which the rate will apply, the Agent Bank will determine the offered quotation to prime banks in the Euro-Zone interbank market, in respect of the first Interest Period from (and including) the Interest Commencement Date to (but excluding) the First Interest Payment Date, a linear interpolation of the rates for Euro deposits for such period as specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement and, for each Interest Period thereafter, for Euro deposits for the relevant Interest Period, by reference to (aa) on the display page designated EURIBOR01 on the Dow Jones Reuters Service (or such other page as may replace that page on that service, or such other service as may be nominated by the Agent Bank as the information vendor, for the purpose of displaying comparable rates) as of the Interest Determination Date or (bb) if that service ceases to display such information, such page as displays such information on such service (or, if more than one, that one previously approved in writing by the Note Trustee in its sole discretion) as may replace the Dow Jones Monitor as at or about 11.00 a.m. (Brussels time) on that date (rounded upwards to five decimal places) (the **Screen Rate**);
- (ii) if, on any Interest Determination Date, the Screen Rate is unavailable, the Agent Bank will:
 - (1) request the principal Euro-Zone office of each of four major banks in the Euro-Zone interbank market to provide a quotation of the rate at which deposits in Euro are

offered by it at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date to prime banks in the Euro-Zone interbank market for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time; and

- (2) determine the arithmetic mean (rounded, if necessary, to the nearest one hundred thousandth of a percentage point, 0.000005 being rounded upwards) of such quotations; and
- (iii) if fewer than two such quotations are provided as requested, the Agent Bank will determine the arithmetic mean (rounded, if necessary, as aforesaid) of the rates quoted by major banks in the Euro-Zone interbank market, selected by the Agent Bank, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date for loans in Euro to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

provided that if the Agent Bank is unable to determine EURIBOR in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the notes during such Interest Period will be the sum of the Margin and the EURIBOR last determined in relation to such notes in respect of a preceding Interest Period.

The Agent Bank will, as soon as practicable after the Interest Determination Date in relation to each Interest Period, calculate the amount of interest (the **Interest Amount**) payable in respect of the notes for such Interest Period. The Interest Amount in respect of the notes will be calculated by applying the relevant Rate of Interest for such Interest Period to the Principal Amount Outstanding of the notes during such Interest Period and multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest Euro 0.01 (half of a cent being rounded upwards).

(d) Specific Provision: Fixed Rate Sterling Notes (Option 1)

This Condition 6(d) is applicable to the notes if the Specified Currency is Sterling and the notes are designated to be fixed rate notes (Option 1).

Each note bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in Sterling on each Interest Payment Date.

Interest Payment Date means the following dates:

- (i) during any period that is not an Amortisation Period, the First Interest Payment Date and each Regular Interest Payment Date (as specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement); and
- (ii) during an Amortisation Period, each Distribution Date.

Each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an **Interest Period**; **provided however, that**, where the Floating Rate Commencement Date is a date falling prior to the Scheduled Redemption Date, with respect to an Interest Period that commences during the Revolving Period or the Accumulation Period and ends during the Regulated Amortisation Period or the Rapid Amortisation Period, such Interest Period will end on (and excluding) the Floating Rate Commencement Date.

Subject to the following paragraph, each note bears interest at the Initial Rate on its Principal Amount Outstanding during the period from (and including) the Interest Commencement Date to (but excluding) the Floating Rate Commencement Date (the **Initial Period**). Interest in respect of the notes during the Initial Period is payable in arrear in Sterling on each Regular Interest Payment Date and the final Interest Payment Date during the Initial Period shall be the Floating Rate Commencement Date.

The amount of the interest payable (the **Interest Amount**) in respect of the notes for any Interest Period during the Initial Period shall be calculated by applying the Initial Rate to the Principal Amount Outstanding of the notes, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest Sterling 0.01 (half of a penny being rounded upwards).

However, in the event that the Regulated Amortisation Period or the Rapid Amortisation Period has commenced, then from (and including) the Floating Rate Commencement Date to (but excluding), the Final Redemption Date (the **Redemption Period**), each note bears interest at a floating rate on its Principal Amount Outstanding to be determined in accordance with the provisions below, payable in arrear on each Distribution Date. During the Redemption Period, each period beginning on (and including), a Distribution Date to (but excluding) the next Distribution Date is called an **Interest Period**.

The Rate of Interest applicable to the notes which are the subject of this Condition 6(d) (the **Redemption Rate**) for each Interest Period during the Redemption Period will be determined by the Agent Bank as the sum of the Margin and Compounded Daily SONIA for the relevant Interest Period and Compounded Daily SONIA will be calculated by the Agent Bank on the following basis. In respect of any Fixed Rate Sterling Notes (Option 1), the minimum Rate of Interest will be zero.

- (i) where "SONIA—Overnight Rate" is specified in the applicable Final Terms or Drawdown Prospectus and the Calculation Method in respect of the notes subject to this Condition 6(d) is specified in the applicable Final Terms or Drawdown Prospectus as being "Compounded Daily":

Compounded Daily SONIA means, with respect to an Interest Period, the rate of return of a daily compound interest investment (with the daily Sterling Overnight Index Average as the reference rate for the calculation of interest) and will be calculated by the Agent Bank (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Drawdown Prospectus or Final Terms) on the Interest Determination Date, (i) as further specified in the applicable Final Terms or Drawdown Prospectus; (ii) (if "Index Determination" is specified as being applicable in the applicable Drawdown Prospectus or Final Terms) by reference to the screen rate or index administered by the administrator of the Sterling Overnight Index Average reference rate that is published or displayed by such administrator or other information service from time to time at the relevant time on the Interest Determination Date, as further specified in the applicable Drawdown Prospectus or Final Terms ; or (iii) (if "Index Determination" is specified as being not applicable in the applicable Drawdown Prospectus or Final Terms or "Index Determination" is specified as being applicable in the applicable Drawdown Prospectus or Final Terms but such screen rate or index is not available at the relevant time on the Interest Determination Date) as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(\frac{r_1 - pBD \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

D is the number specified in the applicable Drawdown Prospectus or Final Terms.

d is the number of calendar days in:

- (A) where "Lag" or "Lock-out" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the relevant Interest Period; or
- (B) where "Shift" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the relevant Observation Period.

d_o means:

- (A) where "Lag" or "Lock-out" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the number of Business Days in the relevant Interest Period; or
- (B) where "Shift" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the number of Business Days in the relevant Observation Period.

i is a series of whole numbers from one to **d_o**, each representing the relevant Business Day in chronological order from, and including, the first Business Day in:

- (A) where "Lag" or "Lock-out" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the relevant Interest Period; or
- (B) where "Shift" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the relevant Observation Period.

n_i, for any Business Day "i", means the number of calendar days from and including such day "i" up to but excluding the following Business Day.

p means:

- (A) where "Lag" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, for any Interest Period, the number of Business Days included in the Observation Look-Back Period specified in the applicable Drawdown Prospectus or Final Terms (or, if no such number is specified, five Business Days); or
- (B) where "Lock-out" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, for any Interest Period, zero; or
- (C) where "Shift" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, for any Observation Period, the number of Business Days included in the Observation Shift Period specified in the applicable Drawdown Prospectus or Final Terms (or, if no such number is specified five Business Days).

r_i-pBD means:

- (A) where "Lag" is specified in the applicable Drawdown Prospectus or Final Terms as the Observation Method, (save as specified in the applicable Drawdown Prospectus or Final Terms) in respect of any Business Day "i" falling in the relevant Interest

Period, the SONIA reference rate for the Business Day falling "p" Business Days prior to such day;

- (B) where "Lock-out" is specified in the applicable Drawdown Prospectus or Final Terms as the Observation Method, (save as specified in the applicable Drawdown Prospectus or Final Terms) during each relevant Interest Period, the SONIA reference rate determined in accordance with paragraph (A) above, except that in respect of each Business Day "i" falling on or after the "Lock-out date" specified in the applicable Drawdown Prospectus or Final Terms (or, where no "Lock-out date" is specified, five Business Days prior to each relevant Interest Payment Date) until the end of each relevant Interest Period, the SONIA reference rate determined in accordance with paragraph (A) above in respect of such "Lock-out date"; or
 - (C) where "Shift" is specified in the applicable Drawdown Prospectus or Final Terms as the Observation Method, (save as specified in the applicable Drawdown Prospectus or Final Terms) r_i , where "ri" is, in respect of any Business Day "i" falling in the relevant Observation Period, the SONIA reference rate for such day.
- (ii) Where **SONIA** is specified as the Reference Rate in the applicable Drawdown Prospectus or Final Terms, if, in respect of any Business Day, the SONIA reference rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such Reference Rate shall be:
- (A) the Bank of England's Bank Rate (the **Bank Rate**) prevailing at close of business on the relevant Business Day; plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five days on which the SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or
 - (B) if such Bank Rate is not available, the SONIA reference rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding Business Day on which the SONIA reference rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors), and

in each case, "r" or "SONIA" shall be interpreted accordingly.

- (iii) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Agent Bank (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Drawdown Prospectus or Final Terms), the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Interest Rate or Minimum Interest Rate applicable to the first Interest Period).
- (iv) For the purposes of this Condition 6(d), the following definitions will apply:

Business Day or **BD** means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London.

Lock-out Period means the period from, and including, the day following the Interest Determination Date to, but excluding, the corresponding Interest Payment Date.

Observation Period means, the period from and including the date falling "p" Business Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is "p" Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" Business Days prior to such earlier date, if any, on which the Notes become due and payable).

Relevant Screen Page means, in respect of any Series and Class of Notes, the screen page specified as such for such Notes in the applicable Drawdown Prospectus/Final Terms.

SONIA reference rate means, in respect of any Business Day, a reference rate equal to the daily Sterling Overnight Index Average (SONIA) rate for such Business Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors (on the Business Day immediately following such Business Day).

- (v) **Provided that**, if there has been a public announcement of the permanent or indefinite discontinuation of the Screen Rate or the relevant base rate that applies to the floating rate Sterling Notes at that time (the date of such public announcement being the **Relevant Time**), the Issuer (acting on the advice of the Cash Manager) shall, without undue delay, use commercially reasonable endeavours to propose an Alternative Base Rate in accordance with Condition 14(c) (*Additional right of Modification*) (the **Relevant Condition**). For the avoidance of doubt, if an Alternative Base Rate proposed by or on behalf of the Issuer (including any Alternative Base Rate which was proposed prior to the Relevant Time in accordance with the Relevant Condition) has failed to be implemented in accordance with the Relevant Condition as a result of Noteholder objections to the modification, the Issuer shall not be obliged to propose an Alternative Base Rate under this Condition 6(d). It is further provided that the Rate of Interest shall at any time be at least zero per cent.

(e) *Specific Provision: Fixed Rate Dollar Notes (Option 1)*

This Condition 6(e) is applicable to the notes if the Specified Currency is U.S. Dollars and the notes are designated to be fixed rate notes (Option 1).

Each note bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in U.S. Dollars on each Interest Payment Date.

Interest Payment Date means the following dates:

- (i) during any period that is not an Amortisation Period, the First Interest Payment Date and each Regular Interest Payment Date (as specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement); and
- (ii) during an Amortisation Period, each Distribution Date.

Each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an **Interest Period**; **provided however, that**, where the Floating Rate Commencement Date is a date falling prior to the Scheduled Redemption Date, with respect to an Interest Period that commences during the Revolving Period or the Accumulation Period and ends during the Regulated Amortisation

Period or the Rapid Amortisation Period, such Interest Period will end on (and exclude) the Floating Rate Commencement Date.

Subject to the following paragraph, each note bears interest at the Initial Rate on its Principal Amount Outstanding during the period from (and including) the Interest Commencement Date to, (but excluding), the Floating Rate Commencement Date (the **Initial Period**). Interest in respect of the notes during the Initial Period is payable in arrear in U.S. Dollars on each Regular Interest Payment Date and the final Interest Payment Date during the Initial Period shall be the Floating Rate Commencement Date.

The amount of the interest payable (the **Interest Amount**) in respect of the notes for any Interest Period during the Initial Period shall be calculated by applying the Initial Rate to the Principal Amount Outstanding of the notes, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest U.S. Dollar 0.01 (half of a cent being rounded upwards).

However, in the event that the Regulated Amortisation Period or the Rapid Amortisation Period has commenced, then from (and including) the Floating Rate Commencement Date to, (but excluding), the Final Redemption Date (the **Redemption Period**), each note bears interest at a floating rate on its Principal Amount Outstanding to be determined in accordance with the provisions below, payable in arrear on each Distribution Date. During the Redemption Period, each period beginning on, (and including), a Distribution Date to (but excluding) the next Distribution Date is called an **Interest Period**.

The Rate of Interest applicable to the notes which are the subject of this Condition 6(e) (the **Redemption Rate**) for each Interest Period during the Redemption Period will be determined by the Agent Bank as the sum of the Margin and the Compounded Daily SOFR for the relevant Interest Period and Compounded Daily SOFR will be calculated by the Agent Bank on the following basis. In respect of any Fixed Rate Dollar Notes (Option 1), the minimum Rate of Interest will be zero

- (i) where "SOFR—Overnight Rate" is specified in the applicable Final Terms or Drawdown Prospectus and the Calculation Method in respect of the notes subject to this Condition 6(e) is specified in the applicable Final Terms or Drawdown Prospectus as being "Compounded Daily":

Compounded Daily SOFR means, with respect to an Interest Period, the rate of return of a daily compound interest investment (with the daily US Dollars Secured Overnight Financing Rate as the Reference Rate for the calculation of interest) and will be calculated by the Agent Bank on the Interest Determination Date, (i) as further specified in the applicable Final Terms or Drawdown Prospectus; (ii) (if "Index Determination" is specified as being applicable in the applicable Final Terms or Drawdown Prospectus) by reference to the screen rate or index administered by the administrator of the Secured Overnight Financing Rate that is published or displayed by such administrator or other information service from time to time at the relevant time on the Interest Determination Date, as further specified in the applicable Final Terms or Drawdown Prospectus; or (iii) (if "Index Determination" is specified as being not applicable in the applicable Final Terms or Drawdown Prospectus or "Index Determination" is specified as being applicable in the applicable Final Terms or Drawdown Prospectus but such screen rate or index is not available at the relevant time on the Interest Determination Date) as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{r_{i-pBD} \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

D is the number specified in the applicable Drawdown Prospectus or Final Terms.

d is the number of calendar days in:

- (A) where "Lag" or "Lock-out" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the relevant Interest Period; or
- (B) where "Shift" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the relevant Observation Period.

d_o means:

- (A) where "Lag" or "Lock-out" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the number of U.S. Government Securities Business Days in the relevant Interest Period; or
- (B) where "Shift" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the number of U.S. Government Securities Business Days in the relevant Observation Period.

i is a series of whole numbers from one to **d_o**, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in:

- (A) where "Lag" or "Lock-out" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the relevant Interest Period; or
- (B) where "Shift" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, the relevant Observation Period.

n_i, for any U.S. Government Securities Business Day "i", means the number of calendar days from and including such day "i" up to but excluding the following U.S. Government Securities Business Day.

p means:

- (A) where "Lag" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, for any Interest Period, the number of U.S. Government Securities Business Days included in the Observation Look-Back Period specified in the applicable Drawdown Prospectus or Final Terms (or, if no such number is specified, five U.S. Government Securities Business Days); or
- (B) where "Lock-out" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, for any Interest Period, zero; or
- (C) where "Shift" is specified as the Observation Method in the applicable Drawdown Prospectus or Final Terms, for any Observation Period, the number of U.S. Government Securities Business Days included in the Observation Shift Period

specified in the applicable Drawdown Prospectus or Final Terms (or, if no such number is specified five U.S. Government Securities Business Days).

r_{i-pBD} means:

- (A) where "Lag" is specified in the applicable Drawdown Prospectus or Final Terms as the Observation Method, (save as specified in the applicable Drawdown Prospectus or Final Terms) in respect of any U.S. Government Securities Business Day "i" falling in the relevant Interest Period, the SOFR reference rate for the U.S. Government Securities Business Day falling "p" U.S. Government Securities Business Days prior to such day;
 - (B) where "Lock-out" is specified in the applicable Drawdown Prospectus or Final Terms as the Observation Method, (save as specified in the applicable Drawdown Prospectus or Final Terms) during each relevant Interest Period, the SOFR reference rate determined in accordance with paragraph (A) above, except that in respect of each U.S. Government Securities Business Day "i" falling on or after the "Lock-out date" specified in the applicable Drawdown Prospectus or Final Terms (or, where no "Lock-out date" is specified, five U.S. Government Securities Business Days prior to each relevant Interest Payment Date) until the end of each relevant Interest Period, the SOFR reference rate determined in accordance with paragraph (A) above in respect of such "Lock-out date"; or
 - (C) where "Shift" is specified in the applicable Drawdown Prospectus or Final Terms as the Observation Method, (save as specified in the applicable Drawdown Prospectus or Final Terms) r_i , where "ri" is, in respect of any U.S. Government Securities Business Day "i" falling in the relevant Observation Period, the SOFR reference rate for such day.
- (ii) Where "SOFR" is specified as the Reference Rate in the applicable Final Terms or Drawdown Prospectus, if, in respect of any U.S. Government Securities Business Day, the Reference Rate is not available but a Benchmark Transition Event has not occurred, such Reference Rate shall be the SOFR for the first preceding U.S. Government Securities Business Day on which the SOFR was published on the New York Fed's Website, and "r" shall be interpreted accordingly;
 - (iii) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions but a Benchmark Transition Event has not occurred, the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Interest Rate or Minimum Interest Rate applicable to the first Interest Period).
 - (iv) For the purposes of this Condition 6(e), the following definitions will apply:

Lock-out Period means the period from, and including, the day following the Interest Determination Date to, but excluding, the corresponding Interest Payment Date.

New York Fed's Website means the website of the Federal Reserve Bank of New York currently at <http://www.newyorkfed.org>, or any successor website of the Federal Reserve Bank of New York.

Observation Period means, in respect of an Interest Period, the period from and including the date falling "p" U.S. Government Securities Business Days prior to the first day of the relevant Interest Period and ending on, but excluding, the date which is "p" U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes become due and payable).

SOFR means, in respect of any U.S. Government Securities Business Day, a reference rate equal to the daily Secured Overnight Financing Rate as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) on the New York Fed's Website, in each case on or about 5:00p.m. (New York City Time) on the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day.

U.S. Government Securities Business Day means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association (or any successor thereto) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

- (v) If "SOFR" is specified as the Reference Rate in the applicable Final Terms or Drawdown Prospectus and the Issuer, or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to "SOFR" as the Reference Rate, such Reference Rate will be replaced in accordance with Condition 14(i) (Effect of Benchmark Transition Event). It is further provided that the Rate of Interest shall at any time be at least zero per cent.

(f) *Specific Provision: Fixed Rate Euro Notes (Option 1)*

This Condition 6(f) is applicable to the notes if the Specified Currency is Euro and the notes are designated to be fixed rate notes (Option 1).

Each note bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in Euro on each Interest Payment Date.

Interest Payment Date means the following dates:

- (i) during any period that is not an Amortisation Period, the First Interest Payment Date and each Regular Interest Payment Date (as specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement); and
- (ii) during an Amortisation Period, each Distribution Date.

Each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an **Interest Period**; **provided, however, that**, where the Floating Rate Commencement Date is a date falling prior to the Scheduled Redemption Date, with respect to an Interest Period that commences during the Revolving Period or the Accumulation Period and ends during the Regulated Amortisation Period or the Rapid Amortisation Period, such Interest Period will end on, (and exclude), the Floating Rate Commencement Date.

Subject to the following paragraph, each note bears interest at the Initial Rate on its Principal Amount Outstanding during the period from (and including) the Interest Commencement Date to, (but excluding), the Floating Rate Commencement Date (the **Initial Period**). Interest in respect of

the Notes during the Initial Period is payable in arrear in Euro on each Regular Interest Payment Date and the final Interest Payment Date during the Initial Period shall be the Floating Rate Commencement Date.

The amount of the interest payable (the **Interest Amount**) in respect of the notes for any Interest Period during the Initial Period shall be calculated by applying the Initial Rate to the Principal Amount Outstanding of the notes, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest Euro 0.01 (half of a cent being rounded upwards).

However, in the event that the Regulated Amortisation Period or the Rapid Amortisation Period has commenced, then from and including the Floating Rate Commencement Date to, (but excluding), the Final Redemption Date (the **Redemption Period**), each note bears interest at a floating rate on its Principal Amount Outstanding to be determined in accordance with the provisions below, payable in arrear on each Distribution Date. During the Redemption Period, each period beginning on, (and including), a Distribution Date to (but excluding) the next Distribution Date is called an "Interest Period".

The Rate of Interest applicable to the notes which are the subject of this Condition 6(f) (the **Redemption Rate**) for each Interest Period during the Redemption Period will be determined by the Agent Bank as the sum of the margin specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement and EURIBOR for the relevant Interest Period. In respect of any Fixed Rate Euro Notes (Option 1), the minimum Rate of Interest will be zero.

EURIBOR shall be determined on the following basis:

- (i) on the second TARGET Settlement Day before the Floating Rate Commencement Date in respect of the first Interest Period during the Redemption Period and, thereafter, on each **Interest Determination Date**, namely 11.00 a.m. (Brussels time) on the second TARGET Settlement Day before the first day of the Interest Period for which the rate will apply, the Agent Bank will determine the offered quotation to prime banks in the Euro-Zone interbank market for Euro deposits for the relevant Interest Period, by reference to (aa) on the display page designated EURIBOR01 on the Dow Jones Reuters Service (or such other page as may replace that page on that service, or such other service as may be nominated by the Agent Bank as the information vendor, for the purpose of displaying comparable rates) as of the Interest Determination Date or (bb) if that service ceases to display such information, such page as displays such information on such service (or, if more than one, that one previously approved in writing by the Note Trustee in its sole discretion) as may replace the Dow Jones Monitor as at or about 11.00 a.m. (Brussels time) on that date (the **Screen Rate**);
- (ii) if, on any Interest Determination Date, the Screen Rate is unavailable, the Agent Bank will:
 - (1) request the principal Euro-Zone office of each of four major banks in the Euro-Zone interbank market to provide a quotation of the rate at which deposits in Euro are offered by it at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date to prime banks in the Euro-Zone interbank market for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time; and
 - (2) determine the arithmetic mean (rounded, if necessary, to the nearest one hundred thousandth of a percentage point, 0.000005 being rounded upwards) of such quotations; and

- (iii) if fewer than two such quotations are provided as requested, the Agent Bank will determine the arithmetic mean (rounded, if necessary, as aforesaid) of the rates quoted by major banks in the Euro-Zone interbank market, selected by the Agent Bank, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date for loans in Euro to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

provided that if the Agent Bank is unable to determine EURIBOR in accordance with the above provisions in relation to any Interest Period, the Redemption Rate applicable to the notes during such Interest Period will be the sum of the Margin and EURIBOR last determined in relation to such notes in respect of the preceding Interest Period.

During the Redemption Period, the Agent Bank will, as soon as practicable after the Interest Determination Date in relation to each Interest Period during the Redemption Period, calculate the amount of interest (the **Interest Amount**) payable in respect of the notes for such Interest Period. The Interest Amount will be calculated by applying the Redemption Rate for such Interest Period to the Principal Amount Outstanding of the notes during such Interest Period and multiplying the product by the relevant Day Count Fraction, and rounding the resulting figure to the nearest Euro 0.01 (half of a cent being rounded upwards).

(g) *Specific Provision: Fixed Rate Sterling Notes (Option 2)*

This Condition 6(g) is applicable to the notes if the Specified Currency is Sterling and the notes are designated to be fixed rate notes (Option 2).

Each note bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in Sterling on each Interest Payment Date.

Interest Payment Date means the First Interest Payment Date and each Regular Interest Payment Date (as specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement).

Each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an **Interest Period**. Subject to the following paragraph, each note bears interest at the Initial Rate on its Principal Amount Outstanding during the period from (and including) the Interest Commencement Date. Interest in respect of such note is payable in arrear in Sterling on each Regular Interest Payment Date.

The amount of the interest payable (the **Interest Amount**) in respect of the notes for any Interest Period shall be calculated by applying the Initial Rate to the Principal Amount Outstanding of the notes, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest Sterling 0.01 (half of a pence being rounded upwards).

(h) *Specific Provision: Fixed Rate Dollar Notes (Option 2)*

This Condition 6(h) is applicable to the notes if the Specified Currency is U.S. Dollars and the notes are designated to be fixed rate notes (Option 2).

Each note bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in U.S. Dollars on each Interest Payment Date.

Interest Payment Date means the First Interest Payment Date and each Regular Interest Payment Date (as specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement).

Each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an **Interest Period**.

Subject to the following paragraph, each note bears interest at the Initial Rate on its Principal Amount Outstanding during the period from (and including) the Interest Commencement Date. Interest in respect of such note is payable in arrear in U.S. Dollars on each Regular Interest Payment Date.

The amount of the interest payable (the **Interest Amount**) in respect of the notes for any Interest Period shall be calculated by applying the Initial Rate to the Principal Amount Outstanding of the notes, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest U.S. Dollar 0.01 (half of a cent being rounded upwards).

(i) *Specific Provision: Fixed Rate Euro Notes (Option 2)*

This Condition 6(i) is applicable to the notes if the Specified Currency is Euro and the notes are designated to be fixed rate notes (Option 2).

Each note bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in Euro on each Interest Payment Date.

Interest Payment Date means the First Interest Payment Date and each Regular Interest Payment Date (as specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement).

Each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an **Interest Period**.

Subject to the following paragraph, each note bears interest at the Initial Rate on its Principal Amount Outstanding during the period from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in Euro on each Regular Interest Payment Date.

The amount of the interest payable (the **Interest Amount**) in respect of the notes for any Interest Period shall be calculated by applying the Initial Rate to the Principal Amount Outstanding of the notes, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest Euro 0.01 (half of a cent being rounded upwards).

(j) *Specific Provision: Fixed Rate Dollar Notes (Option 3)*

This Condition 6(j) is applicable to the notes if the Specified Currency is U.S. Dollars and the notes are designated to be fixed rate notes (Option 3).

Each note bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in U.S. Dollars on each Interest Payment Date.

Interest Payment Date means the following dates:

- (i) during any period that is not an Amortisation Period, the First Interest Payment Date and each Regular Interest Payment Date (as specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement); and
- (ii) during an Amortisation Period, each Distribution Date.

Each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an **Interest Period**; **provided, however, that**, where the Floating Rate Commencement Date is a date falling prior to the Scheduled Redemption Date with respect to an Interest Period that commences during the Revolving Period or the Accumulation Period and ends during the Regulated Amortisation Period or the Rapid Amortisation Period, such Interest Period will end on, (and exclude) the Floating Rate Commencement Date.

Subject to the second following paragraph, each note bears interest at the Initial Rate on its Principal Amount Outstanding during the period from (and including) the Interest Commencement Date to, (but excluding), the Floating Rate Commencement Date (the **Initial Period**). Interest in respect of such note during the Initial Period is payable in arrear in U.S. Dollars on each Regular Interest Payment Date and the final Interest Payment Date during the Initial Period shall be the Floating Rate Commencement Date.

The amount of the interest payable (the **Interest Amount**) in respect of the notes for any Interest Period during the Initial Period shall be calculated by applying the Initial Rate to the Principal Amount Outstanding of the notes, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest U.S. Dollar 0.01 (half of a cent being rounded upwards).

However, in the event that the Regulated Amortisation Period or the Rapid Amortisation Period has commenced, then from (and including) the Floating Rate Commencement Date to, (but excluding), the Final Redemption Date (the **Redemption Period**), each note bears interest on its Principal Amount Outstanding in accordance with this Condition 6(j), but subject as provided in the following paragraph, payable in arrear on each Distribution Date. During the Redemption Period, each period beginning on, and including, a Distribution Date to but excluding the next Distribution Date is called an **Interest Period**.

During the Redemption Period, the obligations of the Issuer to pay interest on the Principal Amount Outstanding of the notes on each Interest Payment Date shall be satisfied in full by the Issuer paying to the Principal Paying Agent all interest amounts standing to the credit of the relevant Distribution Ledger for the notes on such Interest Payment Date. Interest will be payable on the relevant notes by the relevant Paying Agent in accordance with the provisions of the Paying Agency Agreement.

(k) Specific Provision: Fixed Rate Euro Notes (Option 3)

This Condition 6(k) is applicable to the notes if the Specified Currency is Euro and the notes are designated to be fixed rate notes (Option 3).

Each note bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in Euro on each Interest Payment Date.

Interest Payment Date means the following dates:

- (i) during any period that is not an Amortisation Period, the First Interest Payment Date and each Regular Interest Payment Date (as specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement); and
- (ii) during an Amortisation Period, each Distribution Date.

Each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an **Interest**

Period; provided, however, that, where the Floating Rate Commencement Date is a date falling prior to the Scheduled Redemption Date, with respect to an Interest Period that commences during the Revolving Period or the Accumulation Period and ends during the Regulated Amortisation Period or the Rapid Amortisation Period, such Interest Period will end on, (and exclude), the Floating Rate Commencement Date.

Subject to the second following paragraph, each note bears interest at the Initial Rate on its Principal Amount Outstanding during the period from (and including) the Interest Commencement Date to, (but excluding), the Floating Rate Commencement Date (the **Initial Period**). Interest in respect of the notes during the Initial Period is payable in arrear in Euro on each Regular Interest Payment Date and the final Interest Payment Date during the Initial Period shall be the Floating Commencement Date.

The amount of the interest payable (the **Interest Amount**) in respect of the notes for any Interest Period during the Initial Period shall be calculated by applying the Initial Rate to the Principal Amount Outstanding of the notes, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest Euro 0.01 (half of a cent being rounded upwards).

However, in the event that the Regulated Amortisation Period or the Rapid Amortisation Period has commenced, then from (and including) the Floating Rate Commencement Date to, (but excluding), the Final Redemption Date (the **Redemption Period**), each note bears interest on its Principal Amount Outstanding in accordance with this Condition 6(k), but subject as provided in the following paragraph, payable in arrear on each Distribution Date. During the Redemption Period, each period beginning on, and including, a Distribution Date to but excluding the next Distribution Date is called an **Interest Period**.

During the Redemption Period, the obligations of the Issuer to pay interest on the Principal Amount Outstanding of the notes on each Interest Payment Date shall be satisfied in full by the Issuer paying to the Principal Paying Agent all interest amounts standing to the credit of the relevant Distribution Ledger for the notes on such Interest Payment Date. Interest will be payable on the relevant notes by the relevant Paying Agent in accordance with the provisions of the Paying Agency Agreement.

(l) *General Provision: Deferred Interest and Additional Interest*

Notwithstanding other provisions to the contrary, to the extent that the monies which are credited to the Distribution Ledger for a Note Series by Funding 1 on an Interest Payment Date in accordance with the provisions of the Loan Note Supplement for the Related Loan Note are insufficient to pay the full amount of interest on any notes on such Interest Payment Date, payment of the interest shortfall (**Deferred Interest**), which will be borne by each note of the relevant Note Series in a proportion equal to the proportion that the Principal Amount Outstanding of the Note of the relevant Note Series bears to the aggregate Principal Amount Outstanding of the relevant notes of the relevant Note Series (as determined on the Interest Payment Date on which such Deferred Interest arises), will be deferred and will be due on the Interest Payment Date occurring thereafter on which funds are available to the Issuer (by being deposited to the Issuer Distribution Account to the credit of the Distribution Ledger for that Note Series by Funding 1 on such Interest Payment Date in accordance with the provisions of the Loan Note Supplement for the Related Loan Note or otherwise) to pay such Deferred Interest to the extent of such Available Funds. Such Deferred Interest will accrue interest (**Additional Interest**) at the then current Rate of Interest (or, in the case of a fixed rate note, the Initial Rate (during the Initial Period) or the Redemption Rate (during the Redemption Period)) plus the Additional Interest Margin specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, and payment of any Additional Interest will also be deferred until the Interest Payment Date thereafter on which funds are available to the Issuer (by being deposited to the Issuer Distribution Account to the credit of the Distribution Ledger for a Note

Series by Funding 1 on such Interest Payment Date in accordance with the provisions of the Loan Note Supplement or otherwise) to pay such Additional Interest to the extent of such Available Funds.

(m) *General Provision: Calculation of Interest Amount*

In relation to each Interest Payment Date, the Agent Bank shall determine the actual amount of interest which will be paid on the notes on that Interest Payment Date and the amount of Deferred Interest (if any) on the notes in respect of the related Interest Period and the amount of Additional Interest (if any) which will be paid on such Interest Payment Date. The amount of Additional Interest shall be calculated by applying the then current relevant Rate of Interest (or, in the case of a fixed rate note, the Initial Rate (during the Initial Period) or the Redemption Rate (during the Redemption Period)) for the notes to the Deferred Interest and any Additional Interest from prior Interest Periods which remains unpaid, multiplying such sum by the relevant Day Count Fraction.

In the event that, on any Interest Payment Date, the amount of monies which are credited to the Distribution Ledger for a Note Series by Funding 1 on such day in accordance with the provisions of the Loan Note Supplement for the Related Loan Note is insufficient to pay in full the Interest Amount, any outstanding Deferred Interest and any Additional Interest due on such Interest Payment Date in respect of any class of notes, such monies will be applied first to the payment of any Interest Amount, secondly to the payment of any outstanding Deferred Interest and, thereafter, to the payment of any Additional Interest in respect of the relevant class.

(n) *General Provision: Interest ceases to accrue*

Interest will cease to accrue on any part of the Principal Amount Outstanding of a note from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of the relevant notes up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent or the Note Trustee has notified the relevant Noteholders either in accordance with Condition 16 (*Notices*) or individually that it has received all sums due in respect of the relevant notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(o) *General Provision: Failure of Agent Bank*

If the Agent Bank fails at any time to determine a Rate of Interest or to calculate an Interest Amount or amount of Deferred Interest (if any) or amount of Additional Interest (if any), the Note Trustee, or its appointed agent, without any liability therefor, may determine such Rate of Interest (or, in the case of a fixed rate note, the Initial Rate (during the Initial Period) or, if applicable, the Redemption Rate (during the Redemption Period)) as it considers fair and reasonable in the circumstances (having such regard as it thinks fit to the other provisions of these Conditions, including without limitation paragraph (m) or (n) above (as applicable)) or (as the case may be) calculate such Interest Amount or amount of Deferred Interest (if any) or amount of Additional Interest (if any) in accordance with paragraph (l) above, and each such determination or calculation shall be deemed to have been made by the Agent Bank.

(p) *General Provision: Publication*

The Agent Bank will cause each Rate of Interest (or, in the case of a fixed rate note, the Initial Rate (during the Initial Period) or, if applicable, the Redemption Rate (during the Redemption Period)), Interest Amount, amount of Deferred Interest (if any) and amount of Additional Interest (if any) determined by it, together with the relevant Interest Payment Date, to be notified to the Issuer, the

Paying Agents, the Note Trustee and, for so long as the respective notes are admitted to trading on the main market of the London Stock Exchange plc, the London Stock Exchange plc as soon as practicable after such determination, but in any event not later than the seventh day thereafter or such earlier day as the main market of the London Stock Exchange plc may require, and the Agent Bank will cause the same to be published in accordance with Condition 16 as soon as possible thereafter. The Agent Bank will be entitled to recalculate any Interest Amount and amount of Additional Interest (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period.

(q) *General Provision: Notifications etc.*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 6, whether by the Agent Bank or the Note Trustee, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Paying Agents, the Note Trustee, the Agent Bank and the Noteholders and no liability to any such Person will attach to the Agent Bank or the Note Trustee in connection with the exercise or non-exercise by them or of them of their powers, duties and discretions for such purposes.

7. Redemption and Purchase

(a) *Scheduled Redemption*

Unless previously redeemed and cancelled or unless an Amortisation Period has earlier commenced (or, if the Issuer has entered into a Swap Agreement in respect of a Note Series that is subject to the Redemption Protection Period, regardless of whether an Amortisation Period has commenced), the notes of a Note Series will be redeemed on the Interest Payment Date which falls on the Scheduled Redemption Date specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement for such Note Series as follows and to the following extent:

- (i) if, on the Scheduled Redemption Date, Funding 1 credits to the relevant Distribution Ledger for the relevant Note Series in the Issuer Distribution Account in accordance with the provisions of the Loan Note Supplement for the Related Loan Note an amount equal to the Principal Amount Outstanding on the Scheduled Redemption Date, then the notes of such Note Series will be redeemed *pro rata* to the extent of that amount (after exchange of such amount to the relevant currency pursuant to the relevant Swap Agreement, if such a currency Swap Agreement has been entered into); and
- (ii) if, on the Scheduled Redemption Date, Funding 1 credits to the relevant Distribution Ledger for the relevant Note Series in the Issuer Distribution Account in accordance with the provisions of the Loan Note Supplement an amount which is less than the Principal Amount Outstanding, then the notes of such Note Series will be redeemed in part *pro rata* to the extent of the amount which is so deposited (after exchange of such amount to the relevant currency pursuant to the relevant Swap Agreement, if such a currency swap has been entered into) and the Rapid Amortisation Period will commence with effect from the Scheduled Redemption Date.

If the Rapid Amortisation Period for a Note Series commences in the circumstances referred to in (ii) above, then on each Interest Payment Date which thereafter occurs during the Amortisation Period, the notes will be redeemed in whole or, as the case may be, in part *pro rata* to the extent of the amount (after exchange of such amount to the relevant currency at the rate of exchange applicable to such Note Series under the Swap Agreement or, if there is no longer a Swap Agreement, then at a spot rate of exchange, if such Note Series is denominated in a currency other than Sterling) which is credited to the relevant Distribution Ledger for the relevant Note Series in the Issuer Distribution Account on such day in accordance with the provisions of the Loan Note Supplement for the Related

Loan Note until the earlier of (a) such time as the Note Series is redeemed in full or (b) the Final Redemption Date specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement for such Note Series.

(b) *Mandatory Early Redemption*

If an Amortisation Period commences prior to the Scheduled Redemption Date (or, if the Issuer has entered into a Swap Agreement that is subject to Redemption Protection Period which has not been terminated in respect of a Note Series, an Amortisation Period commences (or is continuing) on or after the Scheduled Redemption Date), then on each Interest Payment Date (including the Scheduled Redemption Date) which thereafter occurs during an Amortisation Period, the notes will be redeemed in part *pro rata* to the extent of the amount (being the **Available Redemption Funds**) which is credited to the relevant Distribution Ledger (in respect of the relevant Note Series) by Funding 1 on each such date in accordance with the provisions of the relevant Loan Note Supplement until the earlier of (a) such time as the Note Series is redeemed in full, (b) such date prior to the Final Redemption Date (if any) specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement and (c) the Final Redemption Date specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement; **provided that** if the Issuer has entered into a Swap Agreement that is subject to a Redemption Protection Period which has not been terminated in respect of a Note Series, then on each Interest Payment Date which occurs on and after the Scheduled Redemption Date, the notes will be redeemed in part *pro rata* to the extent of the Available Redemption Funds (if such Note Series is denominated in a currency other than Sterling, after exchange of such amount to the relevant currency at the rate of exchange applicable to such Note Series under the Swap Agreement, or if there is no longer a Swap Agreement then at a spot rate of exchange) until the earlier of (a) such time the Note Series is redeemed in full and (b) the Final Redemption Date specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement. Notwithstanding the above, it is not intended that any Swap Agreement will be subject to the Redemption Protection Period.

(c) *Optional Early Redemption in Full*

If a Note Series is specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement as being able to be redeemed on any "Call Date", then (subject to any additional Conditions (if any) specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement) on any Interest Payment Date falling on or after the relevant Call Date and upon giving not more than 60 nor less than 30 days' prior written notice to the Note Trustee, the Swap Counterparty and the Noteholders (in accordance with Condition 16 (*Notices*)), the Issuer may redeem all (but not some only) of the notes of such Note Series then outstanding at their then Principal Amount Outstanding together with accrued interest **provided that**, prior to giving any such notice, the Issuer shall have provided to the Note Trustee a certificate signed by two directors of the Issuer to the effect that it will have the funds, not subject to any interest of any other person, required to redeem the relevant Note Series on such Interest Payment Date as aforesaid and to pay any amounts required to be paid in priority or *pari passu* with such Note Series outstanding in accordance with the conditions of the Note Trust Deed and relevant Note Trust Deed Supplement.

(d) *Optional Early Redemption in part of variable funding note*

If a Note Series is specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement as being a variable funding note, then (subject to any additional conditions (if any) specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement) on any Interest Payment Date following receipt by the Issuer of a Loan Note Issuer No.1 Refinancing Notice, upon giving not less than four Business Days' prior written notice to the Note Trustee, the Swap Counterparty and the Noteholders (in accordance with Condition 16 (*Notices*)), the Issuer shall redeem the relevant

variable funding note (in whole or in part) in an amount equal to the redemption amount specified in the corresponding Loan Note Issuer No. 1 Refinancing Notice.

(e) *Final Redemption*

If the notes have not previously been redeemed and cancelled or redeemed in full pursuant to Conditions 7(a), 7(b), 7(c), 7(d) or 10 (including any case where any interest (including Deferred Interest and Additional Interest) thereon has not earlier been paid), the notes will be finally redeemed at their then Principal Amount Outstanding, together with accrued interest (including Deferred Interest and Additional Interest) thereon, on the Final Redemption Date specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement.

(f) *Other Redemption*

The Issuer shall not be entitled to redeem the notes otherwise than as provided in paragraphs (a), (b), (c), (d) and (e) above.

(g) *Purchase*

The Issuer may not, at any time, purchase the notes in the open market or otherwise.

(h) *Cancellation*

All notes redeemed pursuant to the foregoing provisions shall be cancelled forthwith and may not be reissued or resold.

(i) *Determinations*

On each Interest Payment Date, the Principal Paying Agent shall determine (i) the amount of each **Principal Payment** payable on each note, which will be the *pro rata* share of that note in the Available Redemption Funds (converted into the relevant currency if such Note Series is denominated in a currency other than Sterling) which is the product of (A) such Available Redemption Funds divided by the lowest common denominator of the denominations of all notes in the relevant Note Series and (B) the integer equal to the denomination of that note over such lowest common denominator, and (ii) the Principal Amount Outstanding of each note on the first day of the next following Interest Period (after deducting any Principal Payment due to be made in respect of each note on the Interest Payment Date).

If the Principal Paying Agent fails at any time to determine a Principal Payment or Principal Amount Outstanding as aforesaid, the Note Trustee or its appointed agent, without accepting liability therefor, shall calculate such Principal Payment or Principal Amount Outstanding in accordance with the above provisions of this Condition, and each such determination or calculation shall be deemed to have been made by the Principal Paying Agent. Any such determination or calculation will be binding on the Issuer, the Paying Agents, the Note Trustee and the Noteholders.

The Principal Paying Agent will cause each Principal Payment and Principal Amount Outstanding to be notified to the Issuer, the Paying Agents, the Note Trustee and, for so long as the notes are admitted to trading on the main market of the London Stock Exchange plc, the London Stock Exchange plc, as soon as practicable after such determination, but in any event not later than the seventh day thereafter or such earlier day as the main market of the London Stock Exchange plc may require, and will cause the same to be published in accordance with Condition 16 (*Notices*) as soon as possible thereafter. All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Principal Paying Agent will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Paying Agents, the Note Trustee and the Noteholders and (subject as

aforesaid) no liability to any such Person will attach to the Principal Paying Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

8. Payments

(a) *Interest and Principal*

- (i) *Principal in Euro*: Payments of principal shall be made by transfer to a Euro account (or other account to which Euro may be credited or transferred) maintained by the payee with a bank in a city in which banks have access to TARGET2 and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (ii) *Interest in Euro*: Payments of interest shall be made by transfer to a Euro account (or other account to which Euro may be credited or transferred) maintained by the payee with a bank in a city in which banks have access to the TARGET2 and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (iii) *Principal in US dollars*: Payments of principal shall be made by transfer to a US dollar account (or other account to which US dollars may be credited or transferred) maintained by the payee with a bank in New York City and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (iv) *Interest in US dollars*: Payments of interest shall be made by transfer to a US Dollar account (or other account to which US dollars may be credited or transferred) maintained by the payee with a bank in New York City and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (v) *Principal in Sterling*: Payments of principal shall be made by transfer to a sterling account (or other account to which sterling may be credited or transferred) maintained by the payee with a bank in the City of London and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (vi) *Interest in Sterling*: Payments of interest shall be made by transfer to a sterling account (or other account to which sterling may be credited or transferred) maintained by the payee with a bank in the City of London and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.

(b) *Uncertificated notes*

Subject to the terms of the relevant Note Trust Deed Supplement, payments of interest and principal in respect of notes in uncertificated form shall be made by transfer to the relevant bank account maintained by the payee as specified in the relevant Note Trust Deed Supplement and recorded in the Register or the Class D VFN Register (as the case may be) for that note.

(c) *Payments subject to fiscal laws*

All payments in respect of the notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9

(*Taxation*). No commissions or expenses shall be charged to the Noteholders in respect of such payments.

(d) *Payments on Business Days*

If the due date for payment of any amount in respect of any note is not a Payment Business Day in the place of payment, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.

- (i) *Partial payments*: If a Paying Agent makes a partial payment in respect of any note, the Issuer shall procure that the amount and date of such payment are noted on the relevant Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note Certificate.
- (ii) *Record date*: Each payment in respect of a note will be made to the Person shown as the holder in the Register maintained by the relevant Registrar at the close of business on the Clearing System Business Day immediately prior to the date for payment (the **Record Date**), where **Clearing System Business Day** means Monday to Friday inclusive except 25 December and 1 January.

(e) *Paying Agent*

The Issuer reserves the right, subject to the prior written approval of the Note Trustee, at any time to vary or terminate the appointment of the Principal Paying Agent and to appoint additional or other Paying Agents. The Issuer will at all times maintain a Paying Agent with a Specified Office in London (so long as the notes are admitted to the Official List of the Financial Conduct Authority and/or admitted to trading on the main market of the London Stock Exchange plc).

9. **Taxation**

All payments of principal and interest in respect of the notes by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the United Kingdom or any other jurisdiction to whose tax laws such payments may be subject or any political subdivision therein or any authority in or of any of the foregoing having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer or the Paying Agents on behalf of the Issuer shall make such payment after such withholding or deduction of such amounts has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Issuer nor the Paying Agents will be required to make any additional payments to any Noteholder in respect of any amounts deducted or withheld as mentioned in this Condition 9.

Payments will be subject in all cases to any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement). Any such amounts withheld or deducted will be treated as paid for all purposes under the notes, and no additional amounts will be paid on the notes with respect to any such withholding or deduction.

10. Events of Default

If any of the following events (each an **Event of Default**) occurs in respect of a Note Series:

- (a) *Non-payment*: the Issuer fails to pay any amount of principal in respect of the relevant Note Series within seven days of the due date for payment thereof or fails to pay any amount of interest in respect of the relevant Note Series within 15 days of the due date for payment thereof; or
- (b) *Breach of other obligations*: the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the relevant Note Series, the Note Trust Deed (other than, in such case, any obligation for the payment of any principal or interest on the notes) or the Paying Agency Agreement and the Note Trustee has given a written notice addressed to the Issuer, certifying that such default is, in the opinion of the Note Trustee, materially prejudicial to the interests of the Noteholders of such Note Series and such default (except where such default is incapable of remedy) remains unremedied for 30 days after such written notice by the Note Trustee; or
- (c) *Unsatisfied judgment*: one or more judgment(s) or order(s) for the payment of any amount is rendered against the Issuer and continue(s) unsatisfied and unstayed for a period of 30 days after the date(s) thereof or, if later, the date therein specified for payment; or
- (d) *Security enforced*: a secured party takes possession, or a receiver, administrative receiver, administrator, examiner, manager or other similar officer is appointed, of the whole or any part of the undertaking, assets and revenues of the Issuer or an enforcement action is begun or a distress or execution is levied against any of the assets of the Issuer; or
- (e) *Insolvency etc.*: (i) the Issuer becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator of the Issuer or the whole or any part of the undertaking, assets and revenues of the Issuer is appointed (or application for any such appointment is made), (iii) the Issuer takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its Indebtedness or any guarantee of Indebtedness given by it or (iv) the Issuer ceases or threatens to cease to carry on all or any substantial part of its business; or
- (f) *Winding up etc.*: an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer; or
- (g) *Failure to take action etc.*: any action, condition or thing at any time required to be taken, fulfilled or done in order (i) to enable the Issuer lawfully to enter into, exercise its respective rights and perform and comply with its respective obligations under and in respect of the notes and the Related Documents, (ii) to ensure that those obligations are legal, valid, binding and enforceable (except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganisation or other similar laws affecting the enforcement of the rights of creditors generally and as such enforceability may be limited by the effect of general principles of equity) and (iii) to make the notes and the Related Documents admissible in evidence in the courts of England and Wales is not taken, fulfilled or done; or
- (h) *Unlawfulness*: it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the relevant Note Series; or

- (i) *Government intervention*: (A) all or any substantial part of the undertaking, assets and revenues of the Issuer is condemned, seized or otherwise appropriated by any Person acting under the authority of any national, regional or local government or (B) the Issuer is prevented by any such Person from exercising normal control over all or any substantial part of its undertaking, assets and revenues,

then the Note Trustee may at its discretion and, if so required by holders of at least one-quarter of the aggregate Principal Amount Outstanding of the relevant Note Series outstanding or if so directed by an Extraordinary Resolution of the Noteholders of the relevant Note Series (subject in each case to being indemnified and/or prefunded and/or secured to its satisfaction), shall be bound to, give written notice (an **Enforcement Notice**) to the Issuer declaring all of the notes of the relevant Note Series to be immediately due and payable, whereupon they shall become immediately due and payable at their Principal Amount Outstanding together with accrued interest (including Deferred Interest and Additional Interest) without further action or formality. Additional Events of Default relating to a particular Note Series may be specified in the Note Trust Deed Supplement and Drawdown Prospectus/Final Terms/Pricing Supplement for such Note Series. Notice of any such declaration shall promptly be given to the Noteholders of the relevant Note Series by the Issuer.

11. Prescription

Claims against the Issuer for payment in respect of a note shall be prescribed and become void unless the relevant Note Certificates are presented for payment within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date.

12. Replacement of notes

If any Note Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the relevant Registrar, subject to all applicable laws and listing authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Note Certificates must be surrendered before replacements will be issued.

13. Note Trustee and Agents

Subject to the more detailed provisions of the Note Trust Deed, the Note Trustee is entitled to be indemnified and relieved from responsibility in certain circumstances and to be paid its fees, costs and expenses and any other amounts due to it (for its own account) in priority to the claims of the Noteholders.

In the exercise of its powers and discretions under these Conditions and the Note Trust Deed, the Note Trustee will have regard to the interests of the Noteholders as a class and will not be responsible for any consequence (including any tax consequence) for individual Noteholders as a result of such holders being connected in any way with a particular territory or taxing jurisdiction.

In acting under the Paying Agency Agreement and in connection with the notes, the Paying Agents act solely as agents of the Issuer and (to the extent provided therein) the Note Trustee and the Paying Agents do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.

If, in the opinion of the Note Trustee, there is a conflict between the interests of the holders of any of the classes of notes, the Note Trustee shall, in the exercise of its duties, powers and discretions, have regard solely to the interests of the class which ranks most senior and which is still outstanding.

The Note Trustee is relieved of liability and is not responsible for making searches or other enquiries in relation to the assets comprising the Security. The Note Trustee has no responsibility in relation to the legality and the enforceability of the trust arrangements and the connected Security. The Note Trustee will not be obliged to take any action which might result in its incurring personal liabilities. The Note Trustee is not obliged to monitor or investigate the performance of any other Person under the documents relating to Funding 1 or the documents relating to the Delamare Cards Receivables Trust and shall be entitled to assume, until it has actual notice to the contrary, that all such Persons are properly performing their duties and that no Pay Out Event has occurred, unless it receives express notice to the contrary.

The Note Trustee is not responsible for any deficiency which may arise because it is liable to tax (including any withholding tax) in respect of the proceeds of Security.

The Note Trustee is not responsible for checking the calculations contained in or otherwise verifying any information coming into its possession in relation to the Delamare Cards Receivables Trust. The Note Trustee shall not be responsible for monitoring or determining whether or not any or all of the Issuance Tests in respect of the Related Loan Note for a Note Series are satisfied prior to or at the time of any issue of a Note Series and its Related Loan Note or any increase of the Outstanding Principal Amount of an existing Note Series and its Related Loan Note by Funding 1.

The Note Trustee and its related companies are entitled to enter into business transactions with the Issuer, TPF and/or related companies of any of them without accounting for any profit resulting therefrom.

The initial Paying Agents and their initial Specified Offices are listed below. The initial Agent Bank is specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement. Subject to the provisions of the Paying Agency Agreement, the Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint successor or additional Paying Agents or a successor Agent Bank, **provided, however, that:**

- (a) the Issuer shall at all times maintain a Principal Paying Agent; and
- (b) if a Calculation Agent is specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, the Issuer shall at all times maintain a Calculation Agent; and
- (c) if and for so long as the notes are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Issuer shall maintain a Paying Agent having its Specified Office in the place required by such listing authority, stock exchange and/or quotation system.

Notice of any change in any of the Paying Agents or in their Specified Offices shall promptly be given to the Noteholders.

14. Meetings of Noteholders; Modification and Waiver

(a) Meetings of Noteholders

The Note Trust Deed contains provisions for convening meetings of Noteholders of any Note Series or class, as applicable, to consider matters relating to the notes of a Note Series or class, as applicable, including the modification of any provision of these Conditions or the Note Trust Deed or any Note Trust Deed Supplement or the Related Documents. Any such modification may be made if sanctioned by an Extraordinary Resolution of the Noteholders of the relevant Note Series or class, as applicable.

The Note Trust Deed provides that:

- (i) an Extraordinary Resolution which, in the opinion of the Note Trustee, affects the notes of only one Note Series shall be transacted at a separate meeting of the Noteholders of that Note Series;
- (ii) an Extraordinary Resolution which, in the opinion of the Note Trustee, affects the Noteholders of more than one Note Series of notes but does not give rise to an actual or potential conflict of interest between the Noteholders of one Note Series of notes and the holders of another Note Series of notes shall be transacted either at separate meetings of the Noteholders of each such Note Series or at a single meeting of the Noteholders of all such Note Series of notes as the Note Trustee shall determine in its absolute discretion;
- (iii) an Extraordinary Resolution which, in the opinion of the Note Trustee, affects the Noteholders of more than one Note Series and gives rise to any actual or potential conflict of interest between the Noteholders of one Note Series of notes and the Noteholders of any other Note Series of notes shall be transacted at separate meetings of the Noteholders of each such Note Series;
- (iv) an Extraordinary Resolution which, in the opinion of the Note Trustee, affects the notes of only one class shall be transacted at a separate meeting of the Noteholders of that class;
- (v) subject to the provisions of (ii) and (iii) above, an Extraordinary Resolution which, in the opinion of the Note Trustee, affects the Noteholders of more than one class of notes, but does not give rise to an actual or potential conflict of interest between the Noteholders of one class of notes and the holders of another class of notes, shall be transacted either at separate meetings of the Noteholders of each such class or at a single meeting of the Noteholders of all such classes of notes as the Note Trustee shall determine in its absolute discretion; and
- (vi) subject to the provisions of (ii) and (iii) above, an Extraordinary Resolution which, in the opinion of the Note Trustee, affects the Noteholders of more than one class and gives rise to any actual or potential conflict of interest between the Noteholders of one class of notes and the Noteholders of any other class of notes shall be transacted at separate meetings of the Noteholders of each such class.

The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more Persons holding or representing a majority of the aggregate Principal Amount Outstanding of the relevant Note Series or at any adjourned meeting two or more Persons holding or representing notes of the relevant Note Series whatever the Principal Amount Outstanding of notes so held or represented for the time being outstanding, **provided, however, that** no modification of certain terms, including any modification constituting a Basic Terms Modification, shall be effective unless such modification has been sanctioned by an Extraordinary Resolution of all Note Series belonging to the relevant class of notes in relation to which the modification is proposed (which shall include each Note Series which, in the opinion of the Note Trustee, is or may be prejudiced by such modification). The necessary quorum for passing an Extraordinary Resolution in respect of a Basic Terms Modification shall be two or more Persons holding or representing in the aggregate not less than 75 per cent. of the aggregate Principal Amount Outstanding of each Note Series for the time being outstanding or at any adjourned meeting two or more Persons holding or representing in the aggregate not less than 25 per cent. of the aggregate Principal Amount Outstanding of each Note Series.

Any Extraordinary Resolution duly passed shall be binding on all Noteholders of such Note Series (whether or not they are present at the meeting at which such resolution was passed). The majority

required for an Extraordinary Resolution shall be 75 per cent. of the votes cast on that Extraordinary Resolution. The Note Trust Deed contains provisions regulating the effect of Extraordinary Resolutions of the Noteholders.

(b) *Modification and Waiver*

The Note Trustee may agree, without the consent of the Noteholders or the other secured creditors of the Issuer, (i) to any modification (except a Basic Terms Modification) of, or to the waiver or authorisation of any breach or proposed breach of, the notes or any Note Series thereof (including these Conditions) or the Note Trust Deed or any Note Trust Deed Supplement or any other Related Document, the Loan Notes in respect of a Note Series, the Note Trust Deed and the Note Trust Deed Supplement and which is not, in the opinion of the Note Trustee, materially prejudicial to the interests of the relevant Noteholders or (ii) to any modification of any of the provisions of these Conditions, the Note Trust Deed or any Note Trust Deed Supplement or any of the Related Documents which, in the opinion of the Note Trustee, is of a formal, minor or technical nature or is to correct a manifest error. The Note Trustee shall not waive or authorise (i) in contravention of any express direction by an Extraordinary Resolution (but so that no such direction or request shall affect any authorisation, waiver or determination previously given or made); or (ii) any such proposed breach or breach relating to a Basic Terms Modification. Any such modification, authorisation or waiver shall be binding on the relevant Noteholders and shall be notified by the Issuer to the Noteholders in accordance with Condition 16 (*Notices*) as soon as practicable thereafter. The Note Trustee shall be entitled but not bound to assume, for the purposes of exercising any powers, authority or discretion under or in relation to the notes or the Note Trust Deed or any other Related Document, that such exercise will not be materially prejudicial to the interests of the Noteholders if (i) each of Moody's, S&P and Fitch which is then rating the relevant Note Series has confirmed that the then current rating of the relevant class of notes would not be adversely affected by such exercise or (ii) the Issuer or the Cash Manager certifies in writing to the Note Trustee that it has notified the Rating Agencies of the proposed modification and in its opinion, formed on the basis of due consideration, such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any class of the Notes by any Rating Agency or (y) any Rating Agency placing any Notes on rating watch negative (or equivalent). Notwithstanding the foregoing, a credit rating is an assessment of credit and does not address other matters that may be of relevance to Noteholders. The above does not impose any obligations on any Rating Agency to give such confirmation nor does it impose or extend any actual or contingent liability for the Rating Agencies to the Noteholders or any other party or create any legal relations between the Rating Agencies and the Noteholders or any other party.

(c) *Additional right of Modification*

In addition to the provisions of Condition 14(b) but subject to Condition 14(d), the Note Trustee shall be obliged, without any consent or sanction of the Noteholders, or any of the other Secured Creditors, to concur with the Issuer in making any modification (other than a Basic Terms Modification, but subject to Condition 14(h) below) to any Document or Series Document to which it is a party or in relation to which it holds security that the Issuer considers necessary:

- (i) for the purpose of: (1) complying with, (2) implementing, or (3) reflecting any change in, the criteria of one or more of the Rating Agencies which may be applicable from time to time, provided that:
 - (A) the Issuer or the Cash Manager certifies in writing to the Note Trustee that such modification is necessary to comply with such criteria or, as the case may be, is solely to implement or reflect such criteria; and

- (B) in the case of any modification to a Document or Series Document proposed by a Swap Counterparty, an Account Bank or the Cash Manager (which the Cash Manager may propose on behalf of a Swap Counterparty) in order (x) for the relevant Swap Counterparty or relevant Account Bank to remain eligible to perform its role in such capacity in conformity with such criteria and/or (y) to avoid the relevant Swap Counterparty or the relevant Account Bank (as the case may be) taking action which it would otherwise be required to take to enable it to continue performing such role (including, without limitation, posting collateral, advancing funds or obtaining a guarantee):
- I. the relevant Swap Counterparty, the relevant Account Bank or the Cash Manager, as the case may be, certifies in writing to the Issuer and the Note Trustee that such modification is necessary for the purposes described in paragraph (B) (x) and/or (y) above; and
 - II. either:
 - (1) the relevant Swap Counterparty, the relevant Account Bank or the Cash Manager, as the case may be, obtains from each of the Rating Agencies written confirmation that such modification would not result in a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the notes by such Rating Agency and would not result in any Rating Agency placing any notes on rating watch negative (or equivalent) and delivers a copy of each such confirmation to the Issuer and the Note Trustee; or
 - (2) the relevant Swap Counterparty, the relevant Account Bank or the Cash Manager, as the case may be, certifies in writing to the Issuer and the Note Trustee that it has notified each of the Rating Agencies of the proposed modification and in its opinion, formed on the basis of due consideration, such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the notes by any Rating Agency or (y) any Rating Agency placing any notes on rating watch negative (or equivalent);
- (ii) in order to enable the Issuer and/or a Swap Counterparty to comply with:
- (A) any obligation which applies to it under Articles 9, 10 and 11 of European Regulation 648/2012 of 4 July 2012, as amended by Regulation (EU) 2019/834 of the European Parliament and of the Council of 20 May 2019 (**EU EMIR**) or (in the case of Notes issued on or after 11 May 2022) EU EMIR as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended or supplemented from time to time (**UK EMIR**) (including, without limitation, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators); or
 - (B) (in the case of Notes issued on or after 11 May 2022) any other obligation which applies to it under UK EMIR and/or EU EMIR,

provided that the Issuer or the Cash Manager or the relevant Swap Counterparty, as appropriate, certifies to the Note Trustee in writing that such modification is required solely for the purpose of enabling the Issuer and/or the relevant Swap Counterparty (as the case may be) to satisfy such obligation and has been drafted solely to such effect;

- (iii) for the purpose of enabling the Notes to be (or to remain) listed on the applicable stock exchange on which the notes are to be (or are) listed, provided that the Issuer or the Cash Manager certifies to the Note Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect,

(the certificate to be provided by the Issuer, a Swap Counterparty, an Account Bank or the Cash Manager, as the case may be, pursuant to paragraphs (i) to (iii) above being a **Modification Certificate**); or

- (iv) for the purpose of changing the Screen Rate or the base rate that then applies in respect of the floating rate Notes and/or any consequential amendments to any related Swap Agreement entered into on or after the Swap Rate Modification Reference Date to an alternative base rate (any such rate, which may include an alternative Screen Rate, an **Alternative Base Rate**) and make such other amendments as are necessary or advisable in the commercially reasonable judgment of the Issuer (or the Calculation Agent or the Cash Manager on its behalf) to facilitate such change (a **Base Rate Modification**), **provided that** the Issuer (or the Cash Manager on its behalf), certifies to the Note Trustee in writing (such certificate, a **Base Rate Modification Certificate**) that:

(A) such Base Rate Modification is being undertaken due to:

- I. a material disruption to any relevant interest rate benchmark, an adverse change in the methodology of calculating such interest rate benchmark or such interest rate benchmark ceasing to exist or be published;
- II. the insolvency or cessation of business of the administrator of any relevant interest rate benchmark (in circumstances where no successor administrator has been appointed);
- III. a public statement by the administrator of any relevant interest rate benchmark that it will cease publishing the relevant interest rate benchmark permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such interest rate benchmark);
- IV. a public statement by the supervisor of the administrator of any relevant interest rate benchmark that the relevant benchmark has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner;
- V. a public statement by the supervisor of the administrator of any relevant interest rate benchmark that means the relevant interest rate benchmark may no longer be used or that its use is subject to restrictions or adverse consequences;
- VI. a public announcement of the permanent or indefinite discontinuation of the relevant Screen Rate or base rate that applies to the Notes at such time; or
- VII. the reasonable expectation of the Issuer (or the Cash Manager on its behalf) that any of the events specified in sub-paragraphs I, II, III, IV, V or VI will occur or exist within six months of the proposed effective date of such Base Rate Modification; and

(B) such Alternative Base Rate is:

- I. a base rate published, endorsed, approved or recognised by the Federal Reserve or the Bank of England, any regulator in the United States, the United Kingdom or the European Union or any stock exchange on which the Notes are listed (or any relevant committee or other body established, sponsored or approved by any of the foregoing);
- II. the Sterling Over Night Index Average or the Broad Treasuries Repo Financing Rate (or any rate which is derived from, based upon or otherwise similar to either of the foregoing);
- III. a base rate utilised in a material number of publicly-listed new issues of Sterling-denominated and Dollar-denominated asset backed floating rate notes prior to the effective date of such Base Rate Modification;
- IV. a base rate utilised in a publicly-listed new issue of Sterling-denominated or Dollar-denominated asset backed floating rate notes where the originator of the relevant assets is an Affiliate of TPF; or
- V. such other base rate as the Cash Manager or the Calculation Agent (in each case, on behalf of the Issuer) reasonably determines,

and, for the avoidance of doubt, the Issuer (or the Calculation Agent or the Cash Manager on its behalf) may propose an Alternative Base Rate on more than one occasion provided that the conditions set out in this Condition 14(c)(iv) are satisfied;

- (v) for the purpose of changing the base rate that then applies in respect of any Swap Agreement to an Alternative Base Rate as is necessary or advisable in the commercially reasonable judgment of the Issuer (or the Cash Manager on its behalf) and the Swap Counterparty solely as a consequence of a Base Rate Modification and solely for the purpose of aligning the base rate of the Swap Agreement to the base rate of the Notes following such Base Rate Modification (a **Swap Rate Modification**), provided that the Cash Manager, on behalf of the Issuer, certifies to the Note Trustee in writing (upon which certificate the Note Trustee may rely absolutely and without enquiry or liability) that such Swap Rate Modification is required solely for such purpose and it has been drafted solely to such effect (such certificate being a **Swap Rate Modification Certificate**); or
- (vi) for the purpose of complying with any changes in the requirements of (i) Article 6 of the UK Securitisation Regulation, Article 6 of the EU Securitisation Regulation and any other risk retention legislation or regulations or official guidance in relation thereto or for the purposes of compliance with the UK Securitisation Regulation and the EU Securitisation Regulation and/or (ii) any other provision of the UK Securitisation Regulation and the EU Securitisation Regulation, including Articles 19, 20, 21 or 22 of the UK Securitisation Regulation, or Article 243 of the UK Capital Requirements Regulation, including as a result of the adoption of Regulatory Technical Standards in relation thereto, or any equivalent securitisation legislation or regulations or official guidance applicable to the Issuer or the Transferor (and, for the avoidance of doubt, such changes may include, at the Transferor's discretion, changes to the manner in which it or the Issuer currently complies with the UK Securitisation Regulation and/or changes to enable the Programme and relevant parties to comply with the EU Securitisation Regulation),

provided in each case that the Issuer or the Cash Manager certifies to the Note Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect (such certificate being an **SR Modification Certificate**).

(d) Conditions to additional right of Modification

- (i) The Note Trustee is only obliged to concur with the Issuer in making any modification (other than a Basic Terms Modification, but subject to Condition 14(h) below) to any Document or Series Document pursuant to Condition 14(c) if:
 - (A) at least 30 calendar days' prior written notice of any such proposed modification has been given to the Note Trustee;
 - (B) the Modification Certificate, SR Modification Certificate, Swap Rate Modification Certificate or Base Rate Modification Certificate, as applicable, in relation to such modification shall be provided to the Note Trustee both at the time the Note Trustee is notified of the proposed modification and on the date that such modification takes effect;
 - (C) the consent of each Secured Creditor (other than the Note Trustee) which is party to the Documents or Series Documents proposed to be modified has been obtained; and
 - (D) the person who proposes such modification pays all fees, costs and expenses (including legal fees) incurred by the Issuer and the Note Trustee and each other applicable party including, without limitation, any of the Agents or the Account Banks in connection with such modifications,

and provided further that, other than in the case of a modification pursuant to Condition 14(c)(ii)(A):

- I. other than in the case of a modification pursuant to Condition 14(c)(i)(B), either:
 - (1) the Issuer (or the Cash Manager) obtains from each of the Rating Agencies written confirmation that such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the notes by such Rating Agency or (y) such Rating Agency placing any notes on rating watch negative (or equivalent); or
 - (2) the Issuer (or the Cash Manager) certifies in the Modification Certificate, SR Modification Certificate, Swap Rate Modification Certificate or Base Rate Modification Certificate, as applicable, that it has notified each of the Rating Agencies of the proposed modification and in its opinion, formed on the basis of due consideration, such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the notes by any Rating Agency or (y) any Rating Agency placing any notes on rating watch negative (or equivalent); and
- II. the Issuer certifies in writing to the Note Trustee (which certification may be in the Modification Certificate, SR Modification Certificate, Swap Rate Modification Certificate or Base Rate Modification Certificate, as applicable) that in relation to such modification that (I) the Issuer has provided at least 30 calendar days' notice to the Noteholders of each Note Series which would be affected by the proposed Modification (together the

Affected Note Series) of the proposed modification in accordance with Condition 16 (*Notices*) and by publication on Bloomberg on the "Company News" screen relating to the notes in each case specifying the date and time by which Noteholders must respond, and (II) Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the most senior Class of notes then outstanding across the Affected Note Series have not contacted the Issuer and the Principal Paying Agent in accordance with the notice and the then current practice of any applicable clearing system through which such notes may be held by the time specified in such notice that such Noteholders do not consent to the modification.

- (ii) If Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the most senior Class of notes then outstanding across the Affected Note Series have notified the Issuer and the Principal Paying Agent in accordance with the notice and the then current practice of any applicable clearing system through which such notes may be held by the time specified in such notice that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the most senior Class of notes then outstanding across the Affected Note Series is passed in favour of such modification in accordance with this Condition 14 (*Meetings of Noteholders; Modification and Waiver*).
 - (iii) When implementing any modification pursuant to Condition 14(c) (save to the extent the Note Trustee considers that the proposed modification would constitute a Basic Terms Modification), the Note Trustee shall not consider the interests of the Noteholders, any other Secured Creditor or any other person and shall act and rely solely and without further investigation on any certificate or evidence provided to it by the Issuer, the Cash Manager or the relevant transaction party, as the case may be, pursuant to Condition 14(c) and shall not be liable to the Noteholders, any other Secured Creditor or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person.
 - (iv) The Note Trustee shall not be obliged to agree to any modification pursuant to Condition 14(c) which, in the sole opinion of the Note Trustee would have the effect of (i) exposing the Note Trustee to any liability against which is has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protection, of the Note Trustee in the Note Trust Deed, the Documents or Series Documents.
 - (v) Any modification implemented pursuant to Condition 14(c) shall be binding on all Noteholders and shall be notified by the Issuer as soon as reasonably practicable to:
 - (A) so long as any of the notes rated by the Rating Agencies remains outstanding, each Rating Agency;
 - (B) the Secured Creditors; and
 - (C) the Noteholders in accordance with Condition 16 (*Notices*).
- (e) *Modifications proposed by Funding 1*
- (i) If the Note Trustee receives written notice from Funding 1 of a proposed modification to any Relevant Document or Series Document pursuant to clause 19.2 of the STDCMA, then the Note Trustee shall be obliged, without any consent or sanction of the Noteholders, or any of the other Secured Creditors, to give consent for the purposes of clause 19.3 of the STDCMA

to the proposed modification (other than a Basic Terms Modification, but subject to Condition 14(h) below) to any Relevant Document or Series Document provided that:

- (A) the conditions to making that modification set out in clause 19.3 of the STDCMA have been complied with;
 - (B) the Issuer certifies in writing to the Note Trustee that (I) it has provided at least 30 calendar days' notice to the Noteholders of each Note Series which would be affected by the proposed modification (together, the **Affected Note Series**) of the proposed modification in accordance with Condition 16 (*Notices*) and by publication on Bloomberg on the "Company News" screen relating to the Notes in each case specifying the date and time by which Noteholders must respond, and (II) Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the most senior Class of notes then outstanding across the Affected Note Series have not contacted the Issuer and the Principal Paying Agent in accordance with the notice and the then current practice of any applicable clearing system through which such notes may be held by the time specified in such notice that such Noteholders do not consent to the modification; and
 - (C) Funding 1 or the Cash Manager pays all fees, costs and expenses (including legal fees) incurred by the Issuer and the Note Trustee and each other applicable party including, without limitation, any of the Agents and the Account Banks in connection with such modification.
- (ii) If Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the most senior Class of notes then outstanding across the Affected Note Series have notified the Issuer and the Principal Paying Agent in accordance with the notice and the then current practice of any applicable clearing system through which such notes may be held by the time specified in such notice that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the most senior Class of notes then outstanding across the Affected Note Series is passed in favour of such modification in accordance with Condition 14 (*Meetings of Noteholders; Modification and Waiver*).
 - (iii) When implementing any modification pursuant to this Condition 14(e) (save to the extent the Note Trustee considers that the proposed modification would constitute a Basic Terms Modification), the Note Trustee shall not consider the interests of the Noteholders, any other Secured Creditor or any other person and shall act and rely solely and without further investigation on any certificate or evidence provided to it by the Issuer, Funding 1, the Cash Manager or the relevant transaction party, as the case may be, pursuant to this Condition 14(e) and shall not be liable to the Noteholders, any other Secured Creditor or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person.
 - (iv) The Note Trustee shall not be obliged to agree to any modification which, in the sole opinion of the Note Trustee would have the effect of (A) exposing the Note Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (B) increasing the obligations or duties, or decreasing the rights or protection, of the Note Trustee in the Documents or Series Documents.
 - (v) Any modification implemented pursuant to this Condition 14(e) shall be binding on all Noteholders and shall be notified by the Issuer as soon as reasonably practicable to:

- (A) so long as any of the notes rated by the Rating Agencies remains outstanding, each Rating Agency;
- (B) the Secured Creditors; and
- (C) the Noteholders in accordance with Condition 16 (*Notices*).

(f) *Modifications to Account Bank Arrangements*

- (i) Without prejudice to clause 11.8 (Additional Issuer Bank Accounts) of the Note Trust Deed, the Note Trustee shall be obliged, without the consent of any Noteholders or any other Secured Creditors, to concur with the Issuer in making any modifications (other than a Basic Terms Modification) to the Note Trust Deed, the Conditions, the notes, any other Documents or Series Documents to which it is a party or in relation to which it holds security in order to add one or more Account Banks or to open one or more Additional Issuer Bank Accounts provided that:
 - (A) the Issuer or the Cash Manager certifies to the Note Trustee in writing that (1) such modification is required solely for the purpose of enabling the Issuer to add one or more Account Banks or to open one or more Additional Issuer Bank Accounts and has been drafted solely to such effect, and (2) (if applicable) that any Secured Creditor (other than the Noteholders) that would in the opinion of the Issuer or the Cash Manager be materially prejudiced by the proposed modification has either consented to that proposed modification or is a party to the Document or Series Document proposed to be modified;
 - (B) the consent of each Secured Creditor (other than the Note Trustee) which is party to the Document or Series Document proposed to be modified, and (to the extent it is not included in the foregoing) the consent of each existing Account Bank, has been obtained;
 - (C) the Issuer or the Cash Manager pays all fees, costs and expenses (including legal fees) incurred by the Note Trustee and each other applicable party including, without limitation, any of the Agents and the Account Banks in connection with such modifications; and
 - (D) the Issuer or the Cash Manager either:
 - I. obtains from each of the Rating Agencies written confirmation that such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the notes by such Rating Agency or (y) such Rating Agency placing any notes on rating watch negative (or equivalent); or
 - II. certifies in writing to the Note Trustee that it has notified the Rating Agencies of the proposed modification and in its opinion, formed on the basis of due consideration, such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the notes by any Rating Agency or (y) any Rating Agency placing any notes on rating watch negative (or equivalent).
- (ii) When implementing any modification pursuant to this Condition 14(f) (save to the extent the Note Trustee considers that the proposed modification would constitute a Basic Terms Modification), the Note Trustee shall not consider the interests of the Noteholders, any other

Secured Creditor or any other person and shall act and rely solely and without further investigation on any certificate or evidence provided to it by the Issuer or the Cash Manager, as the case may be, pursuant to this Condition 14(f) and shall not be liable to the Noteholders, any other Secured Creditor or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person.

- (iii) The Note Trustee shall not be obliged to agree to any modification pursuant to this Condition 14(f) which, in the sole opinion of the Note Trustee would have the effect of (i) exposing the Note Trustee to any liability against it which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the protections, of the Note Trustee in the Note Trust Deed or any other Document or Series Document.
- (iv) Any modification implemented pursuant to this Condition 14(f) shall be binding on the Noteholders and all Secured Creditors and shall be notified by the Issuer as soon as reasonably practicable to:
 - (A) so long as any of the notes rated by the Rating Agencies remains outstanding, each Rating Agency;
 - (B) the Secured Creditors; and
 - (C) the Noteholders in accordance with Condition 16 (*Notices*).
- (v) Any confirmation or certification required to be given to the Note Trustee pursuant to this Condition 14(f) may be included in any certification or confirmation required to be given to the Note Trustee pursuant to clause 11.8 of the Note Trust Deed (Additional Issuer Bank Accounts) (such that there is a single certificate or certification).

(g) *Substitution*

As more fully set forth in the Note Trust Deed (and subject to the Conditions and more detailed provisions which are contained therein) subject to such amendment of the Note Trust Deed and such other conditions as the Note Trustee may require, but without the consent of the Noteholders or the other secured creditors of the Issuer, the Note Trustee may also agree to the substitution of any other body corporate in place of the Issuer (the **Substituted Issuer**) as principal debtor under the Note Trust Deed and the notes and, in the case of such a substitution the Note Trustee may agree, without the consent of the Noteholders, to a change of the law governing the notes and/or the STDCMA **provided that** such change would not, in the opinion of the Note Trustee, be materially prejudicial to the interests of the Noteholders. Any such substitution or addition shall be notified to the Noteholders in accordance with Condition 16 (*Notices*) as soon as practicable thereafter.

(h) *Basic Terms Modification*

Solely for the purposes of Condition 14(c)(iv) (Additional right of modification) above, a Basic Terms Modification shall exclude any change to any date fixed for payment of principal or interest in respect of the Notes, to reduce or cancel the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment.

Solely for the purposes of Conditions 14(c)(iv) and 14(c)(v) (*Additional right of Modification*) above, a Basic Terms Modification in respect of any Swap Agreement entered into or Notes issued on or after the Swap Rate Modification Reference Date shall exclude any change to any date fixed

for payment of principal or interest in respect of the Notes, to reduce or cancel the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment.

Solely for the purposes of Condition 14(i)(iv) (Effect of Benchmark Transition Event) below, a Basic Terms Modification shall exclude any Benchmark Conforming Change.

(i) *Effect of Benchmark Transition Event*

- (i) If the Issuer or its designee determines, and notifies the Agent Bank, on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the relevant Note Series in respect of all determinations on such date and for all determinations on all subsequent dates
- (ii) In connection with the implementation of a Benchmark Replacement, the Issuer, or its designee, will have the right to make Benchmark Replacement Conforming Changes from time to time.
- (iii) Any determination, decision or election that may be made by the Issuer or the Issuer's designee pursuant to this Condition 14(i), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection: (1) will be conclusive and binding absent manifest error; (2) will be made in the sole discretion of the Issuer or its designee, as applicable; and (3) notwithstanding anything to the contrary in the documentation relating to the relevant Note Series, shall become effective without consent from any other party (including Noteholders).
- (iv) Prior to implementing any replacement of the then-current Benchmark with the Benchmark Replacement or any Benchmark Replacement Conforming Changes pursuant to this section, the Issuer or the Cash Manager acting on behalf of the Issuer shall (i) deliver a certificate to the Note Trustee and the Agents certifying which Benchmark Transition Event has occurred, the applicable Benchmark Replacement, the Benchmark Replacement Adjustment, the Benchmark Replacement Date and the Benchmark Replacement Conforming Changes required (the **Benchmark Transition Event Certificate**); and (ii) so long as any of the notes rated by the Rating Agencies remain outstanding, notify each Rating Agency of such Benchmark Transition Event. Subject to Condition 14(i)(v), provided the Note Trustee and the Agents have received the Benchmark Transition Event Certificate, they shall be obliged to enter into documentation to implement the Benchmark Replacement Conforming Changes and shall not consider the interests of the Noteholders, any other Secured Creditor or any other person (nor require any confirmation from any Rating Agencies) and shall act and rely, solely and without further enquiry or liability, on the Benchmark Transition Event Certificate, and shall not be liable to the Noteholders, any other Secured Creditor or any other person for so acting or relying, irrespective of whether any such replacement of the then current Benchmark with the Benchmark Replacement or any Benchmark Replacement Conforming Changes or Benchmark Replacement Adjustment is or may be materially prejudicial to the interests of any such person.
- (v) Neither the Note Trustee nor the Agents shall be obliged to agree to any modification pursuant to Condition 14(i)(iv) which, in the sole opinion of the Note Trustee or Agents, as applicable, would have the effect of (i) exposing the Note Trustee or Agents, as applicable, to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or

protection, of the Note Trustee in the Note Trust Deed or the Agents under the Paying Agency Agreement (as applicable) or the other Transaction Documents.

- (vi) Solely for the purposes of this Condition 14(i), a Basic Terms Modification in respect of any Notes to which a Benchmark Transition Event applies shall exclude any change to the Benchmark, Benchmark Replacement Adjustment or Benchmark Replacement Conforming Changes.
- (vii) For the purposes of this Condition 14(i), the following definitions will apply:

Benchmark means, initially, Compounded Daily SOFR or Weighted Average SOFR, as applicable, as such terms are defined above; provided that if the Issuer or its designee determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Compounded Daily SOFR (or the published daily SOFR used in the calculation thereof) or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement.

Benchmark Replacement means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (A) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (b) the Benchmark Replacement Adjustment;
- (B) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; or
- (C) the sum of: (a) the alternate rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current benchmark for U.S. dollar-denominated floating rate notes at such time and (b) the Benchmark Replacement Adjustment.

Benchmark Replacement Adjustment means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (A) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (B) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (C) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time.

Benchmark Replacement Conforming Changes means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Interest Period", timing and frequency of determining rates and making

payments of interest, changes to the definition of "Corresponding Tenor" solely when such tenor is longer than the Interest Period and other administrative matters) that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary).

Benchmark Replacement Date means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (A) in the case of clause (A) or (B) of the definition of "Benchmark Transition Event", the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (B) in the case of clause (C) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

Benchmark Transition Event means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (A) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (B) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (C) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative.

ISDA Definitions means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

ISDA Fallback Adjustment means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark.

ISDA Fallback Rate means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

Reference Time with respect to any determination of the Benchmark means (1) where the Calculation Method in respect of the relevant Note Series of floating rate notes is specified in the applicable Final Terms or Drawdown Prospectus as being "Compounded Daily", 2:00 p.m. (London time) on the day that is five London banking days preceding the date of such determination, and (2) where the Calculation Method in respect of the relevant Note Series of floating rate notes is not specified in the applicable Final Terms or Drawdown Prospectus as being "Compounded Daily", the time determined by the Issuer after giving effect to the Benchmark Replacement Conforming Changes.

Relevant Governmental Body means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

Unadjusted Benchmark Replacement means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

15. Enforcement

At any time after the notes become due and repayable and, without prejudice to its rights of enforcement in relation to the Security, the Note Trustee may, at its discretion and without notice, institute such Proceedings as it thinks fit to enforce payment of the relevant Note Series (including the right to repayment of the relevant Note Series together with accrued interest thereon) and shall be bound to do so if (and only if):

- (a) it shall have been so directed by holders of at least one-quarter of the aggregate Principal Amount Outstanding of the relevant Note Series or by an Extraordinary Resolution of the relevant Note Series; and
- (b) it shall have been indemnified and/or prefunded and/or provided with Security to its satisfaction.

No Noteholder may institute any Proceedings against the Issuer to enforce its rights under or in respect of the notes or the Note Trust Deed, unless (i) the Note Trustee has become bound to institute Proceedings and has failed to do so within a reasonable time and (ii) such failure is continuing.

16. Notices

- (a) Notices to the Noteholders shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the Financial Times). Any such notice shall be deemed to have been given on the date of first publication.
- (b) Until such time as any Individual Note Certificates are issued, there may, so long as the Global Note Certificate(s) is or are held in its or their entirety on behalf of Euroclear and/or Clearstream and/or are deposited with the DTC Custodian, be substituted for such publication in such newspaper, the delivery of the relevant notice to Euroclear, Clearstream and DTC, for communication by them to the Noteholders. The notice will be deemed to be given to the Noteholders in accordance with the rules of the relevant clearing system.
- (c) Any notices specifying the Rate of Interest, the Redemption Rate, an Interest Amount, an amount of Additional Interest or of Deferred Interest, a Principal Payment or a Principal Amount Outstanding shall be deemed to have been duly given if the information contained in such notice appears on the relevant page of the Thompson Reuters Screen or Bloomberg or such other medium for the electronic display of data as may be approved by the Note Trustee and notified to the relevant class of Noteholders (the **Relevant Screen**). Any such notice shall be deemed to have been given on the first date on which such information appeared on the Relevant Screen. If it is impossible or impracticable to give notice in accordance with this paragraph, then notice of the matters referred to in this Condition 16 shall be given in accordance with the preceding paragraph.
- (d) Copies of all notices given in accordance with these provisions shall be sent to the London Stock Exchange or to the applicable stock exchange on which the notes are listed and to Euroclear, Clearstream and DTC.
- (e) Notices in respect of notes in uncertificated form shall be given as specified in the relevant Note Trust Deed Supplement and paragraphs (a) to (d) (inclusive) above shall not apply.

17. Currency Indemnity

If any sum due from the Issuer in respect of the notes or any order or judgment given or made in relation thereto has to be converted from the currency (the **First Currency**) in which the same is payable under these Conditions or such order or judgment into another currency (the **Second Currency**) for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Principal Paying Agent against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the First Currency into the Second Currency and (ii) the rate or rates of exchange at which such Noteholder may, in the ordinary course of business, purchase the First Currency with the Second Currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

18. Rounding

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Drawdown Prospectus/Final Terms/Pricing Supplement), all percentages resulting from such calculations will be rounded, if necessary, to the nearest one

hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.).

19. Redenomination, Renominalisation and Reconventioning

- (a) *Application:* This Condition 19 is applicable to the notes only if it is specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement as being applicable.
- (b) *Notice of redenomination:* If the country of the Specified Currency becomes or, announces its intention to become, a Participating Member State, the Issuer may, without the consent of the Noteholders, on giving at least 30 days' prior notice to the Noteholders and the Paying Agents, designate a date (the **Redenomination Date**), being an Interest Payment Date under the notes falling on or after the date on which such country becomes a Participating Member State.
- (c) *Redenomination:* Notwithstanding the other provisions of these Conditions, with effect from the Redenomination Date:
- (i) the notes shall be deemed to be redenominated into Euro in the denomination of Euro 0.01 with a Principal Amount Outstanding for each Note equal to the Principal Amount Outstanding of that Note in the Specified Currency, converted into Euro at the rate for conversion of such currency into Euro established by the Council of the European Union pursuant to the Treaty (including compliance with rules relating to rounding in accordance with European Community regulations); **provided, however, that**, if the Issuer determines, with the agreement of the Principal Paying Agent then market practice in respect of the redenomination into Euro 0.01 of internationally offered securities is different from that specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, each listing authority, stock exchange and/or quotation system (if any) by which the notes have then been admitted to listing, trading and/or quotation and the Paying Agents of such deemed amendments;
 - (ii) if notes have been issued in definitive form:
 - (A) the payment obligations contained in all notes denominated in the Specified Currency will become void on the redenomination date but all other obligations of the Issuer thereunder (including the obligation to exchange such notes in accordance with this Condition 19) shall remain in full force and effect; and
 - (B) new notes denominated in Euro will be issued in exchange for notes denominated in the Specified Currency in such manner as the Principal Paying Agent may specify and as shall be notified to the Noteholders; and
 - (C) all payments in respect of the notes (other than, unless the Redenomination Date is on or after such date as the Specified Currency ceases to be a sub-division of the Euro, payments of interest in respect of periods commencing before the Redenomination Date) will be made by credit or transfer to a Euro account (or any other account to which Euro may be credited or transferred) maintained by the payee with, a bank in the Principal Financial Centre of any member state of the European Communities.

Any Individual Note Certificate issued pursuant to such redenomination shall have a minimum denomination of €100,000 (or its equivalent in another currency).

- (d) *Interest*: Following redenomination of the notes pursuant to this Condition 19, where notes have been issued in definitive form, the amount of interest due in respect of the notes will be calculated by reference to the aggregate Principal Amount Outstanding of the notes.
- (e) *Interest Determination Date*: If the floating rate note provisions are specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement as being applicable and Screen Rate determination is specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement as the manner in which the rate(s) of interest is/are to be determined, with effect from the Redenomination Date the Interest Determination Date shall be deemed to be the second TARGET Settlement Day before the first day of the relevant Interest Period.

20. Governing Law and Jurisdiction

- (a) *Governing law*: The notes and all matters arising from or connected with the notes are governed by, and shall be construed in accordance with, English law.
- (b) *English courts*: The courts of England have exclusive jurisdiction to settle any Dispute (a **Dispute**) arising from or connected with the notes.
- (c) *Appropriate forum*: The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
- (d) *Rights of the Noteholders to take Proceedings outside England*: Condition 20(b) (*English courts*) is for the benefit of the Noteholders only. As a result, nothing in this Condition 20 prevents any Noteholder from taking proceedings relating to a Dispute (**Proceedings**) in any other courts with jurisdiction. To the extent allowed by law, Noteholders may take concurrent Proceedings in any number of jurisdictions.
- (e) *The Note Trust Deed*: The Note Trust Deed provides for the court of England to have non-exclusive jurisdiction in connection with the notes.
- (f) *Consent to enforcement etc.*: The Issuer consents generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings, including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which is made or given in such Proceedings.

21. Third Party Rights

No Person shall have any right to enforce any term or condition of the notes or the STDCMA under the Contracts (Rights of Third Parties) Act 1999.

22. Limited Recourse

If at any time following (i) the Final Redemption Date or any earlier date upon which a Note Series is due and payable, (ii) the date on which the Issuer has received all sums due to it in respect of that Note Series and (iii) the application in full of any amounts available to pay amounts due and payable under that Note Series in accordance with the relevant priority of payments, there remains any amount then due and payable under that Note Series then such amount shall, on the day following the application in full of the amounts referred to in (iii) above, cease to be due and payable by the Issuer.

TAXATION

UNITED KINGDOM TAXATION

The following applies only to persons who are the beneficial owners of notes and is a summary of the Issuer's understanding of current United Kingdom law and published HMRC practice relating only to the United Kingdom withholding tax treatment of payments of interest (as that term is understood for United Kingdom tax purposes) in respect of notes. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of notes. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders should be aware that the particular terms of issue of any Note Series as specified in the relevant Drawdown Prospectus/Final Terms/Pricing Supplement may affect the tax treatment of that and other Note Series. Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice. The following does not apply to the class D VFN notes or to the beneficial owners thereof.

Payments of interest on the notes may be made without deduction of or withholding on account of United Kingdom income tax provided that the notes carry a right to interest and the notes are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007 for the purposes of section 987 of the Income Tax Act 2007. The London Stock Exchange is a recognised stock exchange. Notes will be treated as listed on the London Stock Exchange if they are included in the Official List (within the meaning of and in accordance with the provisions of Part 6 of the Financial Services and Markets Act 2000) and admitted to trading on the London Stock Exchange. Provided, therefore, that the notes carry a right to interest and are and remain so listed on a "recognised stock exchange", interest on the notes will be payable without withholding or deduction on account of United Kingdom income tax.

Interest on the notes may also be paid without deduction of or withholding on account of United Kingdom income tax where the maturity of the notes is less than 365 days and those notes do not form part of a scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days.

In other cases, an amount must generally be withheld from payments of interest on the notes that has a United Kingdom source on account of United Kingdom income tax at the basic rate (currently 20%), subject to any available exemptions and reliefs. However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to the Issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

Where notes are issued with a redemption premium (as opposed to being issued at a discount), any such premium element may constitute a payment of interest which will generally be subject to United Kingdom withholding tax, subject to any available exemption or relief as outlined above.

EU financial transaction tax

On 14 February 2013, the European Commission issued proposals, including a draft Directive (the **Commission's proposal**) for a financial transaction tax (FTT) to be adopted in certain participating EU member states (including Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia, although Estonia has since stated that it will not participate). If the Commission's proposal was adopted, the FTT would be a tax primarily on "financial institutions" (which would include the Issuer) in relation to "financial transactions" (which would include the conclusion or modification of derivative contracts and the purchase and sale of financial instruments).

Under the Commission's proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating member states. Generally, it would apply where at least one party is a financial institution, and at least one party is established in a participating member state. A financial institution may be, or be deemed to be, "established" in a participating member state in a broad range of circumstances, including (a) by transacting with a person established in a participating member state or (b) where the financial instrument which is subject to the financial transaction is issued in a participating member state.

The FTT may give rise to tax liabilities for the Issuer, the Loan Note Issuer or the Receivables Trustee, with respect to certain transactions (including concluding swap transactions and/or purchases or sales of securities (such as authorised investments)) if the conditions for a charge to arise are satisfied and the FTT is adopted based on the Commission's proposal. Any such tax liabilities may reduce amounts available to the Issuer or the Loan Note Issuer to meet their respective obligations under the Loan Notes or the Notes and may result in investors receiving less interest or principal than expected. To the extent that such liabilities may arise at a time when winding up proceedings have been commenced in respect of the Issuer or the Loan Note Issuer, such liabilities may be regarded as an expense of the liquidation and, as such, be payable out of the floating charge assets of the Issuer and/or (as applicable) the Loan Note Issuer (and their respective general estates) in priority to the claims of Noteholders and other secured creditors. It should also be noted that the FTT could be payable in relation to relevant transactions by investors in respect of the Notes (including secondary market transactions) if the conditions for a charge to arise are satisfied and the FTT is adopted based on the Commission's proposal. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

However, the FTT proposal remains subject to negotiation between participating member states. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU member states may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

UNITED STATES FEDERAL INCOME TAX CONSIDERATION

General

The following summary describes the material US federal income tax considerations of acquiring, holding and disposing of the notes that are offered for sale in the United States (the **U.S. Offered Notes**).

This summary does not discuss all aspects of US federal tax law. In particular, except as specifically indicated in this summary, it addresses only purchasers in the original offering that purchase U.S. Offered Notes at their original issue price and hold the U.S. Offered Notes as "capital assets" within the meaning of Section 1221 of the US Internal Revenue Code of 1986, as amended, called the **Code**. It does not address special US federal income tax considerations that may be important to particular investors in light of their individual investment circumstances or to certain types of investors subject to special tax rules – e.g. financial institutions, insurance companies, regulated investment companies, real estate investment trusts, tax-exempt institutions, underwriters in securities or currencies, securities traders that elect mark-to-market tax accounting, certain US expatriates, investors holding the U.S. Offered Notes as part of a conversion transaction, hedge, integrated transaction, constructive sale transaction or as a position in a straddle for tax purposes, or U.S. Holders (as defined below) whose functional currency, as defined in Code Section 985, is not the US dollar. Further, this discussion does not address alternative minimum tax consequences, the 3.8% Medicare tax on net investment income, special rules for the taxable year of inclusion for accrual basis taxpayers under Code Section 451(b) or any tax considerations to holders of interests in a Noteholder. In addition, this summary does not discuss any foreign, state, local or other tax considerations. This summary is based on the Code, the regulations promulgated thereunder and administrative and judicial authorities, all as in effect on the date of this Base Prospectus and all of which are subject to change, possibly on a retroactive basis. Each Noteholder should seek advice based on such person's particular circumstances from an independent tax advisor.

For the purposes of this summary, a **U.S. Holder** means a beneficial owner of U.S. Offered Notes that is for US federal income tax purposes:

- (i) an individual who is a citizen or resident of the United States;
- (ii) a corporation created in or under the laws of the United States, any state or any political subdivision of any state or the District of Columbia;
- (iii) an estate whose income is includible in gross income for US federal income tax purposes without regard to source; and
- (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust.

A **Non-U.S. Holder** means a beneficial owner of U.S. Offered Notes (other than a partnership or an entity or arrangement treated as a partnership for US tax purposes) that is not a U.S. Holder.

If an entity or arrangement treated as a partnership for US federal income tax purposes holds the U.S. Offered Notes, the US federal income tax treatment of a partner in the partnership will generally depend on the status of the partner and the activities of the partnership. A partner in such a partnership should consult their tax advisor.

Tax Status of the Receivables Trustee, the Receivables Trust, Loan Note Issuer No. 1 and the Issuer

It is presently contemplated that each of the Issuer, Funding 1 and the Receivables Trustee will conduct their respective activities, including activities undertaken on their behalf, such as servicing activities, entirely

outside of the United States. In that regard, assuming that the activities of each of Issuer, Funding 1 and the Receivables Trustee the Issuer are, as contemplated, conducted entirely outside of the United States, and assuming each of these entities makes no investments that are subject to withholding of US federal income tax, the Issuer does not expect to be treated as engaged in a trade or business within the United States for US federal income tax purposes and expects that each of these entities will not be subject to US federal income tax on its net income.

U.S. Holders

Tax Treatment of the U.S. Offered Notes

Except as otherwise provided in the applicable Final Terms or Drawdown Prospectus, the Issuer will treat the U.S. Offered Notes as debt of the Issuer for US federal income tax purposes. Each holder of a note, by acceptance of such note, will agree to treat such note as debt for US federal income tax purposes. If the applicable Final Terms or Drawdown Prospectus indicates that the Issuer will treat one or more classes of U.S. Offered Notes as equity for US federal income tax purposes, then U.S. Holders of such notes will be taxed in the manner below under the heading "Tax Treatment of U.S. Offered Notes treated as Equity".

Such characterisation is not binding on the IRS, and no assurance can be given that the characterisation of the U.S. Offered Notes as debt would prevail if the issue were challenged by the IRS. Prospective U.S. Holders should consult with their tax advisers as to the effect of a recharacterisation of the U.S. Offered Notes as equity interests in the Issuer.

As discussed below, treatment of the U.S. Offered Notes as equity interests could have adverse tax consequences for U.S. Holders.

Except as indicated, the discussion below assumes the U.S. Offered Notes are treated as debt for US federal income tax purposes.

Interest Payments and Distributions

The U.S. Offered Notes may be treated as having been issued with original issue discount – "**OID**" – for US federal income tax purposes, in which case the OID will be taxed as described below. However, in the absence of any OID on the U.S. Offered Notes, interest on the U.S. Offered Notes will be taxable to a U.S. Holder as ordinary income at the time it is received or accrued, in accordance with the holder's regular method of accounting for US federal income tax purposes.

The total amount of OID on a note is the excess of its stated redemption price at maturity over its issue price. The issue price for the U.S. Offered Notes is the price – including any accrued interest (although an election may be made to decrease the issue price by the amount of the pre-issuance accrued interest subject to certain conditions) – at which a substantial portion of the relevant U.S. Offered Notes are first sold to the public. In general, the stated redemption price at maturity of a note is the sum of all payments made on the note other than payments of "qualified stated interest" which is interest that is (1) unconditionally payable at least annually over the entire life of the note and (2) based on a single fixed rate or variable rate – or certain combinations of fixed and variable rates.

If any of the U.S. Offered Notes are issued at a discount of an amount equal to or greater than 0.25 per cent. of that note's stated redemption price at maturity multiplied by the note's weighted average maturity, called its "**WAM**", then that note will be deemed to bear OID. The WAM of a note is computed based on the number of full years each distribution of principal – or other amount included in the stated redemption price at maturity – is scheduled to be outstanding. Further, if interest payable on a note is subject to deferral and the possibility of deferral is not remote, the IRS could take the position based on US Treasury regulations that none of the interest payable on a note is unconditionally payable and so that all of that interest should be

included in the note's stated redemption price at maturity, which could result in the note being treated as issued with OID for US federal income tax purposes.

A U.S. Holder – including a cash basis holder – of a note deemed to bear OID generally would be required to accrue OID on the relevant note for US federal income tax purposes on a constant yield basis. This would require the inclusion of OID in income in advance of the receipt of cash attributable to that income. Under Section 1272(a)(6) of the Code, special provisions apply to debt instruments on which payments may be accelerated due to prepayments of other obligations securing those debt instruments. However, no regulations have been issued interpreting those provisions, and the manner in which those provisions would apply to the U.S. Offered Notes is unclear.

Sourcing: Interest payments or distributions on a note generally will constitute foreign source income for US federal income tax purposes. Subject to certain complex limitations, UK withholding tax, if any, imposed on these payments will generally be treated as foreign tax eligible for credit against a U.S. Holder's US federal income tax. Prospective purchasers should consult their own tax advisors concerning the foreign tax credit implications of the payment of any United Kingdom taxes.

Disposition or Retirement

Upon the sale, exchange or retirement of a U.S. Offered Note – including pursuant to a redemption by the Issuer prior to its maturity date – a U.S. Holder will recognise gain or loss equal to the difference between the amount realised (less any accrued but unpaid qualified stated interest, which would be taxable as such) and the U.S. Holder's adjusted tax basis in the relevant note. In general, a U.S. Holder's **Adjusted Tax Basis** in a U.S. Offered Note is equal to the U.S. Holder's cost for such U.S. Offered Note, plus any OID accrued and less the amount of any payments received by the holder that are not "qualified stated interest" payments under applicable US Treasury regulations.

In general, any gain or loss realised by the holder will be capital gain or loss. Under certain circumstances, capital gains derived by non-corporate taxpayers are taxed at preferential rates. The deductibility of capital losses is subject to limitations. If a U.S. Holder's basis in a U.S. Offered Note includes accrued but unpaid OID, the holder may be required specifically to disclose any loss above certain thresholds under regulations on tax shelter transactions.

Sourcing. Gain or loss realised by a U.S. Holder on the sale, exchange or retirement of a note generally will be treated as United States source. Exceptions to the application of the sourcing provisions include exceptions for certain losses attributable to foreign exchange fluctuations and foreign offices of US residents, among others. The Issuer suggests that U.S. Holders consult their own tax advisors about the availability of and limitations on any foreign tax credit.

Foreign Currency Considerations

A U.S. Holder of a U.S. Offered Note that is denominated in a currency other than US dollars (a **Foreign Currency**) that uses the cash method of accounting must include in income the US dollar value of Foreign Currency interest paid when received. Foreign Currency interest received is translated at the US dollar spot rate of the Foreign Currency on the date of receipt, regardless of whether the payment is converted into US dollars on the date of receipt. A cash method U.S. Holder of a U.S. Offered Note will therefore generally not have exchange gain or loss on receipt of a Foreign Currency interest payment but may have exchange gain or loss upon disposing of the Foreign Currency received.

A U.S. Holder of a U.S. Offered Note that uses the accrual method of accounting and a U.S. Holder of a U.S. Offered Note that bears OID, regardless of the method of accounting used, will be required to include in income the US dollar value of Foreign Currency interest or OID, as the case may be, accrued during the accrual period. A U.S. Holder may determine the amount of income recognised with respect to such interest or OID using either of two methods. Under the first method, the US dollar value of accrued interest or OID is

translated at the average Foreign Currency rate for the interest accrual period (or, with respect to an accrual period that spans two taxable years, the partial period within the taxable year). Under the second method, the U.S. Holder can elect to accrue interest at the Foreign Currency spot rate on the last day of an accrual period or, if the last day of an accrual period is within five business days of the receipt, the spot rate on the date of receipt. An election to accrue interest or OID at the spot rate will generally apply to all Foreign Currency denominated debt instruments held by the U.S. Holder, and is irrevocable without the consent of the IRS. Upon receipt of the interest payment (including a payment attributable to accrued but unpaid qualified stated interest upon the sale, exchange or retirement of a U.S. Offered Note) denominated in, or determined by reference to, a Foreign Currency, the U.S. Holder will recognize U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference, if any, between the amount received (translated into US dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into US dollars. Regardless of the method used to accrue interest, a U.S. Holder may have additional exchange gain or loss upon a subsequent disposition of the Foreign Currency received.

The amount realised on the sale, exchange, redemption or retirement of a U.S. Offered Note is determined by translating the Foreign Currency proceeds into US dollars at the spot rate on the date the U.S. Offered Note is disposed of (or on the settlement date, if the U.S. Offered Note is traded on an established securities exchange and the U.S. Holder is either a cash basis holder or an electing accrual basis holder), while a U.S. Holder's tax basis in a U.S. Offered Note will generally be the cost of the note to the U.S. Holder, determined by translating the Foreign Currency purchase price into US dollars at the spot rate on the date the U.S. Offered Note was purchased. A U.S. Holder will have a tax basis in Foreign Currency received on the sale, exchange, redemption or retirement of a U.S. Offered Note equal to the US dollar value of the Foreign Currency on the date of receipt.

Gain or loss recognised by a U.S. Holder on the sale, exchange or retirement will be treated as US source ordinary income or loss in an amount equal to the difference between (i) the US dollar value of the Foreign Currency principal amount of the U.S. Offered Note, determined on the date the U.S. Offered Note is disposed of or the payment on retirement is received, and (ii) the US dollar value of the Foreign Currency principal amount of the U.S. Offered Note determined on the date the U.S. Holder acquired the U.S. Offered Note. This exchange gain or loss on a sale, exchange, redemption or retirement of a U.S. Offered Note is recognised only to the extent of total gain or loss on the transaction. Gain or loss realised by a U.S. Holder in excess of this exchange gain or loss will generally be capital gain or loss.

Gain or loss in excess of exchange gain or loss on a U.S. Offered Note will generally be treated as US source capital gain or loss. Non-corporate taxpayers may be subject to favourable tax rates with respect to their net long-term capital gains.

U.S. Holders should consult their own tax advisors about how to account for payments that are not made in US dollars.

Tax Treatment of U.S. Offered Notes treated as Equity

If the applicable Final Terms or Drawdown Prospectus indicates the U.S. Offered Notes are treated as equity for US federal income tax purposes U.S. Holders will be taxed in the following manner.

Investment in a Passive Foreign Investment Company. Because of the nature of the income of the Issuer, the Issuer would constitute a passive foreign investment company – or **PFIC**. Accordingly, U.S. Holders of any class of U.S. Offered Notes treated as equity would be shareholders in a PFIC. Any gain on sale or other disposition of such notes as well as distributions that are treated as "excess distributions" (generally, any distributions received by the U.S. Holder on such U.S. Offered Notes in a taxable year that are greater than 125 per cent. of the average annual distributions received by the U.S. Holder in the three preceding taxable years or, if shorter, the U.S. Holder's holding period for such U.S. Offered Notes) would be subject to tax at ordinary income rates, both gain and payments received on such notes might be subject to additional tax and

an interest charge and a U.S. Holder would be subject to additional form filing requirements. A U.S. Holder may also be subject to tax earlier than would otherwise be the case.

This treatment may be mitigated by an investor treated as owning equity in a PFIC if that investor makes an effective qualified electing fund, or **QEF**, election. A U.S. Holder making a QEF election would generally be required to include its *pro rata* share of the Issuer's ordinary income and net capital gain in income for each taxable year using the relevant US Federal income tax accounting principles. In general, a QEF election would be required to be made on or before the due date for filing a U.S. Holder's federal income tax return for the first taxable year for which it holds a note. The QEF election is effective only if certain required information is made available by the Issuer to an investor. The Issuer will, upon request, provide the requesting investor with all information and documentation that an investor making a QEF election is required to obtain for US federal income tax purposes. Requesting investors should address their request for information in writing to the registered office of the Issuer set forth in this Base Prospectus. By making a request the investor agrees (and must confirm in any request) that it will secure, indemnify and reimburse the Issuer for all costs, expenses and fees incurred in or associated with the preparation, verification and provision of this information, which may be substantial. Requesting investors should ensure that any request is submitted with sufficient time for the Issuer and its advisors to prepare, verify and provide the information. Alternatively, this treatment may be avoided by an investor treated as owning equity in a PFIC if that investor makes an election to account for its investment using a mark-to-market method of tax accounting. However, the mark-to-market election will only be available to U.S. Holders during any period in which the relevant notes are traded on a qualifying exchange or market and certain other trading requirements are met. Should the QEF and mark-to-market elections not be made, such investors would be subject to the tax rules applicable to investors in PFICs described above.

Controlled Foreign Corporation Status. Should the U.S. Offered Notes be treated as equity, and depending on the degree of ownership of such U.S. Offered Notes by U.S. Holders, it is possible that the Issuer might be treated as a controlled foreign corporation (**CFC**) for US federal income tax purposes. In general, a foreign corporation will constitute a CFC if more than 50 per cent. of the shares of the corporation, measured by reference to combined voting power or value, are owned, directly or indirectly, by United States shareholders (as defined below). A **United States shareholder** for this purpose is any United States person that owns or is treated as owning under specified attribution rules, 10 per cent. or more of the combined voting power or value of all classes of shares of a foreign corporation. If more than 50 per cent. of the equity interests in the Issuer are held by such United States shareholders, the Issuer would be a CFC.

If the Issuer were treated as a CFC, a United States shareholder of the Issuer would be treated, subject to certain exceptions, as receiving a dividend at the end of the taxable year of the Issuer in an amount equal to that person's pro rata share of the Issuer's subpart F income and investments of the Issuer's earnings in U.S. property. Among other items, and subject to certain exceptions, "subpart F income" includes dividends, interest, annuities, gains from the sale of shares and securities, certain gains from commodities transactions, certain types of insurance income and income from certain transactions with related parties. It is likely that, if the Issuer were to constitute a CFC, substantially all of its income would be subpart F income. In addition, distributions of previously taxed amounts included as dividends by a United States shareholder generally will not be treated as income to the United States shareholder when distributed. Instead, special rules apply to determine the appropriate exchange rate to be used to translate such amounts treated as a dividend and the amount of any foreign currency gain or loss with respect to distributions of previously taxed amounts attributable to movements in exchange rates between the times of deemed and actual distributions and certain "dividends" from such CFC could be recharacterised as U.S. source income for U.S. foreign tax credit purposes. United States shareholders are also subject to additional U.S. tax form filing requirements.

If the Issuer were to constitute a CFC, for the period during which a U.S. Holder of U.S. Offered Notes is a United States shareholder of the Issuer, such holder generally would be taxable on the Issuer's subpart F income and investments of the Issuer's earnings in U.S. property under rules described in the preceding paragraph and not under the PFIC rules previously described. A U.S. Holder that is a United States

shareholder of the Issuer for only a portion of the time during which it holds such U.S. Offered Notes should consult its own tax advisor regarding the interaction of the PFIC and CFC rules.

Distributions. Except to the extent that distributions are attributable to amounts previously taxed by virtue of a QEF election or pursuant to the CFC rules, some or all of any distributions with respect to the U.S. Offered Notes that are treated as equity for US federal income tax purposes may constitute excess distributions, taxable as previously described. Distributions of current or accumulated earnings and profits of the Issuer, as determined for US federal income tax purposes, which are not excess distributions will be taxed as dividends when received.

Disposition or Retirement. In general, a U.S. Holder of a U.S. Offered Note that is treated as equity for US federal income tax purposes will recognise gain or loss upon the sale, exchange or retirement of such note equal to the difference between the amount realised and such holder's adjusted tax basis in such note. Initially, the tax basis of a U.S. Holder should equal the amount paid for such note. Such basis will be increased by amounts taxable to such U.S. Holder by virtue of a QEF election, a mark-to-market election or the CFC rules (if applicable), and decreased by actual distributions from the Issuer that are deemed to consist of such previously taxed amounts or are treated as a non-taxable return of capital. Unless a QEF election or mark-to-market is made, any gain realised on the sale, exchange or retirement of a U.S. Offered Note that is treated as equity for US federal income tax purposes will be treated as an excess distribution and taxed as ordinary income under the special tax rules described above (assuming that the PFIC rules apply and not the CFC rules).

Subject to a special limitation for individual U.S. Holders that have held the U.S. Offered Notes that are treated as equity for US federal income tax purposes for more than one year, if the Issuer were treated as a CFC and a U.S. Holder were treated as a United States shareholder thereof, any gain realised by such holder upon the sale, exchange or retirement of such notes would be treated as ordinary income to the extent of the U.S. Holder's pro rata share of current and accumulated earnings and profits of the Issuer and any of its subsidiaries. In this respect, earnings and profits would not include any amounts previously taxed pursuant to the CFC rules.

Foreign Currency Considerations. For purposes of calculating any deemed distribution of earnings of the Issuer under the CFC or PFIC rules, the amount of such earnings is determined in the functional currency of the Issuer, and translated into US dollars at the average exchange rate for the taxable year of the Issuer. Amounts which are included in the income of the U.S. Holder upon receipt are translated into US dollars at the spot rate on the date of receipt. U.S. Holders of U.S. Offered Notes treated as equity for US federal income tax purposes will recognise foreign currency gain or loss attributable to movements in exchange rates between the times of deemed and actual distributions by the Issuer, if any. Any such currency gain or loss will be treated as ordinary income from the same source as the associated income inclusion.

This discussion does not address all of the relevant considerations for an investment in U.S. Offered Notes that are treated as equity for US federal income tax purposes. U.S. Holders should consult their own tax advisors regarding the US federal income tax consequences of owning equity in a PFIC or CFC.

Disclosure of Reportable Transactions and Maintenance of Participants List

Under Treasury regulations, any person that files a US federal income tax return or US federal information return and participates in a "reportable transaction" in a taxable year is required to disclose certain information on IRS Form 8886 (or its successor form) attached to such person's US federal tax return for such taxable year (and also file a copy of such form with the IRS's Office of Tax Shelter Analysis) and to retain certain documents related to the transaction. In addition, under these regulations, under certain circumstances, certain organisers and sellers of a "reportable transaction" will be required to maintain lists of participants in the transaction containing identifying information, retain certain documents related to the transaction, and furnish those lists and documents to the IRS upon request. The definition of "reportable transaction" is highly technical. However, in very general terms, a transaction may be a "reportable

transaction" if, among other things, it is offered under conditions of confidentiality or it results in the claiming of a loss or losses for US federal income tax purposes in excess of certain threshold amounts.

In addition, under these Treasury regulations, if the Issuer participates in a "reportable transaction", a U.S. Holder of U.S. Offered Notes that are treated as equity for US federal income tax purposes that is a "reporting shareholder" of the Issuer will be treated as participating in the transaction and will be subject to the rules described above. Although most of the Issuer's activities generally are not expected to give rise to "reportable transactions", the Issuer nevertheless may participate in certain types of transactions that could be treated as "reportable transactions". A U.S. Holder of U.S. Offered Notes treated equity in the Issuer for US federal income tax purposes will be treated as a "reporting shareholder" of the Issuer if (i) such U.S. Holder owns 10 per cent. or more of the notes treated as equity in the Issuer and makes a QEF election with respect to the Issuer or (ii) the Issuer is treated as a CFC and such U.S. Holder is a "United States Shareholder" (as defined in the Code) of the Issuer.

Prospective investors in the notes should consult their own tax advisors concerning any possible disclosure obligations under these Treasury regulations with respect to their ownership or disposition of the U.S. Offered Notes in light of their particular circumstances.

Reporting Requirements

If any U.S. Holder were treated as owning an equity interest in the Issuer for US federal income tax purposes, it generally would be required file IRS Form 8621 for each tax year in which it held such an interest. In addition, if a U.S. Holder were treated as owning 5 per cent. or more of the equity in the Issuer, certain additional reporting requirements would be required.

Under Section 6038B of the Code – relating to reporting requirements incidental to the transfer of property, including cash, to a foreign corporation by US persons or entities – in general, a U.S. Holder, including a tax exempt entity, that purchased any U.S. Offered Notes treated as equity for US federal income tax purposes would be required to file an IRS Form 926 or similar form with the IRS if such U.S. Holder were treated as owning, directly or by attribution, immediately after the transfer at least 10 per cent. by vote or value of the Issuer, or the purchase, when aggregated with all purchases made by such U.S. Holder – or any related person thereto – within the preceding 12 month period, exceeded \$100,000. If a U.S. Holder fails to file any such required form, the U.S. Holder could be required to pay a penalty equal to 10 per cent. of the gross amount paid for the U.S. Offered Notes, subject to a maximum penalty of \$100,000, or more in cases involving intentional disregard.

U.S. Holders may have additional reporting requirements on the holding of certain foreign financial assets, including debt of foreign entities, if the aggregate value of all of these assets exceeds \$50,000 on the last day of the taxable year (or \$75,000 on any day during the taxable year). The U.S. Offered Notes are expected to constitute foreign financial assets subject to these requirements unless the notes are regularly traded on an established securities market and held in an account at a financial institution (in which case the account may be reportable if maintained by a foreign financial institution). Significant penalties can apply if a U.S. Holder is required to disclose its U.S. Offered Notes and fails to do so.

U.S. Holders should consult their tax advisors regarding the application of this legislation and any other reporting requirements they may have as a result of acquiring, holding or disposing of the notes.

Non-U.S. Holders

Subject to the discussion of backup withholding and FATCA, an investment in the U.S. Offered Notes by Non-U.S. Holders generally will not give rise to any US federal income tax to these Non-U.S. Holders, unless the income received on, or any gain recognised on the sale or other disposition of their U.S. Offered Notes is:

- (i) treated as effectively connected with the Non-U.S. Holder's conduct of a trade or business in the United States; or
- (ii) in the case of gain recognised by an individual, the individual is present in the United States for 183 days or more and certain conditions are met.

Non-U.S. Holders should consult their own tax advisors about the US federal income tax consequences of an investment in the U.S. Offered Notes.

Backup Withholding and Information Reporting

Payments of principal, interest and accrued OID on a note, as well as payments of proceeds from the sale, retirement or disposition of a note, may be subject to "backup withholding" tax under Section 3406 of the Code if a recipient of such payments fails to furnish to the payor certain identifying information. Any amounts deducted and withheld would be allowed as a credit against such recipient's US federal income tax and may entitle the U.S. Holder to a refund, provided appropriate and timely proof is provided under rules established by the IRS. Furthermore, certain penalties may be imposed by the IRS on a recipient of payments that is required to supply information but that does not do so in the proper manner. Backup withholding will not apply with respect to payments made to certain exempt recipients, such as corporations and financial institutions. Information may also be required to be provided to the IRS concerning payments, unless an exemption applies. Non-U.S. Holders may be required to comply with applicable certification procedures to establish that they are not U.S. Holders in order to avoid the application of such information reporting requirements and backup withholding. Holders of the U.S. Offered Notes should consult their tax advisors regarding their qualification for exemption from backup withholding and information reporting and the procedure for obtaining such an exemption.

U.S. FOREIGN ACCOUNT TAX COMPLIANCE ACT

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as **FATCA**, a "foreign financial institution" may be required to withhold on certain payments it makes (foreign passthru payments) to persons that fail to meet certain certification, reporting, or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including the United Kingdom) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the notes, such withholding would not apply prior the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the notes, no person will be required to pay additional amounts as a result of the withholding.

ERISA AND CERTAIN OTHER CONSIDERATIONS

The U.S. Employee Retirement Income Security Act of 1974, as amended (**ERISA**) imposes certain requirements on "employee benefit plans" (as defined in Section 3(3) of ERISA) subject to Title I of ERISA, including entities (such as collective investment funds and insurance company separate accounts) whose underlying assets include the assets of such plans (collectively, **ERISA Plans**) and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including (but not limited to) regulations relating to prohibited transactions.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan (as well as those plans that are not subject to ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts (together with ERISA Plans, **Plans**)) and certain persons (referred to as "parties in interest" under ERISA or "disqualified persons" under the Code) having certain relationships to such Plans, unless a statutory or administrative exemption is applicable to the transaction. A party in interest or disqualified person, including a Plan fiduciary, who engages in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code. It will be the responsibility of each ERISA Plan fiduciary to ensure that any purchase and holding of a note does not and will not constitute or result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Code.

The Issuer, the Trustee, the Transferor or the Managers or any other party to the transactions referred to in this Base Prospectus may be parties in interest or disqualified persons with respect to many Plans. Prohibited transactions within the meaning of Section 406 of ERISA or Section 4975 of the Code may arise if any of the notes is acquired or held by a Plan, including but not limited to where the Issuer, the Trustee, the Transferor or the Managers or any other party to such transactions is a party in interest or a disqualified person. Certain exemptions from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code may be applicable, however, depending in part on the type of Plan fiduciary making the decision to acquire any notes and the circumstances under which such decision is made. Included among these exemptions are Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code (relating to transactions between a person that is a party in interest (other than a fiduciary or an affiliate that has or exercises discretionary authority or control or renders investment advice with respect to assets involved in the transaction) solely by reason of providing services to the plan, provided that there is adequate consideration for the transaction), Prohibited Transaction Class Exemption (**PTCE**) 91-38 (relating to investments by bank collective investment funds), PTCE 84-14 (relating to transactions effected by a qualified professional asset manager), PTCE 95-60 (relating to transactions involving insurance company general accounts), PTCE 90-1 (relating to investments by insurance company pooled separate accounts) and PTCE 96-23 (relating to transactions determined by in-house asset managers). Prospective investors should consult with their advisors regarding the prohibited transaction rules and these exceptions. There can be no assurance that any of these exemptions or any other exemption will be available with respect to any particular transaction involving any notes.

ERISA and a regulation promulgated by the U.S. Department of Labor (29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA, the **Plan Asset Regulation**), describe what constitutes the assets of a Plan with respect to the Plan's investment in an entity for purposes of certain provisions of ERISA, including the fiduciary responsibility provisions of Title I of ERISA. Under the Plan Asset Regulation, if a Plan invests in an "equity interest" of an entity that is neither a "publicly offered security" nor a security issued by an investment company registered under the Investment Company Act of 1940, the Plan's assets are deemed to include both the equity interest and an undivided interest in each of the entity's underlying assets, unless it is established that the entity is an "operating company" or that equity participation in the entity by "benefit plan investors" is not "significant". The term "**Benefit Plan Investor**" is defined in the Plan Asset Regulation to include (i) an "employee benefit plan" (as defined in Section 3(3) of ERISA) that is subject to Part 4 of Subtitle B of Title I of ERISA, (ii) any "plan" (as defined in Section 4975(e)(1) of the Code) that is subject to

Section 4975 of the Code, or (iii) any entity whose underlying assets include "plan assets" by reason of such an employee benefit plan's or plan's investment in such entity.

Governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA), while not necessarily subject to the fiduciary responsibility provisions of Title I of ERISA or prohibited transaction provisions of Section 406 ERISA Section 4975 of the Code, may nevertheless be subject to other federal, state, non-U.S. or local laws or regulations that are substantially similar to the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code. Fiduciaries of any such plans should consult with their counsel before purchasing any of the notes.

For purposes of the Plan Asset Regulations, an equity interest includes any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and which has no substantial equity features.

If a class of notes were treated as equity interests for purposes of the Plan Asset Regulation, and if, by virtue of the acquisition or holding of such notes by Plans, the underlying assets of the entity were deemed to be Plan assets under the Plan Asset Regulation, then the obligations and other responsibilities of Plan sponsors, Plan fiduciaries, Plan administrators, and parties in interest and disqualified persons under Parts 1 and 4 of Subtitle B of Title I of ERISA and Section 4975 of the Code, as applicable, may be expanded, and there may be an increase in their exposure to liability under these and other provisions of ERISA and the Code (except to the extent (if any) that a favourable statutory or administrative exemption or exception applies). In addition, various providers of fiduciary or other services to the Issuer, and any other parties with authority or control with respect to the Issuer, could be deemed to be Plan fiduciaries or otherwise parties in interest or disqualified persons by virtue of their provision of such services.

It is expected that notes that will be treated as debt of the Issuer for US federal income tax purposes (**Debt Notes**) generally will not be equity interests for purposes of the Plan Asset Regulation. By its purchase or transfer of a class of Debt Notes (or interests therein), the purchaser and transferee thereof will be deemed to have represented and warranted that either (i) it is not, and is not acting on behalf of, and for so long as it holds such Debt Notes (or interests therein) will not be, and will not be acting on behalf of, a Benefit Plan Investor or a governmental, church, non-U.S. or other plan which is subject to any other federal, state, local or non-U.S. law or regulation that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code (**Similar Law**) and no part of the assets to be used by it to acquire or hold such Note or any interest therein constitutes the assets of any Benefit Plan Investor or such governmental, church, non-U.S. or other plan; or (ii) its acquisition, holding and subsequent disposition of such class of Debt Notes (or interests therein) does not and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or, in the case of any governmental, church, non-U.S. or other plan, a violation of any such Similar Law. . If the purchaser or transferee of any Debt Notes (or interests therein) is, or is acting on behalf of, a Benefit Plan Investor, it will also be deemed to represent, warrant and agree that (i) none of the Issuer, the Receivables Trustee, the Loan Note Issuer, the Transferor, the Arranger or any Dealer, or any of their respective affiliates, has provided any investment advice within the within the meaning of Section 3(21) of ERISA to the Benefit Plan Investor, or to any fiduciary or other person investing the assets of the Benefit Plan Investor (**Fiduciary**), and they are not otherwise undertaking to act as a fiduciary, as defined in Section 3(21) of ERISA or Section 4975(e)(3) of the Code, to the Benefit Plan Investor or the Fiduciary in connection with its acquisition of such notes, and (ii) the Fiduciary is exercising its own independent judgment in evaluating the investment in such notes.

Notes that will be treated as equity of the Issuer for U.S. federal income tax purposes (**Equity Notes**) are expected to constitute equity interests for purposes of the Plan Asset Regulation. Unless otherwise provided in the Drawdown Prospectus/Final Terms/Pricing Supplement, in order to attempt to prevent the assets of the relevant Issuer from being considered plan assets for purposes of ERISA and Section 4975 of the Code, no class of Equity Notes is intended for purchase or holding by Benefit Plan Investors. Each purchaser or transferee of a class of Equity Notes (or interests therein) will be deemed to have represented and agreed that

(i) it is not, and is not acting on behalf of, and for so long as it holds such Equity Notes (or interests therein) will not be, and will not be acting on behalf of, a Benefit Plan Investor, or a Controlling Person, and (ii) if it is a governmental, church, non-U.S. or other plan, (1) it is not, and for so long as it holds such Notes or interests therein will not be, subject to any federal, state, local or non-U.S. law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or interest therein) by virtue of its interest and thereby subject the Issuer or the Collateral Manager (or other persons responsible for the investment and operation of the Issuer's assets) to any Similar Law and (2) the acquisition, holding and subsequent disposition of such Equity Notes (or interests therein) does not and will not constitute or result in a violation of any such Similar Law.

THE PRECEDING DISCUSSION IS ONLY A SUMMARY OF CERTAIN OF THE ERISA AND OTHER IMPLICATIONS OF AN INVESTMENT IN THE NOTES AND DOES NOT PURPORT TO BE COMPLETE. MOREOVER, THE MATTERS DISCUSSED ABOVE MAY BE AFFECTED BY FUTURE REGULATIONS, RULINGS AND COURT DECISIONS, SOME OF WHICH MAY HAVE RETROACTIVE APPLICATION AND EFFECT. PROSPECTIVE INVESTORS SHOULD CONSULT WITH THEIR OWN LEGAL AND OTHER ADVISORS PRIOR TO INVESTING TO DETERMINE THE ERISA IMPLICATIONS OF SUCH INVESTMENTS IN LIGHT OF SUCH INVESTOR'S CIRCUMSTANCES.

THE SALE OF NOTES TO A PLAN IS IN NO RESPECT A REPRESENTATION BY THE DISTRIBUTOR, THE TRUSTEE, THE ISSUER OR THE SWAP COUNTERPARTY THAT THIS INVESTMENT MEETS ALL RELEVANT REQUIREMENTS WITH RESPECT TO INVESTMENTS BY PLANS GENERALLY OR ANY PARTICULAR PLAN OR THAT THIS INVESTMENT IS APPROPRIATE FOR PLANS GENERALLY OR ANY PARTICULAR PLAN.

PLAN OF DISTRIBUTION

On 24 April 2013, the Issuer entered into an amended and restated dealer agreement (the **Dealer Agreement**) with TPF and Citigroup in its capacity as the dealer (a **Dealer**, together with any other Dealer that may in the future become a party to the Dealer Agreement as provided therein, the **Dealers**) in connection with the distribution of notes to be issued under the Programme. The Dealer Agreement does not impose any obligation on the Dealers to purchase, or on the Issuer to issue, any notes, but provides the general terms and conditions under which the Issuer and one or more Dealers may agree to the issuance by the former and the purchase by the latter of one or more Note Series, in accordance with a subscription agreement based on a form set out in the Dealer Agreement or such other form as may be agreed between the Issuer and the relevant Dealer or Dealers.

In addition, because the provisions of the Dealer Agreement are not exclusive, the Issuer may offer and sell the notes in any of three ways:

- directly to one or more purchasers;
- through agents; or
- through Dealers.

Any Dealer or agent that offers the notes may be an affiliate of the Issuer and/or TPF, and offers and sales of notes may include secondary market transactions by these affiliates. These affiliates may act as principal or agent in secondary market transactions. Secondary market transactions will be made at prices related to prevailing market prices at the time of sale.

A Drawdown Prospectus/Final Terms/Pricing Supplement in relation to this Base Prospectus will specify the terms of each offering, including:

- the name or names of any Dealers or agents;
- the public offering or purchase price;
- the net proceeds to the Issuer from the sale;
- any underwriting discounts and other items constituting Dealers' compensation;
- any discounts and commissions allowed or paid to Dealers;
- any commissions allowed or paid to agents; and
- the securities exchanges, if any, on which the notes will be listed.

If any notes are sold through Dealers, the relevant Drawdown Prospectus/Final Terms/Pricing Supplement will describe the nature of the obligation of the Dealers to purchase the notes. The notes may be offered to the public either through syndicates represented by one or more Dealers or directly by one or more firms acting alone. The Dealer or Dealers for a particular offering of notes will be named in the Drawdown Prospectus relating to that offering and if a syndicate is used, the managing Dealer or Dealers will be set forth on the cover of the Drawdown Prospectus. Unless otherwise described in the Drawdown Prospectus, the obligation of the Dealers to purchase any notes will be subject to various conditions precedent.

The relevant Drawdown Prospectus/Final Terms/Pricing Supplement for any notes offered other than through Dealers will contain information regarding the nature of the offering and any agreements to be entered into between the Issuer and the participants in the distribution of the notes.

Dealer trading may take place in some of the notes, including notes not listed on any securities exchange. Direct sales may be made on a national securities exchange or otherwise. If the Issuer, directly or through agents, solicits offers to purchase notes, the Issuer reserves the sole right to accept and, together with its agents, to reject in whole or in part any proposed purchase of notes.

The Issuer may change any offering price and any discounts or concessions allowed or reallocated or paid to Dealers. If indicated in a Drawdown Prospectus/Final Terms/Pricing Supplement in relation to this Base Prospectus, the Issuer will authorise Dealers or agents to solicit offers by certain institutions to purchase securities from the Issuer pursuant to delayed delivery contracts providing for payment and delivery at a future date.

Dealers may sell any notes to subsequent purchasers in individually negotiated transactions at negotiated prices which may vary among different purchasers and which may be greater or less than the issue price of such notes.

Any Dealer or agent participating in the distribution of securities, including notes offered by this Base Prospectus, may be deemed to be an underwriter of those securities under the Securities Act and any discounts or commissions received by them and any profit realised by them on the sale or resale of the securities may be deemed to be underwriting discounts and commissions.

The Issuer may agree to indemnify Dealers, agents and their controlling Persons against certain civil liabilities, including liabilities under the Securities Act in connection with their participation in the distribution of the Issuer's Notes.

The Issuer anticipates that the notes will be sold only to institutional investors. Purchasers of notes, including Dealers, may, depending on the facts and circumstances of the purchases, be deemed to be "underwriters" within the meaning of the Securities Act in connection with re-offers and sales of the notes by them. Noteholders should consult with their legal advisors in this regard prior to any re-offer or sale.

Dealers and agents participating in the distribution of the securities, and their controlling persons, may engage in transactions with and perform services for the sponsor, the Issuer or their affiliates in the ordinary course of business.

TPF will be the originator, sponsor, Transferor Beneficiary and the lender under the Expenses Loan Agreement.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) *No deposit-taking*: in relation to any notes which have a maturity of less than one year:
 - (a) it is a Person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
 - (b) it has not offered or sold and will not offer or sell any notes other than to Persons:
 - (1) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses; or
 - (2) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

where the issue of the notes would otherwise constitute a contravention of section 19 of the FSMA by the Issuer;

- (ii) *Financial promotion*: it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (iii) *General compliance*: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any notes in, from or otherwise involving the United Kingdom.

United States of America

If any Rule 144A Notes are offered under the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, each of the Dealers will acknowledge that the notes have not been and will not be registered under the Securities Act or the state securities laws of any state of the United States or the securities laws of any other jurisdiction and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons, except in reliance on Rule 144A to Qualified Institutional Buyers. If any Rule 144A Notes are offered under the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, none of the notes other than the Rule 144A Notes may be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons.

If any Regulation S Notes are offered under the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, each of the Dealers will acknowledge, represent and agree that it will offer and sell the Regulation S Notes: (a) (i) as part of its distribution at any time and (ii) otherwise until 40 days after the later of the commencement of the offering and the Issue Date (the **Distribution Compliance Period**), only in accordance with Rule 903 of Regulation S or (in respect of Rule 144A Notes) pursuant to Rule 144A or another exemption from the registration requirements under the Securities Act; and (b) it will send to each Dealer or person receiving a selling concession, fee or other remuneration in respect of such Regulation S Notes that purchases Regulation S Notes from it in reliance on Regulation S a notice in substantially the following form:

"THE SECURITIES COVERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS, (A) AS PART OF THEIR DISTRIBUTION AT ANY TIME, OR (B) OTHERWISE, UNTIL 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING AND THE ISSUE DATE, EXCEPT IN EITHER CASE IN ACCORDANCE WITH REGULATION S. TERMS USED ABOVE HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S."

In addition, until the expiration of the Distribution Compliance Period, an offer or sale of the notes within United States by any Dealer (whether or not participating in such offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

Each Dealer will represent and undertake to the Issuer and the Transferor that it will offer and sell the notes within the United States or to, or for the account or benefit of, U.S. Persons, only to persons it reasonably believes to be QIBs who can represent that they are QIBs and will agree to notify future transferees of the related transfer restrictions on such notes. In connection with any Rule 144A Notes, offers and sales within the United States or to, or for the account or benefit of U.S. Persons, will be made by the Dealers through their affiliates which are registered broker-dealers under the Exchange Act or in accordance with Rule 15a-6 thereunder.

If any Regulation S Notes are offered under the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, each of the Dealers will acknowledge, represent and agree that neither it nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts (within the meaning of Regulation S) with respect to the Regulation S Notes, and it and they have complied and will comply with the offering restrictions requirement of Regulation S.

If any Rule 144A Notes or Regulation S Notes are offered under the relevant Drawdown Prospectus/Final Terms/Pricing Supplement, each of the Dealers will acknowledge, represent and agree that neither it nor any persons acting on its or their behalf have engaged or will engage in any form of general solicitation or general advertising (within the meaning of Rule 502(c) under the Securities Act) in connection with any offer or sale of such notes in the United States.

Due to the restrictions set forth above in the applicable Drawdown Prospectus/Final Terms/Pricing Supplement, purchasers of the notes in the United States are advised to consult legal counsel prior to making any offer for, resale, pledge or other transfer of the notes.

Each purchaser of notes offered hereby will be deemed to have represented and agreed that it has received a copy of this Base Prospectus and such other information as it deems necessary to make an investment decision. Purchasers are also deemed to have made the representations and agreements set out in the applicable Drawdown Prospectus/Final Terms/Pricing Supplement.

Prohibition of Sales to EEA Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms (or Pricing Supplement, as the case may be) in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or
 - (ii) a customer within the meaning of Directive 2016/97/EC (the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the **EU Prospectus Regulation**); and
- (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Consequently no key information document required by the EU PRIIPs Regulation for offering or selling the master issuer notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

Prohibition of Sales to UK Retail Investors

Each dealer has represented and agreed, and each further dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any notes which are the subject of the offering contemplated by this base

prospectus as completed by the final terms in relation thereto to any retail investor in the UK. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe for the notes.

Consequently no key information document required by the UK PRIIPs Regulation for offering or selling the master issuer notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

General

Persons into whose hands this Base Prospectus or any Drawdown Prospectus/Final Terms/Pricing Supplement comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver notes or have in their possession or distribute such offering material, in all cases at their own expense.

The Dealer Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the immediately preceding paragraph above.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification will be set out in the relevant Base Prospectus or Drawdown Prospectus/Final Terms/Pricing Supplement (in the case of a supplement or modification relevant only to a particular Note Series).

Purchase and Transfer Restrictions

Because of the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, sale, resale, pledge or transfer of the notes.

The notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**), or any state securities or "Blue Sky" laws or the securities laws of any other jurisdiction and, accordingly, may not be reoffered, resold, pledged or otherwise transferred except in accordance with the restrictions described below.

Without limiting the foregoing, by holding a note, each Noteholder will acknowledge and agree, among other things, that such Noteholder understands that neither of the Issuer nor the Securitised Portfolio is

registered as an investment company under the United States Investment Company Act of 1940, but that the Issuer and the Securitised Portfolio are exempt from registration as such.

Prospective Initial Investors in the notes

Each Offeree, by accepting delivery of the Final Terms or Drawdown Prospectus, as applicable and this Base Prospectus, will be deemed to have represented, acknowledged and agreed as follows:

- (i) The Offeree acknowledges that the Final Terms or Drawdown Prospectus, as applicable and this Base Prospectus are personal to the Offeree and do not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the notes other than pursuant to Rule 144A or another exemption from registration from the Securities Act, or in offshore transactions in accordance with Regulation S. Distribution of the Final Terms or Drawdown Prospectus, as applicable and this Base Prospectus or disclosure of any of their contents to any person other than the Offeree and those persons, if any, retained to advise the Offeree with respect thereto and other persons meeting the requirements of Rule 144A or Regulation S is unauthorised and any disclosure of any of their contents, without the prior written consent of the Issuer, is prohibited.
- (ii) The Offeree agrees to make no photocopies of the Final Terms or Drawdown Prospectus, as applicable and the Base Prospectus or any documents referred to herein and, if the Offeree does not purchase the notes or the offering is terminated, to return the Final Terms or Drawdown Prospectus, as applicable and this Base Prospectus and all documents referred to herein and therein to Lloyds Bank plc.
- (iii) The Offeree has carefully read and understands the Final Terms or Drawdown Prospectus, as applicable and the Base Prospectus, including, without limitation, the "Risk Factors" section herein and the "Risk Factors" section in the Base Prospectus, and has based its decision to purchase the notes upon the information contained herein and therein and on written information, if any, provided to it by the Issuer and the Dealer and not on any other information.

Notes

Legend

Unless determined otherwise by the Issuer in accordance with applicable law and so long as any class of Rule 144A Notes or Regulation S Notes is outstanding, the Rule 144A Notes and the Regulation S Notes will bear legends in, or substantially in, the form set forth under "Purchase and Transfer Restrictions".

Initial Investors and transferees of Interests in Rule 144A Global Note Certificates

Each initial investor in, and subsequent transferee of, an interest in a Rule 144A Global Note Certificate will be deemed to have represented and agreed as follows:

- (i) It (a) is a Qualified Institutional Buyer and is acquiring the notes in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder, (b) understands the notes will bear the legend set forth above and be represented by one or more Rule 144A Global Notes Certificates, (c) will provide notice of the transfer restrictions described herein to any subsequent transferee, (d) is aware, and each Beneficial Owner of the Rule 144A Notes has been advised, that the sale of the Rule 144A Notes to it is being made in reliance on Rule 144A and (e) acknowledges that neither the Issuer nor the Dealers (or any person representing them) has made any representation to it with respect to the Issuer or sale of the notes, other than the information contained in this Base Prospectus upon which it is relying in making its investment decision with respect to the notes, and understands and agrees that any information provided to it prior to delivery of this Base Prospectus is superseded by the information herein. In addition, it will be deemed to have represented and agreed that it will

hold and transfer in an amount of not less than, with respect to each class of notes, €100,000 (or the equivalent thereof in the specified currency) for it or for each account for which it is acting.

- (ii) It understands that (a) the notes have been offered only in a transaction not involving any public offering in the United States within the meaning of the Securities Act, (b) the notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and (c) if in the future it decides to offer, resell, pledge or otherwise transfer the notes, such notes may be offered, resold, pledged or otherwise transferred only in accordance with the provisions of the Note Trust Deed and the legend on such notes. It acknowledges that no representation is made as to the availability of any exemption under the Securities Act or any state securities laws for resale of the notes.
- (iii) In connection with the purchase of the notes: (a) the Issuer is not acting as a fiduciary or financial or investment advisor for it; (b) it is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuer or the Dealer (in its capacity as such) or any of their agents, other than any statements in a current prospectus for such notes and any representations expressly set forth in a written agreement with such party; (c) it has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisors to the extent it has deemed necessary and has made its own investment decisions based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Issuer or the Dealer; (d) its purchase of the notes will comply with all applicable laws in any jurisdiction in which it resides or is located; (e) it is acquiring the notes as principal solely for its own account for investment and not with a view to the resale, distribution or other disposition thereof in violation of the Securities Act; and (f) it is a sophisticated investor and is purchasing the notes with a full understanding of all of the terms, conditions and risks thereof and is capable of assuming and willing to assume those risks.
- (iv) If the applicable Drawdown Prospectus indicates that the U.S. Offered Notes will be treated as debt for US federal income tax purposes, either: (A) it is not, and is not acting on behalf of, and for so long as it holds a note or any interest therein will not be, and will not be acting on behalf of, (i) an "employee benefit plan" (as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended (**ERISA**)) that is subject to Part 4 of Subtitle B of Title I of ERISA, (ii) a "plan" as defined in and subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the **Code**), (iii) any entity whose underlying assets include "plan assets" by reason of any such employee benefit plan's or plan's investment in such entity (each of the foregoing, a **Benefit Plan Investor**), or (iv) a governmental, church, non-U.S. or other plan which is subject to any other federal, state, local or non-U.S. law or regulation that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code (**Similar Law**), and no part of the assets to be used by it to acquire or hold such Note or any interest therein constitutes the assets of any Benefit Plan Investor or such governmental, church, non-U.S. or other plan; or (ii) its acquisition, holding and subsequent disposition of such note (or interest therein) does not and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or, in the case of any such governmental, church, non-U.S. or other plan, a violation of any such Similar Law; and if it is, or is acting on behalf of, a Benefit Plan Investor that (i) none of the Issuer, the Receivables Trustee, the Loan Note Issuer, the Transferor, the Arranger or any Dealer, or any of their respective affiliates, has provided any investment advice within the within the meaning of Section 3(21) of ERISA to the Benefit Plan Investor, or to any fiduciary or other person investing the assets of the Benefit Plan Investor (**Fiduciary**), and they are not otherwise undertaking to act as a fiduciary, as defined in Section 3(21) of ERISA or Section 4975(e)(3) of the Code, to the Benefit Plan Investor or the Fiduciary in connection with its acquisition of such Note, and (ii) the Fiduciary is exercising its own independent judgment in evaluating the investment in such Note.

- (v) If the applicable Drawdown Prospectus indicates that the U.S. Offered Notes will be treated as equity for US federal income tax purposes, that (i) it is not, and is not acting on behalf of, and for so long as it holds a note or any interest therein will not be, and will not be acting on behalf of, (A) an "employee benefit plan" as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended (**ERISA**) that is subject to Part 4 of Subtitle B of Title I of ERISA, (B) a "plan" as defined in and subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the **Code**), (C) any entity whose underlying assets include "plan assets" by reason of any such employee benefit plan's or plan's investment in the entity, or (D) a Controlling Person and (ii) if it is a governmental, church, non-U.S. or other plan, (1) it is not, and for so long as it holds such Notes or interests therein will not be, subject to any federal, state, local or non-U.S. law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or interest therein) by virtue of its interest and thereby subject the Issuer or the Collateral Manager (or other persons responsible for the investment and operation of the Issuer's assets) to any federal, state, non-U.S. or local law or regulation that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code (**Similar Law**) and (2) the acquisition, holding and subsequent disposition of such note (or any interest therein) does not and will not constitute or result in a violation any such Similar Law.
- (vi) It understands that an investment in the notes involves certain risks, including the risk of loss of all or a substantial part of its investment under certain circumstances. It has had access to such financial and other information concerning the Issuer and the notes, as it deemed necessary or appropriate in order to make an informed investment decision with respect to its acquisition of the notes, including an opportunity to ask questions of and request information from the Issuer. It understands that the notes will be highly illiquid and are not suitable for short term trading. It understands that it is possible that due to the structure of the transaction and the performance of the Securitised Portfolio, payments on the notes may be deferred, reduced or eliminated entirely. The Issuer has assets limited to the Security (as defined in the STDCMA) for payment of the notes.
- (vii) It acknowledges that it is its intent and that it understands it is the Issuer's intent, that for purposes of US federal, state and local income taxes, the Issuer will be treated as a corporation and the notes will be treated as indebtedness of the Issuer; it agrees to such treatment, to report all income (or loss) in accordance with such treatment and to take no action inconsistent with such treatment, except as otherwise required by any taxing authority under applicable law.
- (viii) It is aware that, except as otherwise provided in the Note Trust Deed, the notes being sold to it will be represented by one or more Global Note Certificates, and that beneficial interests therein may be held only through Euroclear and Clearstream or DTC or one of their nominees, as applicable.
- (ix) It understands that the Issuer, the Note Trustee, the Dealer and their counsel and affiliates will rely on the accuracy and truth of the foregoing acknowledgements, agreements and representations, and it hereby consents to such reliance, and agrees that, if any of the acknowledgements, representations or agreements deemed to have been made by it by its purchase of Rule 144A Notes is no longer accurate, it shall promptly notify the Issuer and the relevant Dealers.

Initial Investors and transferees of Interests in Regulation S Global Note Certificates

Each initial investor in, and subsequent transferee of, an interest in a Regulation S Global Note Certificate will be deemed to have made the representations set forth in clauses (ii), (iii), (iv), (v), (vi), (vii), (viii) and (ix) above and will be deemed to have further represented and agreed as follows:

- (i) It is aware that the sale of notes to it is being made in reliance on the exemption from registration provided by Regulation S and understands that the notes offered in reliance on Regulation S will bear the legend set forth above and be represented by or one or more Regulation S Global Note Certificate. The notes so represented may not at any time be held by or on behalf of US Persons as defined in Regulation S. It and each beneficial owner of the notes that it holds is not, and will not be, a US Person (as defined in Regulation S) and is located outside the United States (within the meaning of Regulation S) and its purchase of the notes will comply with all applicable laws in any jurisdiction in which it resides or is located.
- (ii) If it is not a "United States person" as defined in Section 7701(a)(30) of the Code, it is not acquiring any Note as part of a plan to reduce, avoid or evade US federal income taxes owed, owing or potentially owed or owing.
- (iii) It understands that the Note Trust Deed permits the Issuer to demand that any beneficial owner of Regulation S Global Notes who is determined to be a U.S. Person to sell all its right, title and interest in such Regulation S Global Note Certificate (a) to a person who is not a U.S. Person in a transaction meeting the requirements of Regulation S or (b) to a person who will take delivery of the holder's Regulation S Global Notes in the form of an interest in a Rule 144A Global Note Certificate, who is a Qualified Institutional Buyer in a transaction meeting the requirements of Rule 144A or another exemption from registration under the Securities Act and, if it does not comply with such demand within thirty (30) days thereof, the Issuer may sell its interest in the Note.

Settlement

All payments in respect of the Sterling notes shall be made in Sterling in same-day funds. All payments in respect of the Euro notes shall be made in Euros in same-day funds. All payments in respect of the Dollar notes shall be made in dollars in same-day funds.

Because of the foregoing restrictions, prospective purchasers of notes are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of such Notes.

AUDITORS

Deloitte LLP is registered to carry on audit work in the UK and Ireland by the Institute of Chartered Accountants in England and Wales.

GENERAL INFORMATION

1. The Issuer has made an application to (i) the FCA to admit the notes to the Official List and (ii) the London Stock Exchange to admit the notes to trading on the main market of the London Stock Exchange. The listing of such notes on the Official List will be expressed as a percentage of their principal amount (exclusive of accrued interest). Each such class of each Note Series intended to be admitted to listing on the Official List of the FCA and admitted to trading on the main market of the London Stock Exchange will be so admitted to listing and trading upon submission, respectively, to the FCA and the main market of the London Stock Exchange of this Base Prospectus and any other information required by the FCA and the main market of the London Stock Exchange, subject in each case to the issue of the relevant notes. Prior to official listing, dealings will be permitted by the main market of the London Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the third working day in London after the day of the transaction.
2. However, notes may be issued pursuant to the Programme which will not be admitted to listing, trading and/or quotation by the FCA or the main market of the London Stock Exchange or any other listing authority, stock exchange and/or quotation system or which will be admitted to listing, trading and/or quotation by such listing authority, stock exchange and/or quotation system as the Issuer and the relevant Dealer(s) may agree. The class D VFN notes will be issued pursuant to a Pricing Supplement and will not be listed or admitted to trading on any regulated market, stock exchange and/or quotation system.
3. The establishment of the Programme was authorised by board meeting of the Issuer passed on 24 October 2008. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the notes.
4. Application has been made for the notes (except the class D VFN notes) to be accepted for clearance through Euroclear, Clearstream and DTC. The appropriate common code and the International Securities Identification Number (**ISIN/CUSIP**), Financial Instrument Short Name (**FISN**) and Classification of Financial Instruments (**CFI**) code (as applicable) in relation to the notes of each Note Series will be specified in the Drawdown Prospectus/Final Terms/Pricing Supplement relating thereto. The relevant Drawdown Prospectus/Final Terms/Pricing Supplement shall specify any other clearing system which shall have accepted the relevant notes for clearance together with any further appropriate information. The class D VFN notes will not be cleared through any clearing system.
5. There has been no material adverse change in the Receivables Trustee's financial position or prospects since the date of its last audited accounts on 31 December 2021. There has been no significant change in the financial performance or financial position of the Receivables Trustee since the date of its last audited accounts on 31 December 2021.
6. There is no intention to accumulate surpluses in the Issuer, Funding 1 or the Receivables Trustee.
7. The information set out in the sections entitled "*Tesco Personal Finance PLC's Credit Card Portfolio*" and "*The Receivables — Summary of Securitised Portfolio*" has been compiled by reference to information provided by Tesco Personal Finance PLC.
8. If prospective investors are in any doubt about the contents of this Base Prospectus they should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser.
9. The Issuer confirms that the securitised assets backing the issue of the relevant Note Series, namely the distributions from Funding 1 to the Issuer in respect of a corresponding notional tranche of a loan note issued by Funding 1 and ultimately the interest and principal collections in respect of the Receivables, have characteristics that demonstrate capacity to produce funds to service any

payments due and payable on the relevant Note Series. However, investors are advised that this confirmation is based on the information available to the Issuer at the date of the Base Prospectus and the relevant Final Terms/Drawdown Prospectus and may be affected by the future performance of such securitised assets. Consequently, investors are advised to review carefully the disclosure in the Base Prospectus together with any amendments or supplements thereto and other documents incorporated by reference in the Base Prospectus and, in relation to any Note Series, the relevant Final Terms/Drawdown Prospectus.

Documents available for inspection

10. From the date of this Base Prospectus and for as long as any series and class of notes issued by the Issuer are listed on the Official List of the FCA and admitted to trading on the main market of the London Stock Exchange, copies of the following documents in physical form may be inspected during normal business hours at the Specified Office of the Principal Paying Agent and from the registered office of the Issuer, namely:
- (a) the memorandum and articles of association of the Issuer;
 - (b) the memorandum and articles of association of Funding 1;
 - (c) the memorandum and articles of association of the Receivables Trustee;
 - (d) the current Base Prospectus in relation to the Programme;
 - (e) the Paying Agency Agreement;
 - (f) any Drawdown Prospectus/Final Terms/Pricing Supplement relating to notes which are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system. (In the case of any notes which are not admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, copies of the relevant Drawdown Prospectus/Final Terms/Pricing Supplement will only be available for inspection by the relevant Noteholders.);
 - (g) Master Framework Agreement;
 - (h) RSD including amendments thereto;
 - (i) RTDSA including amendments thereto;
 - (j) each Supplement to the RTDSA;
 - (k) Trust section 75 indemnity;
 - (l) Expenses Loan Agreement;
 - (m) STDCMA;
 - (n) Note Trust Deed;
 - (o) each Note Trust Deed Supplement;
 - (p) the Call Option Agreements;
 - (q) Issuer Master Framework Agreement;

- (r) each Loan Note Supplement;
- (s) Issuer Corporate Administration Agreement;
- (t) the various bank agreements of the Receivables Trustee, Funding 1 and the Issuer; and
- (u) the audited annual financial statements of the Issuer and, (following the end of the financial year after the date which is 2 years from the date of its incorporation) Funding 1, for the previous 2 years,

with the documents listed at items (e) to (t) above collectively being referred to as the **Transaction Documents**.

The documents listed at items (a) to (u) above will be made available in electronic form on <https://editor.eurodw.co.uk/esma/viewdeal?edcode=CREMUK000535100120131> or such other website which conforms with the requirements set out in Article 7(2) of the UK Securitisation Regulation (the **Reporting Website**).

Further information available to Noteholders pursuant to the UK Securitisation Regulation

11. The Reporting Entity will procure that the Servicer will pursuant to the terms of the RTDSA publish:

- (a) an investor report on each Interest Payment Date or shortly thereafter (and at the latest one month after the relevant Interest Payment Date) as required by and in accordance with Article 7(1)(e) of the UK Securitisation Regulation; and
- (b) certain loan-by-loan information in relation to the Securitised Portfolio as required by and in accordance with Article 7(1)(a) of the UK Securitisation Regulation (at the latest one month after the relevant Interest Payment Date and simultaneously with the investor report provided pursuant to paragraph (a) above),

in each case subject to any requirement of law applicable to the Transferor or Servicer and in accordance with any applicable guidance in relation to it that is then current and issued by the Financial Conduct Authority, and provided that neither the Transferor nor the Servicer will be in breach of such undertaking if it fails to so comply due to events, actions or circumstances beyond its control, provided further that the Transferor and Servicer would only be required to do so to the extent that such disclosure requirements or guidance remain in effect and apply to the Programme. The Servicer shall procure that such information is published on the European DataWarehouse website at <https://editor.eurodw.co.uk/esma/viewdeal?edcode=CREMUK000535100120131> or as otherwise required by the UK Securitisation Regulation. For the avoidance of doubt, this website and the contents thereof do not form part of this Base Prospectus .

12. The Servicer will also procure:

- (a) the publication of any information required to be reported pursuant to Articles 7(1)(f) or 7(1)(g) (as applicable) of the UK Securitisation Regulation without delay; and
- (b) that copies of the documents required pursuant to the UK Securitisation Regulation (including the documents required under Articles 7(1)(a) and 7(1)(b) of the UK Securitisation Regulation) are made available (in draft form, if applicable) prior to the pricing of any Note Series issued after 1 January 2019 (and in final form, if applicable, at the latest 15 days after the closing of any Note Series); and
- (c) that each UK STS notification is made available prior to the pricing of any such Note Series in accordance with Article 7(1)(d) of the UK Securitisation Regulation,

in each case on the European DataWarehouse website at <https://editor.eurodw.co.uk/esma/viewdeal?edcode=CREMUK000535100120131> or as otherwise required by the UK Securitisation Regulation and subject to the proviso described in the preceding paragraph above.

13. In relation to UK STS securitisations, the Transferor will procure that:
 - (a) the information required by Article 7(1)(a) of the UK Securitisation Regulation is available to potential investors before pricing, upon request;
 - (b) final versions of the documentation required pursuant to Article 7(1)(b) of the UK Securitisation Regulation will be made available on the Reporting Website within 15 days of the relevant Issue Date;
 - (c) the information required pursuant to Articles 7(1)(a) and (e) of the UK Securitisation Regulation will be made available on the Reporting Website on an ongoing basis simultaneously and at least in the frequency and by the dates specified in the UK Securitisation Regulation.
14. The Monthly Servicer's Report will be made available (i) in electronic form on the following websites: <https://bank.tescopl.com/financial-information/debt-investors/securitisation/> and/or the European DataWarehouse website at <https://editor.eurodw.co.uk/esma/viewdeal?edcode=CREMUK000535100120131> and (ii) for inspection during normal business hours and upon reasonable notice at the registered office of the Issuer or such other location as the Issuer may notify to Noteholders from time to time. Each Monthly Servicer's Report will contain a glossary of the defined terms used in such report.
15. Detailed statistics on the underlying credit card accounts comprising the Securitised Portfolio will be made available to investors in the Final Terms.

Legal Entity Identifiers

16. The Legal Entity Identifier (LEI) code of the Issuer is 635400IAJKM25WRCSE95.
17. The Legal Entity Identifier (LEI) code of Funding 1 is 635400LNAKSMOMCAUC61.
18. The Legal Entity Identifier (LEI) code of TPF is 213800J17G8WI3MJ5660.

For the avoidance of doubt, any websites mentioned above do not form part of this Base Prospectus.

APPENDIX A

The form of Drawdown Prospectus contained in this Appendix A is included for illustrative purposes only and is subject to material amendment as agreed between the issuer and the relevant dealer(s).

For the avoidance of doubt, investors should note that the inclusion of this form of Drawdown Prospectus does not constitute the FCA's approval of this 'form' of Drawdown Prospectus as meeting the standards of the UK Prospectus Regulation. The Drawdown Prospectus in respect of a particular note series will be subject to separate review and approval by the FCA.

FORM OF DRAWDOWN PROSPECTUS

IMPORTANT NOTICE

[NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES [EXCEPT TO "QUALIFIED INSTITUTIONAL BUYERS" (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED)]³.]

YOU MUST READ THE FOLLOWING BEFORE CONTINUING. THE FOLLOWING APPLIES TO THE DRAWDOWN PROSPECTUS (THE DRAWDOWN PROSPECTUS) FOLLOWING THIS PAGE, AND YOU ARE THEREFORE ADVISED TO READ THIS CAREFULLY BEFORE READING, ACCESSING OR MAKING ANY OTHER USE OF THE DRAWDOWN PROSPECTUS. IN ACCESSING THE DRAWDOWN PROSPECTUS, YOU AGREE TO BE BOUND BY THE FOLLOWING TERMS AND CONDITIONS, INCLUDING ANY MODIFICATIONS TO THEM ANY TIME YOU RECEIVE ANY INFORMATION FROM US AS A RESULT OF SUCH ACCESS.

[NOTHING IN THIS DOCUMENT CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SECURITIES OF DELAMARE CARDS MTN ISSUER PLC IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE FOLLOWING DOCUMENT MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**), OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND THE NOTES MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR THE BENEFIT OF, U.S. PERSONS (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ALL APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE SECURITIES MAY BE OFFERED ONLY (A) TO, OR FOR THE ACCOUNT OR BENEFIT OF, PERSONS THAT ARE "QUALIFIED INSTITUTIONAL BUYERS" WITHIN THE MEANING OF RULE 144A (AS DEFINED BELOW) (**QUALIFIED INSTITUTIONAL BUYERS OR QIBs**) IN RELIANCE UPON RULE 144A UNDER THE SECURITIES ACT (**RULE 144A**) PURCHASING FOR THEIR OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A OR (B) IN OFFSHORE TRANSACTIONS TO NON-U.S. PERSONS IN RELIANCE UPON REGULATION S UNDER THE SECURITIES ACT (**REGULATION S**). THE SECURITIES ARE NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN UNDER "*PURCHASE AND TRANSFER RESTRICTIONS*".]

³Include for 144A issuance.

[The Drawdown Prospectus has been delivered to you on the basis that you are a person into whose possession the Drawdown Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located. By accessing the Drawdown Prospectus, you shall be deemed to have confirmed and represented to us that (a) you have understood and agree to the terms set out herein, (b) you consent to delivery of the Drawdown Prospectus by electronic transmission, (c) you are [either (i)] not a U.S. Person (within the meaning of Regulation S under the Securities Act) and not acting for the account or benefit of a U.S. Person and the electronic mail address that you have given to us and to which this e-mail has been delivered is not located within the United States within the meaning of Regulation S under the Securities Act [or (ii) a qualified institutional buyer (as defined in Rule 144A under the Securities Act)]⁴ and (d) if you are a person in the United Kingdom, then you are a person who (i) has professional experience in matters relating to investments or (ii) is a high net worth entity falling within Article 49(2)(a) to (d) of the Financial Services and Markets Act (Financial Promotion) Order 2005 or a certified high net worth individual within Article 48 of the Financial Services and Markets Act (Financial Promotion) Order 2005.]

[The Drawdown Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither Delamare Cards MTN Issuer plc (the **Issuer**) nor Tesco Personal Finance plc (**TPF**) nor any Dealer nor any person who controls, nor any director, officer, employee or agent of the Issuer, TPF, or any Dealer nor any affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Drawdown Prospectus distributed to you in electronic format and the hard copy version available to you on request from the Issuer, TPF, or any Dealer.]

[THE FOLLOWING DOCUMENT AND ITS CONTENTS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS [OTHER THAN AS PROVIDED BELOW]. THIS DOCUMENT MAY ONLY BE DISTRIBUTED IN "OFFSHORE TRANSACTIONS" AS DEFINED IN, AND AS PERMITTED BY, REGULATION S UNDER THE SECURITIES ACT[, OR WITHIN THE UNITED STATES TO QUALIFIED INSTITUTIONAL BUYERS (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT (**RULE 144A**)].⁵ ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.]

[PROHIBITION OF SALES TO UK RETAIL INVESTORS

THE NOTES ARE NOT INTENDED TO, AND SHOULD NOT, BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE UNITED KINGDOM. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) NO. 2017/565 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (**EUWA**); (II) A CUSTOMER WITHIN THE MEANING OF THE PROVISIONS OF THE FSMA AND ANY RULES OR REGULATIONS MADE UNDER THE FSMA TO IMPLEMENT DIRECTIVE (EU) 2016/97, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO. 600/2014 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA. CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO. 1286/2014 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA (THE **UK PRIIPS REGULATION**) FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE UNITED KINGDOM HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY

⁴Include for 144A issuance.

⁵ Include for 144A issuance.

RETAIL INVESTOR IN THE UNITED KINGDOM MAY BE UNLAWFUL UNDER THE UK PRIIPS REGULATION.]

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS

THE NOTES ARE NOT INTENDED TO, AND SHOULD NOT, BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA (THE **EEA**). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU (**MIFID II**) OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2016/97/EC (THE **INSURANCE DISTRIBUTION DIRECTIVE**), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II. CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (AS AMENDED, THE **PRIIPS REGULATION**) FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.]

[UK MiFIR product governance / Professional investors and ECPs only target market

Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the [●] notes has led to the conclusion that: (i) the target market for the [●] notes is eligible counterparties only, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**UK MiFIR**); and (ii) all channels for distribution of the [●] notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the [●] notes (a **UK Distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a UK Distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the [●] notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[MIFID II product governance / Professional investors and ECPs only target market

Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the [●] notes has led to the conclusion that: (i) the target market for the [●] notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MIFID II**); and (ii) all channels for distribution of the [●] notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the [●] notes (an **EEA Distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, an EEA Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the [●] notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

DRAWDOWN PROSPECTUS DATED [DATE]

(relating to the Base Prospectus dated [●])

Delamare Cards MTN Issuer plc

(incorporated in England and Wales with limited liability under registered number 6652499)

(the **Issuer**)

Issuer legal entity identifier (LEI): 635400IAJKM25WRCSE95

Tesco Personal Finance PLC

As Sponsor, Transferor, Transferor Beneficiary, Cash Manager and Servicer
(TPF)

TPF legal entity identifier (LEI): 213800J17G8WI3MJ5660

Securitisation transaction unique identifier: 213800J17G8WI3MJ5660N200801

Issue of [£/€//\$][•] Series [•] [title of notes] under
the Delamare Cards Medium Term Note Programme
(ultimately backed by trust property in the Delamare Cards Receivables Trust)

Series	Class	Principal Amount	Interest Rate	Interest Payment Dates	Scheduled Redemption Date	Final Redemption Date	Issue Price	Underwriting Discount	Proceeds to Sponsor
[•]	[•]	[\$][€][£] [•],000,000	[•]% per annum plus [•] rate of relevant Interest Period	[•]	[•], 20[•]	[•], 20[•]	[\$][€][£] [•],000,000 (or [•]%)	[\$][€][£] [•],000,000 (or [•]%)	[\$][€][£] [•],000,000 (or [•]%)
[•]	[•]	[\$][€][£] [•],000,000	[•]% per annum plus [•] rate of relevant Interest Period	[•]	[•], 20[•]	[•], 20[•]	[\$][€][£] [•],000,000 (or [•]%)	[\$][€][£] [•],000,000 (or [•]%)	[\$][€][£] [•],000,000 (or [•]%)
[•]	[•]	[\$][€][£] [•],000,000	[•]% per annum plus [•] rate of relevant Interest Period	[•]	[•], 20[•]	[•], 20[•]	[\$][€][£] [•],000,000 (or [•]%)	[\$][€][£] [•],000,000 (or [•]%)	[\$][€][£] [•],000,000 (or [•]%)
[•]	[•]	[\$][€][£] [•],000,000	[•]% per annum plus [•] rate of relevant Interest Period	[•]	[•], 20[•]	[•], 20[•]	[\$][€][£] [•],000,000 (or [•]%)	[\$][€][£] [•],000,000 (or [•]%)	[\$][€][£] [•],000,000 (or [•]%)
[•]	[•]	[\$][€][£] [•],000,000	[•]% per annum plus [•] rate of relevant Interest Period	[•]	[•], 20[•]	[•], 20[•]	[\$][€][£] [•],000,000 (or [•]%)	[\$][€][£] [•],000,000 (or [•]%)	[\$][€][£] [•],000,000 (or [•]%)
[•]	[•]	[\$][€][£] [•],000,000	[•]% per annum plus [•] rate of relevant Interest Period	[•]	[•], 20[•]	[•], 20[•]	[\$][€][£] [•],000,000 (or [•]%)	[\$][€][£] [•],000,000 (or [•]%)	[\$][€][£] [•],000,000 (or [•]%)
[•]	[•]	[\$][€][£] [•],000,000	[•]% per annum plus [•] rate of relevant Interest Period	[•]	[•], 20[•]	[•], 20[•]	[\$][€][£] [•],000,000 (or [•]%)	[\$][€][£] [•],000,000 (or [•]%)	[\$][€][£] [•],000,000 (or [•]%)
[•]	[•]	[\$][€][£] [•],000,000	[•]% per annum plus [•] rate of relevant Interest Period	[•]	[•], 20[•]	[•], 20[•]	[\$][€][£] [•],000,000 (or [•]%)	[\$][€][£] [•],000,000 (or [•]%)	[\$][€][£] [•],000,000 (or [•]%)

Payments on the class B notes are subordinated to payments on the class A notes. Payments on the class C notes are subordinated to payments on the class A and class B notes. Payments on the class D notes are subordinated to payments on the class A notes, class B notes and class C notes.

Neither the United States Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Notes or determined if this Drawdown Prospectus is truthful or complete. Any representation to the contrary is a criminal offence.

The Issuer has not registered and does not intend to register as an investment company under the United States Investment Company Act of 1940, as amended (the "Investment Company Act").

[THIS DRAWDOWN PROSPECTUS HAS BEEN APPROVED BY THE FINANCIAL CONDUCT AUTHORITY (THE FCA), AS THE UK COMPETENT AUTHORITY UNDER REGULATION (EU) 2017/1129 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 AS AMENDED, VARIED, SUPERCEDED OR SUBSTITUTED FROM TIME TO TIME (THE EUWA) (THE UK PROSPECTUS REGULATION). THE FCA ONLY APPROVES THIS DRAWDOWN PROSPECTUS AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY IMPOSED BY THE UK PROSPECTUS REGULATION. APPROVAL BY THE FCA SHOULD NOT BE CONSIDERED AS AN ENDORSEMENT OF THE ISSUER OR OF THE QUALITY OF THE NOTES THAT ARE THE SUBJECT OF THIS DRAWDOWN PROSPECTUS. INVESTORS SHOULD MAKE THEIR OWN ASSESSMENT AS TO THE SUITABILITY OF INVESTING IN THE NOTES. IN ADDITION, SUCH APPROVAL RELATES ONLY TO THE NOTES WHICH ARE TO BE ADMITTED TO TRADING ON ON THE LONDON STOCK EXCHANGE'S MAIN MARKET. APPLICATION HAS BEEN MADE TO THE FCA FOR THE NOTES TO BE ADMITTED TO LISTING ON THE OFFICIAL LIST OF THE FCA (THE OFFICIAL LIST) AND APPLICATION HAS BEEN TO THE LONDON STOCK EXCHANGE PLC (THE LONDON STOCK EXCHANGE) FOR THE NOTES TO BE ADMITTED TO TRADING ON THE LONDON STOCK EXCHANGE'S MAIN MARKET. THE MAIN MARKET OF THE LONDON STOCK EXCHANGE IS A REGULATED MARKET IN THE UK FOR THE PURPOSES OF REGULATION (EU) NO. 600/2014 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (UK MIFIR).]⁶

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

[The information relating to Tesco Personal Finance PLC (as to which see "*Tesco Personal Finance PLC*", "*Tesco Personal Finance PLC's Credit Card Portfolio*" and the statements relating to risk retention and due diligence requirements) has been accurately reproduced from information provided by Tesco Personal Finance PLC. So far as the Issuer is aware and/or is able to ascertain from information provided by Tesco Personal Finance PLC, no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Please review and carefully consider the Risk Factors beginning on page [●] of the Base Prospectus and the Risk Factors on page [●] of this Drawdown Prospectus before purchasing any Notes.

Prospective investors should read this Drawdown Prospectus and the Base Prospectus carefully before making an investment. A note is not a deposit and neither the Notes nor the underlying Receivables are insured or guaranteed by TPF or by any United Kingdom or United States governmental agency. The Notes offered in this Drawdown Prospectus and the Base Prospectus will be obligations of the Issuer only. The

⁶ For the avoidance of doubt, investors should note that the inclusion of this placeholder does not constitute the FCA's approval of this 'form' of Drawdown Prospectus as meeting the standards of the UK Prospectus Regulation. The Drawdown Prospectus in respect of a particular note series will be subject to separate review and approval by the FCA.

Issuer will only have a limited pool of assets to satisfy its obligations under the Notes. The Notes will not be obligations of TPF or any of its affiliates.

If issued under this Drawdown Prospectus, Regulation S Notes (as defined herein) of each class will be represented on issue by beneficial interests in one or more permanent global note certificates (each a **Regulation S Global Note Certificate**), in fully registered form, without interest coupons attached, which will be registered in the name of a nominee for and deposited with a Common Depositary (or, with respect to Notes held pursuant to the New Safekeeping Structure for global notes which are intended to constitute eligible collateral for Eurosystem monetary policy operations (the **NSS**), a common safekeeper (the **Common Safekeeper**)) for Euroclear Bank S.A./N.V. (**Euroclear**) and Clearstream Banking, *société anonyme* (**Clearstream**) (or, with respect to Notes in NSS form in the name of a nominee of a Common Safekeeper for Euroclear and Clearstream, Luxembourg). If issued under this Drawdown Prospectus, Rule 144A Notes (as defined herein) of each class will be represented on issue by beneficial interests in one or more permanent global note certificates (each a **Rule 144A Global Note Certificate**), in fully registered form, without interest coupons attached, which will be deposited with The Bank of New York Mellon, as custodian (**DTC Custodian**) for, and registered in the name of, Cede as nominee of, The Depository Trust Company (**DTC**). Ownership interests in the Regulation S Global Note Certificates and in the Rule 144A Global Note Certificates (together, the **Global Note Certificates**) will be shown on, and transfers thereof will only be effected through, records maintained by Euroclear, Clearstream and DTC (as relevant), and their respective participants. Notes in definitive certificated, fully registered form will be issued only in the limited circumstances described herein. In each case, purchasers and transferees of Notes will be deemed to have made certain representations and agreements. See "*Forms of the Notes*" and "*Plan of Distribution*" in the Base Prospectus.

Arranger

[●]

Lead Manager

[●]

Dealer(s)

IMPORTANT NOTICES

In the event that any withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatever nature is imposed, levied, collected, withheld or assessed on payments of principal or interest in respect of the Notes or the coupons by the United Kingdom, or any other jurisdiction or any political subdivision or any authority in or of such jurisdiction having power to tax, the Issuer or the Paying Agents on behalf of the Issuer shall make such payments after such withholding or deduction and neither the Issuer nor the Paying Agents will be required to make any additional payments to Noteholders in respect of such withholding or deduction.

Payments will be subject in all cases to any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement).

This document constitutes a prospectus for the purposes of the UK Prospectus Regulation and is supplemental to and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Drawdown Prospectus and the Base Prospectus. The Base Prospectus is available for viewing at the specified offices of the Principal Paying Agent and copies may be obtained from the specified offices of the Principal Paying Agent.

The Issuer has confirmed to the Dealers named under "*Plan of Distribution*" below that this Drawdown Prospectus, when read in conjunction with the Base Prospectus, contains all information which is (in the context of the Programme, the issue, offering and sale of the Notes) material; that such information is true and accurate in all material respects and is not misleading in any material respect; that any opinions, predictions or intentions expressed in this Drawdown Prospectus are honestly held or made and are not misleading in any material respect; that this Drawdown Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in the context of the Programme, the issue and offering and sale of the Notes) not misleading in any material respect; and that all proper enquiries have been made to verify the foregoing.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Drawdown Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or by any Dealer.

No representation or warranty is made or implied by the Transferor, the Dealers, the Note Trustee or any Paying Agent or any of their respective affiliates, and neither the Dealers nor any of their respective affiliates makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Drawdown Prospectus. Neither the delivery of this Drawdown Prospectus nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Drawdown Prospectus is true subsequent to the date hereof or the date upon which any future Drawdown Prospectus (in relation to any future issue of other notes) is produced or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer since the date thereof or, if later, the date upon which any future Drawdown Prospectus (in relation to any future issue of other notes) is produced or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. No request has been made for a certificate permitting public offers of the Notes in other member states of the European Union.

The distribution of this Drawdown Prospectus and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons in possession of the Drawdown Prospectus are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Drawdown Prospectus and other offering material relating to the Notes, see "*Plan of Distribution*" in the Base Prospectus.

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

The information about these Series 20[•]-[•] Notes appears in two separate documents: a Base Prospectus and this Drawdown Prospectus. The Base Prospectus provides general information about each Note Series issued under the Programme, some of which may not apply to the Series 20[•]-[•] Notes described in this Drawdown Prospectus. With respect to the Series 20[•]-[•] Notes, this Drawdown Prospectus is the "relevant Drawdown Prospectus" or the "applicable Drawdown Prospectus" referred to in the Base Prospectus.

This Drawdown Prospectus may be used to offer and sell the Series 20[•]-[•] Notes only if accompanied by the Base Prospectus.

This Drawdown Prospectus may supplement the disclosure in the Base Prospectus. If the terms in this Drawdown Prospectus differ from the terms in the Base Prospectus, the terms in this Drawdown Prospectus will apply to the Series 20[•]-[•] Notes.

Prospective investors should rely only on the information in this Drawdown Prospectus and the Base Prospectus, including information incorporated by reference. The Issuer has not authorised anyone to provide investors with different information.

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RISK FACTORS

[None/*Specify*]

INFORMATION INCORPORATED BY REFERENCE

A copy of the Base Prospectus is available in electronic form on the following website: [●] The following information shall be deemed to be incorporated in and form part of this Drawdown Prospectus:

[Specify]

DOCUMENTS AVAILABLE FOR INSPECTION

For the life of the Base Prospectus and for as long as any series and class of notes issued by the Issuer are listed on the Official List of the Financial Conduct Authority and admitted to trading on the main market of the London Stock Exchange plc, copies of the following documents in physical form may be inspected during normal business hours at the Specified Office of the Principal Paying Agent and from the registered office of the Issuer, namely:

[Specify]

TRANSACTION FEATURES

The Notes will be governed, to the extent not described in this Drawdown Prospectus, by the applicable provisions of the Base Prospectus. Words and expressions defined in the Base Prospectus shall have the same meanings below.

[A COLUMN TO BE ADDED FOR EACH FURTHER CLASS OF NOTES OF THE APPLICABLE SERIES ON THE RIGHT HAND SIDE OF THE PAGE]

NOTE SERIES

Series Number:	Series [●]
Class of Note:	[●]
Issue Date:	[●]
Issue Price:	[●] per cent.
Ratings:	[●]
Principal Amount:	[●]
Net Proceeds:	[●]
Specified Currency:	[●]
Specified Denominations:	[●]
Fixed or Floating Designation:	[●]
Scheduled Redemption Date:	[●]
Final Redemption Date:	[●]
Initial Rate (if applicable):	[●]
Rate of Interest:	[●]
Minimum Interest Rate (if applicable):	[●]
Maximum Interest Rate (if applicable):	[●]
Margin:	[●]
Additional Interest Margin:	[Not Applicable]/[●]
Day Count Fractions:	[●]
Interest Determination Date:	[●]/[Two Business Days prior to the commencement of the relevant Interest Period]/[[5] Business Days prior to the end of the relevant Interest Period]

Relevant Screen Page:	[●]
First Interest Payment Date:	[●]
Interest Commencement Date:	[●]
Floating Rate Commencement Date (if applicable):	[●]
Regular Interest Payment Dates:	[●]
Redemption Period Interest Payment Dates:	[●]
[USD-LIBOR/EURIBOR/SONIA/SOFR (in the case of the first Interest Period):]	[USD-LIBOR]/[EURIBOR]/[SONIA]/[SOFR] based on the linear interpolation of [●] month and [●] month [Sterling]/[Dollar]/[Euro] [[EURIBOR]/[SONIA]/[SOFR]]
Reference Rate:	[[USD-LIBOR]/[EURIBOR]/[SONIA]/[SOFR]]
Rate of return of a daily compound interest investment:	[(with the daily Sterling overnight reference rate [●] as the reference rate for the calculation of interest)]
Redenomination, Renominalisation and Reconventioning:	[YES/NO]
Indication of Yield:	[●]
Additional Details of Related Swap Agreement (if any):	[●]
Denomination:	[●]
Listing:	[●]
Screen Rate Determination:	[SONIA – Overnight Rate / SOFR – Overnight Rate / Not Applicable]
"D" for the purposes of [SONIA/SOFR]:	[[●]/[360/365]/[Actual/Actual]/[365/365]]
Index Determination:	[Applicable / Not Applicable]
Calculation Method:	[Weighted Average/Compounded Daily]
Observation Method:	[Lag/Lock-out/Shift]
Observation Look-back Period:	[[●]/[5] Business Days/Not Applicable]
Clearing System:	[●]
Other External Credit Enhancement:	[None/Specify]
Additional Business Centre(s):	[●]

Additional Financial Centre(s):	<input type="checkbox"/>
Business Day:	<input type="checkbox"/>
Business Day Convention:	<input type="checkbox"/>
Form of notes:	Registered Notes: [Regulation S Global Note Certificates registered in the name of a nominee for a [Common Depository][Common Safekeeper] for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))]/[Rule 144A. Global Note Certificates registered in the name of Cede & Co. as nominee for DTC]
Call Date:	[None/specify the Call Date]
Additional Event(s) of Default:	[None/specify]
ISIN:	<input type="checkbox"/>
Common Code:	<input type="checkbox"/>
CFI Code:	<input type="checkbox"/>
FISN:	<input type="checkbox"/>
CUSIP:	<input type="checkbox"/>
[Debt or Equity for US taxation purposes:]	<input type="checkbox"/>
[Issued with Original Issue Discount for US taxation purposes:]	[Yes/No]
[U.S. Credit Risk Retention:]	[Not Applicable]/[Tesco Personal Finance PLC expects the seller's interest held in the form of the Transferor Interest on the Closing Date to be approximately <input type="checkbox"/> % of the aggregate unpaid principal balance of all outstanding Notes of the Issuer as of [date no more than [60] days prior to closing date], measured in accordance with the provisions of the U.S. Credit Risk Retention Rules. We have used the aggregate principal balance of the receivables in the Issuer as of [date no more than [60] days prior to closing date], and the outstanding principal balance of the notes expected to be outstanding as of the Closing Date, including \$[] (subject to change) of notes expected to be issued on the Closing Date.]
Swap Agreement:	[No/Yes]
Swap Counterparty:	[No/specify name]
Specified currency exchange rate (Sterling/specified currency):	[Not applicable/specify]

Other rate applicable to the Swap Agreement [Not applicable/specify]

Redemption Protection Period: [Not applicable/specify]

Call Protection Accumulation Deposit Account: [Not applicable/specify]

Intended to be held in a manner which would allow Eurosystem eligibility: [Yes][No]

[[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper).][include this text for registered notes] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the *European Central Bank (ECB)* being satisfied that Eurosystem eligibility criteria have been met. The designation "yes" does not mean that the Eurosystem eligibility criteria have been or will be met in respect of the Notes. Each prospective investor is required to independently assess and determine the prospects of the ECB being satisfied that Eurosystem eligibility criteria are met in respect of the Notes.][Include this text if "yes" selected]

[No. *Whilst the designation is specified as "no" at the date of this Drawdown Prospectus, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them, the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper).][include this text for registered notes]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met. Each prospective investor is required to independently assess and determine the prospects of the ECB being satisfied that Eurosystem eligibility criteria are met in respect of the Notes.][Include this text if "no" selected]]*

STS Notification Submitted: [Yes]/[No]

STS Verification: [Prime Collateralised Securities (PCS) UK Limited]/[•]/[No]

[The Transferor [has not used the services of]/[has used the services of [●] as] an authorised verification agent authorised under Article 28 of the UK Securitisation Regulation to assess whether the series 20[●]-[●] Notes comply with the UK STS Requirements and prepare an STS assessment.] [It is expected that the STS assessment prepared by the authorised verification agent will be available on the website of such agent (<https://www.pcsmarket.org/sts-verification-transactions/>) together with a detailed explanation of its scope at

<https://www.pcsmarket.org/disclaimer>). For the avoidance of doubt, this website and the contents thereof do not form part of this Drawdown Prospectus.]

Estimated total expenses related to admission to trading: For all Notes, an aggregate amount of [●]

LOAN NOTE[S] SUPPORTING NOTE SERIES

The notes of this Note Series will be collateralised by, as applicable, the class *[class]* *[year]* – *[identifier]* Loan Note (together, the **Loan Notes** and each a **Loan Note**) which shall have the following terms as set out in the class supplement to .

[A column to be added for each further class of notes of the applicable series on the right hand side of the page]

Designation for the purposes of the STDCMA:	Class <input type="checkbox"/>
Issuance Date:	<input type="checkbox"/>
Initial Principal Amount:	<input type="checkbox"/>
Required Subordinated Percentage (if applicable):	<input type="checkbox"/> %
First Monthly Period End Date:	<input type="checkbox"/>
Distribution Date:	<input type="checkbox"/>
First Loan Note Interest Payment Date:	<input type="checkbox"/>
Loan Note Interest Payment Date:	<input type="checkbox"/>
Loan Note Interest Period:	<input type="checkbox"/>
Loan Note Interest Rate:	<input type="checkbox"/>
Series Cash Reserve Account:	<i>[No/Applicable/specify whether series cash reserve is established for an individual Loan Note or Loan Note of different series]</i>
[Required Series Cash Reserve Account Amount/ Series Cash Reserve Account Percentage]	<i>[None]/[Specify]</i>
Scheduled Redemption Date:	<input type="checkbox"/>
Stated Monthly Accumulation Amount:	<input type="checkbox"/>
Controlled Amortisation Loan Note:	<i>[Yes]/[No]</i>
Final Redemption Date:	<input type="checkbox"/>
Additional Early Redemption Events:	<i>[None]/[Specify]</i>
Optional Early Redemption in full:	<i>[Not Applicable]/[Specify]</i>
Programme Reserve Account Percentage	<i>[None]/[Specify]</i>

Required Accumulation Reserve Account Amount: [None]/[Specify]

Additional Junior Cost Items: [None]/[Specify]

Each Loan Note will have a Loan Note Revolving Period and an Accumulation Period and may have an Amortisation Period as more fully described in the Base Prospectus.

[The **Accumulation Period Commencement Date** means, in respect of the Loan Note, the first day of the month that is [●] whole months prior to the Scheduled Redemption Date for the Loan Note **provided, however that**, if the Accumulation Period Length for such Loan Note is less than [●] months, the Accumulation Period Commencement Date will be the first day of the month that is the number of whole months prior to such Scheduled Redemption Date at least equal to the Accumulation Period Length and, as a result, the number of Monthly Periods during the period from the Accumulation Period Commencement Date to such Scheduled Redemption Date will be at least equal to the number of months comprising the Accumulation Period Length.][*To be included if Accumulation Period Commencement Date is different from that set out in the Base Prospectus. The Accumulation Period Commencement Date must be less than 18 whole months prior to the Scheduled Redemption Date for the Loan Note.*]

The Weighted Average Interest Margin as of the date hereof is [●] per cent.

PARTIES

Dealer:	[●]
Issuer:	Delamare Cards MTN Issuer plc.
Note Trustee:	The Bank of New York Mellon, acting through its London branch
Principal Paying Agent and Agent Bank for the notes:	The Bank of New York Mellon, London Branch. The Principal Paying Agent will, subject to the terms of the Paying Agency Agreement, make payments of interest and principal when due on the notes. The Agent Bank will calculate the interest rates applicable to each class of notes. The Principal Paying Agent and Agent Bank's address in London is, at the date of this Drawdown Prospectus, One Canada Square, London E14 5AL.
US Paying Agent:	[No/specify]
DTC Custodian:	[No/specify]
Registrar:	The Bank of New York Mellon SA/NV, Luxembourg Branch.
Calculation Agent:	The Bank of New York Mellon, acting through its London Branch
Paying Agent:	The Bank of New York Mellon at its Specified Office in London, which is, at the date of this Drawdown Prospectus, One Canada Square, London, E14 5AL.
Receivables Trustee:	Delamare Cards Receivables Trustee Limited.
Funding 1:	Delamare Cards Funding 1 Limited.
Sponsor, Transferor, Transferor Beneficiary and Servicer:	Tesco Personal Finance PLC. TPF legal entity identifier (LEI): 213800J17G8WI3MJ5660
Security Trustee:	The Bank of New York Mellon, acting through its London Branch.
Swap Counterparty:	[No/specify].
Cash Manager:	Tesco Personal Finance PLC.

OTHER NOTE SERIES ISSUED

The table below sets forth the principal characteristics of the other series previously issued by the Issuer that are outstanding at the date of this Drawdown Prospectus, in connection with the Delamare Receivables Trust and the Receivables assigned by the Transferor.

Note Series	Issuance Date	Initial Principal Amount	Scheduled Redemption Date
[●]	[●]	[●]	[●]

TERMS AND CONDITIONS OF THE NOTES

[None/*Specify*]

TPF TOTAL PORTFOLIO INFORMATION

The following tables show information relating to the historic performance of Eligible Accounts originated using TPF's underwriting criteria. The Receivables from certain of these accounts will ultimately back the Notes and comprise the Receivables Trust (the **Securitised Portfolio**).

Receivable Yield Considerations

The following table sets forth the gross revenues from finance charges and fees billed to Accounts in the TPF Total Portfolio for each of the years ended [●], [●], [●], [●] and [●]. These revenues vary for each account based on the type and volume of activity for each account. The historical yield figures in these tables are calculated on an accrual basis. Collections of Receivables included in the Delamare Cards Receivables Trust will be on a cash basis and may not reflect the historical yield experience in the table. For further detail, please see the Base Prospectus.

TPF Total Portfolio Yield

	Year Ended				
	[●]	[●]	[●]	[●]	[●]
Average Receivables Outstanding (£) ⁽¹⁾	[●]	[●]	[●]	[●]	[●]
Accrued Finance Charges and Fees (£) ⁽²⁾⁽³⁾	[●]	[●]	[●]	[●]	[●]
Yield from Finance Charges and Fees ⁽⁴⁾⁽⁶⁾	[●]	[●]	[●]	[●]	[●]
Yield from Interchange ⁽⁵⁾⁽⁶⁾	[●]	[●]	[●]	[●]	[●]
Yield from Charges, Fees and Interchange ⁽⁶⁾	[●]	[●]	[●]	[●]	[●]

Notes:

- (1) Average Receivables Outstanding is the average monthly closing account balance across each year.
- (2) Accrued Finance Charges and Fees are comprised of monthly Periodic Finance Charges and other credit card fees.
- (3) Accrued Finance Charges and Fees are presented net of adjustments made pursuant to Tesco Personal Finance PLC's normal servicing procedures, including removal of incorrect or disputed monthly Periodic Finance Charges.
- (4) Yield from Finance Charges and Fees is the result of dividing the annualised Accrued Finance Charges and Fees by the Average Receivables Outstanding for the period.
- (5) Yield from Interchange is the result of dividing annualised revenue attributable to Interchange received during the period by Average Receivables Outstanding for the period. The amount of Interchange for each of the periods indicated above has been estimated.
- (6) All data is presented on an annualised basis [(however, data in respect of the year [●] is presented by reference to data up to end of [●])].

Delinquency and Loss Experience

The following tables set forth the delinquency and loss experience for each of the periods shown for the TPF Total Portfolio of credit card accounts. The TPF Total Portfolio's delinquency and loss experience is comprised of segments which may, when taken individually, have delinquency and loss characteristics different from those of the overall TPF Total Portfolio of credit card accounts. Because the Securitised Portfolio is only a portion of the TPF Total Portfolio, actual delinquency and loss experience with respect to the Receivables comprised therein may be different from that set forth below for the TPF Total Portfolio. There can be no assurance that the delinquency and loss experience for the Securitised Portfolio in the future will be similar to the historical experience of the TPF Total Portfolio set forth below. For further detail, please see the Base Prospectus.

Delinquency Experience

TPF Total Portfolio

	As at end [●]		As at end [●]		As at end [●]		As at end [●]		As at end [●]	
	Receivables (£)	% of Total Receivables	Receivables (£)	% of Total Receivables	Receivables (£)	% of Total Receivables	Receivables (£)	% of Total Receivables	Receivables (£)	% of Total Receivables
Receivables outstanding.....	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Receivables delinquent										
Up to 29 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
30-59 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
60-89 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
90-119 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
120-149 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
150-179 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
180-209 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
210-239 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
240-269 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
270-299 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
300-329 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
330 Days +	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Up to Date.										
Total 180 days or more delinquent	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total 30 days or more delinquent	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

Notes:

- (1) The Receivables outstanding on the Accounts consist of all amounts due from cardholders as posted to the Accounts as of the end of the period shown.
- (2) Amounts may not add up to total due to rounding.

Gross Charge-Off Experience

TPF Total Portfolio

	Year Ended				
	As at [●]	[●]	[●]	[●]	[●]
Average Receivables Outstanding (£).....	[●]	[●]	[●]	[●]	[●]
Average Accounts Outstanding	[●]	[●]	[●]	[●]	[●]
Total Gross Charge-Offs (£).....	[●]	[●]	[●]	[●]	[●]
Total Gross Charge-Offs as a % of Average Receivables outstanding	[●]	[●]	[●]	[●]	[●]
Recoveries (£).....	[●]	[●]	[●]	[●]	[●]
Total Net Charge-Offs (£)	[●]	[●]	[●]	[●]	[●]
Total Net Charge-Offs as a % of Average Receivables Outstanding	[●]	[●]	[●]	[●]	[●]

TPF TOTAL PORTFOLIO INFORMATION

Total Number of Accounts Charged-Off	[●]	[●]	[●]	[●]	[●]
Total Number of Accounts Charged-Off as a % of Average Accounts Outstanding	[●]	[●]	[●]	[●]	[●]
Average Net Charge-Off Amount (£).....	[●]	[●]	[●]	[●]	[●]

Notes:

- (1) Average Receivables Outstanding is the average of the monthly Receivables balance during the period indicated.
- (2) Total Gross Charge-Offs are total principal and interest Charge-Offs and do not include the amount of any reductions in Average Receivables Outstanding due to fraud, returned goods, customer disputes or other miscellaneous Credit Adjustments.
- (3) All percentages shown above are annualised [(however, percentages shown in respect of the year [●] are presented by reference to data up to end of [●])].

Maturity Assumptions

The following table sets forth the highest and lowest cardholder monthly payment rates for the TPF Total Portfolio during any month in the periods shown and the average cardholder monthly payment rates for all months during the periods shown, in each case calculated as a percentage of total opening monthly account balances during the periods shown. Payment rates shown in the table are based on amounts which would be deemed payments of Principal Receivables and Finance Charge Receivables with respect to the related credit card accounts.

Cardholder Monthly Payment Rates

TPF Total Portfolio

	Year Ended			
	As at [●]	[●]	[●]	[●]
Lowest Monthly Payment Rate	[●]	[●]	[●]	[●]
Highest Monthly Payment Rate.....	[●]	[●]	[●]	[●]
Monthly Average.....	[●]	[●]	[●]	[●]

Notes:

- (1) Payment Rate is the result of dividing the sums of all payments received in the month by the outstanding balance at the start of the month.
- (2) Lowest Monthly Payment Rate is the lowest monthly payment rate within the calendar year.
- (3) Highest Monthly Payment Rate is the highest monthly payment rate within the calendar year.
- (4) Monthly Average Payment Rate is the average monthly payment rate over the calendar year.

RECEIVABLES INFORMATION

As at [●] (the Cut-Off Date)

[Except where specified otherwise below,][T][t]he following tables summarise the Securitised Portfolio by various criteria as of the close of business on [the Cut-Off Date]. Because the future composition of the Securitised Portfolio may change over time, these tables are not necessarily indicative of the composition of the Securitised Portfolio at any time subsequent to [the Cut-Off Date] (or such earlier date as may be specified below).

Composition by Account Balance
Securitised Portfolio

Account Balance Range	Total Number of Accounts	Percentage of Total Number of Accounts	Receivables (£)	Percentage of Total Receivables
Credit Balance	[●]	[●]%	[●]	[●]%
No Balance	[●]	[●]%	[●]	[●]%
£0.01—£5,000.00	[●]	[●]%	[●]	[●]%
£5,000.01—£10,000.00	[●]	[●]%	[●]	[●]%
£10,000.01—£15,000.00	[●]	[●]%	[●]	[●]%
£15,000.01—£20,000.00	[●]	[●]%	[●]	[●]%
£20,000.01—£25,000.00	[●]	[●]%	[●]	[●]%
£25,000.01 or more	[●]	[●]%	[●]	[●]%
Total	[●]	100.0%	[●]	100.0%
Average Account Balance	£[●]			

Notes:

Amounts may not add up to total due to rounding

[The aggregate outstanding principal balance of all receivables to a single borrower does not exceed 2% of the aggregate outstanding principal balance of all receivables as of the Cut-Off Date]

**Composition by Credit Limit
Securitised Portfolio**

Credit Limit Range	Total Number of Accounts	Percentage of Total Number of Accounts	Receivables (£)	Percentage of Total Receivables
Less than £5,000.00.....	[●]	[●]%	[●]	[●]%
£5,000.00—£9,999.99.....	[●]	[●]%	[●]	[●]%
£10,000.00—£14,999.99.....	[●]	[●]%	[●]	[●]%
£15,000.00—£19,999.99.....	[●]	[●]%	[●]	[●]%
£20,000.00—£24,999.99.....	[●]	[●]%	[●]	[●]%
£25,000.00 or more.....	[●]	[●]%	[●]	[●]%
Total	[●]	100.0%	[●]	100.0%
Average Credit Limit (£)	£[●]			
Weighted Average Credit Limit (£) ⁽¹⁾	£[●]			

Notes:

⁽¹⁾ Weighted by balance

Amounts may not add up to total due to rounding

**Composition by Period of Delinquency
Securitised Portfolio**

Period of Delinquency (Days Contractually Delinquent)	Total Number of Accounts	Percentage of Total Number of Accounts	Receivables (£)	Percentage of Total Receivables
Not Delinquent.....	[●]	[●]%	[●]	[●]%
Up to 29 Days.....	[●]	[●]%	[●]	[●]%
30 to 59 Days.....	[●]	[●]%	[●]	[●]%
60 to 89 Days.....	[●]	[●]%	[●]	[●]%
90 or More Days.....	[●]	[●]%	[●]	[●]%
Total	[●]	100.0%	[●]	100.0%

Notes:

Amounts may not add up to total due to rounding

**Composition by Account Age
Securitised Portfolio**

<u>Account Age</u>	<u>Total Number of Accounts</u>	<u>Percentage of Total Number of Accounts</u>	<u>Receivables (£)</u>	<u>Percentage of Total Receivables</u>
Not more than 1 year	[●]	[●]%	[●]	[●]%
Over 1 to 2 Years.....	[●]	[●]%	[●]	[●]%
Over 2 to 3 Years.....	[●]	[●]%	[●]	[●]%
Over 3 to 4 Years.....	[●]	[●]%	[●]	[●]%
Over 4 to 8 Years.....	[●]	[●]%	[●]	[●]%
Over 8 Years	[●]	[●]%	[●]	[●]%
Total	[●]	100.0%	[●]	100.0%

Notes:

Amounts may not add up to total due to rounding

**Geographic Distribution of Accounts
Securitised Portfolio**

Region	Total Number of Accounts	Percentage of Total Number of Accounts	Receivables (£)	Percentage of Total Receivables
East Anglia.....	[●]	[●]%	[●]	[●]%
East Midlands.....	[●]	[●]%	[●]	[●]%
Greater London.....	[●]	[●]%	[●]	[●]%
North East.....	[●]	[●]%	[●]	[●]%
North West.....	[●]	[●]%	[●]	[●]%
Northern Ireland.....	[●]	[●]%	[●]	[●]%
Scotland.....	[●]	[●]%	[●]	[●]%
South East Exl. London.....	[●]	[●]%	[●]	[●]%
South West.....	[●]	[●]%	[●]	[●]%
Wales.....	[●]	[●]%	[●]	[●]%
West Midlands.....	[●]	[●]%	[●]	[●]%
Yorks and Humberside.....	[●]	[●]%	[●]	[●]%
Unknown.....	[●]	[●]%	[●]	[●]%
Total.....	[●]	100.0%	[●]	100.0%

Notes:

Amounts may not add up to total due to rounding

**Composition by Payment Behaviour
Securitised Portfolio**

Payment Behaviour	Total Number of Accounts	Percentage of Total Number of Accounts	Receivables (£)	Percentage of Total Receivables
Accounts with minimum payment made	[●]	[●]%	[●]	[●]%
Accounts with full payment made	[●]	[●]%	[●]	[●]%
Accounts with other or no payments made	[●]	[●]%	[●]	[●]%
Total	[●]	100.0%	[●]	100.0%

Notes:

Table only includes accounts with a balance outstanding on the previous statement date

Amounts may not add up to total due to rounding

**Performance on a Monthly Basis
Securitized Portfolio**

	Month ended					
	[●]	[●]	[●]	[●]	[●]	[●]
Principal Receivables Outstanding (£) ..	[●]	[●]	[●]	[●]	[●]	[●]
Total Receivables Outstanding (£).....	[●]	[●]	[●]	[●]	[●]	[●]
Net Losses as % of Principal						
Receivables Outstanding	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Percentage of Total Receivables						
Delinquent 30+ Days.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Gross Yield.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Receivables Principal Payment Rate.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Percentage of accounts making						
minimum monthly payment.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Percentage of accounts making full						
payment.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

	Month ended					
	[●]	[●]	[●]	[●]	[●]	[●]
Principal Receivables Outstanding (£) ..	[●]	[●]	[●]	[●]	[●]	[●]
Total Receivables Outstanding (£).....	[●]	[●]	[●]	[●]	[●]	[●]
Net Losses as % of Principal						
Receivables Outstanding	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Percentage of Total Receivables						
Delinquent 30+ Days.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Gross Yield.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Receivables Principal Payment Rate.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Percentage of accounts making						
minimum monthly payment.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Percentage of accounts making full						
payment.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

	Month ended					
	[●]	[●]	[●]	[●]	[●]	[●]
Principal Receivables Outstanding (£)	[●]	[●]	[●]	[●]	[●]	[●]
Total Receivables Outstanding (£)	[●]	[●]	[●]	[●]	[●]	[●]
Net Losses as % of Principal Receivables Outstanding	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Percentage of Total Receivables Delinquent 30+ Days	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Gross Yield	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Receivables Principal Payment Rate	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Percentage of accounts making minimum monthly payment	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Percentage of accounts making full payment	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

Notes:

- (1) Principal Receivables Outstanding represent the closing balance of Principal Receivables at the period end.
- (2) Total Receivables Outstanding represent the closing balance of all Receivables at the period end.
- (3) Net Losses are charged-off Principal Receivables minus Recoveries.
- (4) Receivables Principal Payment Rate is the result of dividing the principal collections received in the month by the opening balance of Principal Receivables at the start of that month.

[Verification of data

The Transferor has caused a sample of the Receivables (including the data disclosed in respect of those Receivables) to be externally verified by an appropriate and independent third party. The Securitised Portfolio as at the Cut-Off Date has been subject to an agreed upon procedures review on a representative sample of Receivables selected from the Securitised Portfolio as at the Cut-Off Date (as well as an agreed upon procedures review, amongst other things, of the conformity of Receivables in the Portfolio with certain of the eligibility criteria (where applicable)) conducted by a third-party and completed on or about [●] with respect to the Securitised Portfolio as at the Cut-Off Date (the **AUP Report**). The independent third party has verified that the stratification tables disclosed in these final terms in respect of the Receivables are accurate. [The AUP report has been filed with the U.S. Securities and Exchange Commission on [●] and is publicly available.] The Transferor has reviewed the reports of such independent third parties and is of the opinion that there were no significant adverse findings in such reports. The third parties undertaking such reviews only have obligations to the parties to the engagement letters governing the performance of the agreed upon procedures subject to the limitations and exclusions contained therein.]

STATIC POOL DATA

The following tables present yield from finance charge, principal payment rate and total Receivables balance for Receivables included in the Securitised Portfolio since [●]. In each case, the information is organised by calendar year of account origination ("**Year of Account Origination**") for each monthly period. [For purposes of clarification, as at the Issue Date, no accounts originated after [●] are included in the Securitised Portfolio.]

[Yield from Finance Charge]

Year of Account Origination	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Pre 2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2013	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2014	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2015	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2016	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2017	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2018	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2019	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2020	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

Year of Account Origination	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Pre 2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2013	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2014	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2015	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2016	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2017	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2018	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2019	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2020	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

Year of Account Origination	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Pre 2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2013	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2014	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2015	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2016	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2017	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2018	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2019	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2020	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

STATIC POOL DATA

2018	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2019	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2020	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Year of Account Origination	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Pre 2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2013	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2014	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2015	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2016	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2017	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2018	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2019	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2020	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

Yield from finance charges and fees includes interest income, late fees, forex fees, credit insurance, card protection insurance, overlimit fees, cash advance fees, ATM fees, balance transfer fees, and other fees related to credit cards. The yield percentage for each monthly period is calculated by dividing the result by the Average Principal Receivables balance at the end of the performance period. Volatility in the yield percentage is driven primarily by variations in the number of collection days and weekend collection days during the performance period; the more collection days there are, the higher the value of payments received, and the higher the reported yield.

Net Charge Off

Year of Account Origination	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Pre 2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2013	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2014	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2015	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2016	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2017	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2018	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2019	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2020	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

[Net losses for a performance period is calculated as Principal Receivables charged off during the performance period less recoveries received on previously charged off accounts during the performance period, all divided by the Principal Receivables balance as of the beginning of the performance period. The resultant figure is then annualised.]

Net charge offs reported in [●], [●], [●], [●], [●], [●] and [●] report negative [in some vintages and below trend for others]. This is due to TPF's sale of previously charged off receivables to a third party where the sale recovery proceeds were received by Delamare Cards Receivables Trustee Ltd in accordance with the terms of the respective Call Option Agreements.

[On [●] approximately £[●] million of receivables were removed on Non-Compliant Accounts (and such Non-Compliant Accounts were redesignated) which resulted in the reduction in net charge offs seen in [●].]⁷

⁷ Inclusion will be subject to availability of the relevant data.

30+ days Delinquencies

Year of Account Origination	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Pre 2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2013	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2014	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2015	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2016	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2017	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2018	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2019	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2020	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

[Delinquencies include both Principal Receivables and Finance Charge Receivables. The 30+ day delinquency percentage for a performance period is calculated as: Total Receivables 30 days or more past due divided by the Total Receivables outstanding for all accounts originated in that same year as at the last day of the performance period.

It should be noted that delinquency percentages naturally increase due to the ring fenced amortising nature of the denominator as repayments, charge off and account closures are reflected. As Debt Sales and Subsequent Offers of Eligible Receivables accepted by Delamare Cards Receivables Trustee Ltd occur these subsequently reduce the percentages reported as the numerator and denominator are impacted respectively.

A receivable is defined as Delinquent when reporting 30 to 360 days delinquent, this may differ to other UK card issuers.]

STATIC POOL DATA

2016	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2017	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2018	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2019	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2020	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Year of Account Origination	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Pre 2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2013	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2014	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2015	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2016	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2017	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2018	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2019		[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2020			[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

[[Description to be inserted]]

2020	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Year of Account Origination	<u>[●]</u>	<u>[●]</u>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Pre 2012	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2012	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2013	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2014	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2015	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2016	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2017	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2018	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2019	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2020	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

[[Description to be inserted]]

SWAP AGREEMENTS

[Describe operation and material terms of the swap agreement, including limits on the timing or amounts of payments or any conditions to payments and swap permitted investments.]

[Describe any material provisions of the swap agreement including whether or not it is subject to a Redemption Protection Period and the related provisions.]

THE SWAP COUNTERPARTY

[Describe name, organisational form and general character of the business of the swap counterparty.]

PLAN OF DISTRIBUTION

Names of Dealers: [Specify]

Stabilising Manager (if any): [Specify]

Additional Selling Restrictions: [Specify]

Class [●]

ISIN: [●]

Common Code: [●]

CFI Code: [●]

FISN: [●]

For the purposes of the U.S. federal securities laws, Dealers engaged in the distribution of these Series 20[●]-[●] Notes may be deemed to be "underwriters". Subject to the terms and conditions of the Dealer Agreement as supplemented by the relevant subscription agreement for these Series 20[●]-[●] Notes, the Issuer has agreed to sell to each of the Dealers named below, and each of those Dealers has severally agreed to purchase (subject to the terms and conditions of the Dealer Agreement as supplemented by the relevant subscription agreement for the Notes), the Principal Amount of these Series 20[●]-[●] Notes set forth opposite its name:

Dealers	Class [●]	Aggregate Amount
[●]	[●]	[●]
[●]	[●]	[●]
Total	[●]	

[The several Dealers have agreed, subject to the terms and conditions of the Dealer Agreement (as supplemented by the relevant subscription agreement), to purchase all [●] aggregate Principal Amount of these Series 20[●]-[●] Notes if any of these Series 20[●]-[●] Notes are purchased.

The Dealers have advised the Issuer that the Dealers propose initially to offer these Series 20[●]-[●] Notes at the offering price set forth on the cover page of this Drawdown Prospectus, and to certain other Dealers at that offering price less a concession not in excess of [●]% of the Principal Amount of these Series 20[●]-[●] Notes. The Dealers may allow, and those other Dealers may reallow to additional Dealers, a concession not in excess of [●]% of the Principal Amount.

After the offering, the offering price and other selling terms may be changed by the Dealers.

In connection with the sale of these Series 20[●]-[●] Notes, the Dealers may engage in:

- over-allotments, in which members of the syndicate selling these Series 20[●]-[●] Notes sell more notes than the Issuer actually sold to the syndicate, creating a syndicate short position;

- stabilising transactions, in which purchases and sales of these Series 20[●]-[●] Notes may be made by the members of the selling syndicate at prices that do not exceed a specified maximum;
- syndicate covering transactions, in which members of the selling syndicate purchase these Series 20[●]-[●] Notes in the open market after the distribution has been completed in order to cover syndicate short positions; and
- penalty bids, by which Dealers reclaim a selling concession from a syndicate member when any of these Series 20[●]-[●] Notes originally sold by that syndicate member are purchased in a syndicate covering transaction to cover syndicate short positions.

These stabilising transactions, syndicate covering transactions and penalty bids may cause the price of these Series 20[●]-[●] Notes to be higher than it would otherwise be. These transactions, if commenced, may be discontinued at any time.]

The Issuer has agreed to indemnify the Dealers against certain liabilities, including liabilities under applicable securities laws.

The gross proceeds of the issue of the Notes will be £[●]. The sum of the fees and commissions payable on the issue of the Notes is estimated to be [●]. The fees and commissions payable on the issue of the Notes will be deducted from the gross proceeds of the issue. The net proceeds of the issue of the Notes after exchanging such amounts into Sterling pursuant to the Swap Agreement referred to below will be applied by the Issuer, to purchase the Series 20[●]-[●] Loan Note issued by Funding 1 on the Issue Date. The net proceeds of the issue will be [●].

[This Drawdown Prospectus and the Base Prospectus may be used by TPF and/or other affiliates of the Sponsor in connection with offers and sales related to market making transactions in these Series 20[●]-[●] Notes. These affiliates may act as principal or agent in these market-making transactions. Market making sales will be made at prices related to the prevailing market prices at the time of sale.]

LISTING APPLICATION

This document comprises the Drawdown Prospectus required to list the issue of Notes described herein pursuant to the Programme of the Issuer.

GENERAL INFORMATION

The admission of the Programme to listing on the Official List of the Financial Conduct Authority and to trading on the main market of the London Stock Exchange plc is expected to take effect on [●] 2022.

The listing of the Notes on the Official List will be expressed as a percentage of their principal amount (exclusive of accrued interest). This Note Series intended to be admitted to listing on the Official List of the FCA and admitted to trading on the main market of the London Stock Exchange plc will be so admitted to listing and trading upon submission to the FCA and the main market of the London Stock Exchange plc of this Drawdown Prospectus and any other information required by the FCA and the main market of the London Stock Exchange plc, subject in each case to the issue of the relevant notes. Prior to official listing, dealings will be permitted by the main market of the London Stock Exchange plc in accordance with its rules. Transactions will normally be effected for delivery on the third working day in London after the day of the transaction.

[However, notes may be issued pursuant to the Programme which will not be admitted to listing on the Official List of the FCA or admitted to trading on the main market of the London Stock Exchange plc or any other listing authority, stock exchange and/or quotation system or which will be admitted to listing, trading and/or quotation by such listing authority, stock exchange and/or quotation system as the Issuer and the relevant Dealer(s) may agree.]

[The class D VFN notes will be issued pursuant to a Pricing Supplement and will not be listed on the Official List of the FCA or listed or admitted to trading on any other regulated market, stock exchange and/or quotation system.]

The Issuer confirms that the securitised assets backing the issue of this Note Series, namely the distributions from Funding 1 to the Issuer in respect of a corresponding notional tranche of a loan note issued by Funding 1 and ultimately the interest and principal collections in respect of the Receivables, have characteristics that demonstrate capacity to produce funds to service any payments due and payable on this Note Series. However, investors are advised that this confirmation is based on the information available to the Issuer at the date of the Base Prospectus and this Drawdown Prospectus and may be affected by the future performance of such securitised assets. Consequently, investors are advised to review carefully the disclosure in the Base Prospectus together with any amendments or supplements thereto and other documents incorporated by reference in the Base Prospectus and, in relation to any Note Series, the relevant Drawdown Prospectus.

AN INVESTMENT IN THE NOTES IS ONLY SUITABLE FOR FINANCIALLY SOPHISTICATED INVESTORS WHO ARE CAPABLE OF EVALUATING THE MERITS AND RISKS OF SUCH INVESTMENT AND WHO HAVE SUFFICIENT RESOURCES TO BE ABLE TO BEAR ANY LOSSES WHICH MAY RESULT FROM SUCH INVESTMENT. IF PROSPECTIVE INVESTORS ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS BASE PROSPECTUS THEY SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER FINANCIAL ADVISER.

The Issuer neither is nor has been involved in any governmental, legal or arbitration Proceedings (including any such Proceedings which are pending or threatened of which the Issuer is aware) during the 12 months prior to the date of this Drawdown Prospectus which may have, or have had in the recent past, significant effects on the Issuer's financial position or profitability.

There are no, nor have there been any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) against or affecting Funding 1 or any of its assets or revenues, which may have or have had during the months since the Base Prospectus was

first filed to the date of this Drawdown Prospectus significant effects on the financial position or profitability of Funding 1.

There has been no material adverse change in the financial position or prospects of the Issuer since the date of its last audited accounts on 31 December 20[21]. There has been no significant change in the financial position or financial performance of the Issuer since the date of its last audited accounts on 31 December 20[21].

There has been no material adverse change in Funding 1's financial position or prospects since the date of its last audited accounts on 31 December 20[21]. There has been no significant change in the financial position or financial performance of Funding 1 since the date of its last audited accounts on 31 December 20[21].

There has been no material adverse change in the Receivables Trustee's financial position or prospects since the date of its last audited accounts on 31 December 20[21]. There has been no significant change in the financial position or financial performance of the Receivables Trustee since the date of its last audited accounts on 31 December 20[21].

The issue of the Notes thereunder have been duly authorised by resolutions of the Board of Directors of the Issuer dated [●].

ISSUER

Delamare Cards MTN Issuer plc
6th Floor
125 London Wall
London EC2Y 5AS
United Kingdom

TRANSFEROR, TRANSFEROR BENEFICIARY, SERVICER AND CASH MANAGER

Tesco Personal Finance PLC
2 South Gyle Crescent
Edinburgh EH12 9FQ
United Kingdom

FUNDING 1

**Delamare Cards Funding 1
Limited**
6th Floor
125 London Wall
London EC2Y 5AS
United Kingdom

REGISTRAR

**The Bank of New York Mellon
SA/NV, Luxembourg Branch**
Vertigo Building – Polaris
2-4 rue Eugène Ruppert
L-2453 Luxembourg

**NOTE TRUSTEE AND SECURITY
TRUSTEE**

The Bank of New York Mellon
One Canada Square
London E14 5AL
United Kingdom

U.S. PAYING AGENT

The Bank of New York Mellon
101 Barclay Street, New York,
NY 10286
USA

SWAP COUNTERPARTY

[●]

LEGAL ADVISERS

*To the Issuer, Loan Note Issuer No.
1, the Receivables Trustee and Tesco
Personal Finance PLC as to Scots
law*

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Olswang LLP**
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United Kingdom

*To the Issuer, Loan Note Issuer No.
1, the Receivables Trustee and Tesco
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*To the Arranger and Dealers as to
English and U.S. law*

Clifford Chance LLP
10 Upper Bank Street
London E14 5JJ
United Kingdom

*To the Security Trustee and the Note
Trustee as to English law*

Clifford Chance LLP
10 Upper Bank Street
London E14 5JJ
United Kingdom

APPENDIX B

FORM OF FINAL TERMS

Set out below is the form of final terms which will be completed for each Series of notes issued on a particular Issue Date under the below mentioned programme.

[NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES [EXCEPT TO "QUALIFIED INSTITUTIONAL BUYERS" (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED)]⁸.]

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

[NOTHING IN THIS DOCUMENT CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SECURITIES OF DELAMARE CARDS MTN ISSUER PLC IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE FOLLOWING DOCUMENT MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT) OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND THE NOTES MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR THE BENEFIT OF, U.S. PERSONS (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE SECURITIES MAY BE OFFERED ONLY (A) TO, OR FOR THE ACCOUNT OR BENEFIT OF, PERSONS THAT ARE "QUALIFIED INSTITUTIONAL BUYERS" WITHIN THE MEANING OF RULE 144A (AS DEFINED BELOW) (**QUALIFIED INSTITUTIONAL BUYERS OR QIBs**) IN RELIANCE UPON RULE 144A UNDER THE SECURITIES ACT (**RULE 144A**) PURCHASING FOR THEIR OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A OR (B) IN OFFSHORE TRANSACTIONS TO NON-U.S. PERSONS IN RELIANCE UPON REGULATION S UNDER THE SECURITIES ACT (**REGULATION S**). THE SECURITIES ARE NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN UNDER "*PURCHASE AND TRANSFER RESTRICTIONS*".]

[THE FOLLOWING DOCUMENT AND ITS CONTENTS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS [OTHER THAN AS PROVIDED BELOW]. THIS DOCUMENT MAY ONLY BE DISTRIBUTED IN "OFFSHORE TRANSACTIONS" AS DEFINED IN, AND AS PERMITTED BY, REGULATION S UNDER THE SECURITIES ACT[, OR WITHIN THE UNITED STATES TO QUALIFIED INSTITUTIONAL BUYERS (AS DEFINED IN RULE 144A UNDER THE SECURITIES

⁸Include for 144A issuance.

ACT) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT (**RULE 144A**)⁹. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.]

This final terms has been delivered to you on the basis that you are a person into whose possession this final terms may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located. By accessing the final terms, you shall be deemed to have confirmed and represented to us that (a) you have understood and agree to the terms set out herein, (b) you consent to delivery of the final terms by electronic transmission, (c) you are [either (i)] not a U.S. Person (within the meaning of Regulation S under the Securities Act) or acting for the account or benefit of a U.S. Person and the electronic mail address that you have given to us and to which this e-mail has been delivered is not located in the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands) or the District of Columbia [or (ii) a Qualified Institutional Buyer in each case acting for your own account or for the account of one or more Qualified Institutional Buyers]¹⁰, and (d) if you are a person in the United Kingdom, then you are a person who (i) is an investment professional within the meaning of Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the FPO) or (ii) is a high net worth entity falling within Article 49(2)(a) to (d) of the FPO.

This final terms has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither the Issuer, the Dealer, the Joint Lead Managers nor any person who controls it nor any director, officer, employee nor agent of it or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the final terms distributed to you in electronic format and the hard copy version available to you on request from the Issuer [or the Dealer/Joint Lead Managers].

[PROHIBITION OF SALES TO UK RETAIL INVESTORS

THE NOTES ARE NOT INTENDED TO, AND SHOULD NOT, BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE UNITED KINGDOM. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) NO. 2017/565 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (**EUWA**); (II) A CUSTOMER WITHIN THE MEANING OF THE PROVISIONS OF THE FSMA AND ANY RULES OR REGULATIONS MADE UNDER THE FSMA TO IMPLEMENT DIRECTIVE (EU) 2016/97, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO. 600/2014 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA. CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO. 1286/2014 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA (THE **UK PRIIPS REGULATION**) FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE UNITED KINGDOM HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE UNITED KINGDOM MAY BE UNLAWFUL UNDER THE UK PRIIPS REGULATION.]

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS

THE NOTES ARE NOT INTENDED TO, AND SHOULD NOT, BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA (THE **EEA**). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR

⁹ Include for 144A issuance.

¹⁰ Include for 144A issuance.

MORE) OF (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU (**MIFID II**) OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2016/97/EC (THE **INSURANCE DISTRIBUTION DIRECTIVE**), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II. CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (AS AMENDED, THE **PRIIPS REGULATION**) FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.]

[UK MiFIR product governance / Professional investors and ECPs only target market

Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the [●] notes has led to the conclusion that: (i) the target market for the [●] notes is eligible counterparties only, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**UK MiFIR**); and (ii) all channels for distribution of the [●] notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the [●] notes (a **UK Distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a UK Distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the [●] notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[MIFID II product governance / Professional investors and ECPs only target market

Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the [●] notes has led to the conclusion that: (i) the target market for the [●] notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the [●] notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the [●] notes (an **EEA Distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, an EEA Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the [●] notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

**FINAL TERMS DATED [Date]
(to the Base Prospectus dated [●])**

Delamare Cards MTN Issuer plc
(incorporated in England and Wales with limited liability under registered number 6652499)
(the **Issuer**)

Issuer legal entity identifier (LEI): 635400IAJKM25WRCSE95

Tesco Personal Finance PLC
as Sponsor, Transferor, Transferor Beneficiary, Cash Manager and Servicer
(**TPF**)

TPF legal entity identifier (LEI): 213800J17G8WI3MJ5660

Securitisation transaction unique identifier: 213800J17G8WI3MJ5660N200801

Issue of [[£/€/\$/]] [●] Series [●] [title of notes]] under
the Delamare Cards Medium Term Note Programme
(ultimately backed by trust property in the Delamare Cards Receivables Trust)

Series	Class	Principal Amount	Interest Rate	Interest Payment Dates	Scheduled Redemption Date	Final Redemption Date	Price to public
[●]	[●]	[\$][€][£] [●],000,000	[●]% per annum plus [●] rate of relevant Interest Period	[●]	[●], 20[●]	[●], 20[●]	[\$][€][£] [●],000,000 (or [●]%)
[●]	[●]	[\$][€][£] [●],000,000	[●]% per annum plus [●] rate of relevant Interest Period	[●]	[●], 20[●]	[●], 20[●]	[\$][€][£] [●],000,000 (or [●]%)
[●]	[●]	[\$][€][£] [●],000,000	[●]% per annum plus [●] rate of relevant Interest Period	[●]	[●], 20[●]	[●], 20[●]	[\$][€][£] [●],000,000 (or [●]%)
[●]	[●]	[\$][€][£] [●],000,000	[●]% per annum plus [●] rate of relevant Interest Period	[●]	[●], 20[●]	[●], 20[●]	[\$][€][£] [●],000,000 (or [●]%)
[●]	[●]	[\$][€][£] [●],000,000	[●]% per annum plus [●] rate of relevant Interest Period	[●]	[●], 20[●]	[●], 20[●]	[\$][€][£] [●],000,000 (or [●]%)
[●]	[●]	[\$][€][£] [●],000,000	[●]% per annum plus [●] rate of relevant Interest Period	[●]	[●], 20[●]	[●], 20[●]	[\$][€][£] [●],000,000 (or [●]%)
[●]	[●]	[\$][€][£] [●],000,000	[●]% per annum plus [●] rate of relevant Interest Period	[●]	[●], 20[●]	[●], 20[●]	[\$][€][£] [●],000,000 (or [●]%)
[●]	[●]	[\$][€][£] [●],000,000	[●]% per annum plus [●] rate of relevant Interest Period	[●]	[●], 20[●]	[●], 20[●]	[\$][€][£] [●],000,000 (or [●]%)
[●]	[●]	[\$][€][£] [●],000,000	[●]% per annum plus [●] rate of relevant Interest Period	[●]	[●], 20[●]	[●], 20[●]	[\$][€][£] [●],000,000 (or [●]%)

[Joint] Lead Manager[s] [and [Co-]Manager[s]]

[Insert name and/or logo of each entity]

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the prospectus dated [●] [and the supplement[s] to it dated [●] [and [●]] which [together] constitute[s] a base prospectus for the purposes of the UK Prospectus Regulation (the **Base Prospectus**). This document constitutes the Final Terms for the purposes of the UK Prospectus Regulation and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus [and the supplement[s]] to it are] [is] available for viewing [on the website of the London Stock Exchange plc and] at the specified offices of the Principal Paying Agent and copies may be obtained from the specified offices of the Principal Paying Agent.

TRANSACTION FEATURES

The following is qualified in its entirety by the Base Prospectus. Words and expressions defined in the Base Prospectus shall have the same meanings below.

[A column to be added for each further class of notes of the applicable series on the right hand side of the page]

NOTE SERIES

Series Number:	Series [●]
Class of Note:	[●]
Issue Date:	[●]
Issue Price:	[●] per cent.
Ratings:	[The Notes to be issued [[have been]/[are expected to be]] rated: [insert details] by [insert the legal name of the relevant credit rating agency entity(ies) and associated defined terms].
Principal Amount:	[●]
Net Proceeds:	[●]
Specified Currency:	[●]
Specified Denominations:	[●]/[[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]]
Fixed or Floating Designation:	[Fixed Rate/Floating Rate] [Sterling/Dollar/Euro] Notes [(Option 1)/(Option 2)/(Option 3)]
Scheduled Redemption Date:	[●]/[Interest Payment Date falling in [●]]
Final Redemption Date:	[●]/[Interest Payment Date falling in [●]]
Initial Rate (if applicable):	[[●] per cent. per annum payable in arrear on each Interest Payment Date/Not Applicable]
Rate of Interest:	[●]
Margin:	[[+/-] [●] per cent. per annum/Not Applicable]
Additional Interest Margin:	[Not Applicable]/[Specify]
Minimum Interest Rate (if applicable):	[●]
Maximum Interest Rate (if applicable):	[●]

Day Count Fraction[s]:	[Actual/Actual (ICMA)] [Actual/365] [Actual/365 (Fixed)] [Actual/360] [30/360]
Interest Determination Date:	[●]/[Two Business Days prior to the commencement of the relevant Interest Period]/[[5] Business Days prior to the end of the relevant Interest Period]
Relevant Screen Page:	[●]
First Interest Payment Date:	[●]
Interest Commencement Date:	[●]/[Issue Date]/[Not Applicable]
Floating Rate Commencement Date:	[Specify]/[Not Applicable]
Regular Interest Payment Dates:	[●]/[the [●] day of each month[, in each case subject to adjustment in accordance with the [Business Day Convention]/[Specify convention]]]
Redemption Period Interest Payment Dates:	[●]/[the [●] day of each month[, in each case subject to adjustment in accordance with the [Business Day Convention]/[Specify convention]]]/[Not Applicable]
[[USD-LIBOR/EURIBOR/SONIA/SOFR (in the case of the first Interest Period)]]	[[USD-LIBOR]/[EURIBOR]/[SONIA]/[SOFR] based on the linear interpolation of [●] month and [●] month [Sterling]/[Dollar]/[Euro] [[USD-LIBOR]/[EURIBOR]/[SONIA]/[SOFR]
Reference Rate:	[[USD-LIBOR]/[EURIBOR]/[SONIA]/[SOFR]]
Rate of return of a daily compound interest investment:	[(with the daily Sterling overnight reference rate [●] as the reference rate for the calculation of interest)]
Redenomination, Renominalisation and Reconventioning:	[Yes]/[No]
Indication of Yield:	[Specify]/[Not Applicable]
Denomination:	[Specify]/[Sterling]/[Dollar]/[Euro]
Listing:	[Application for admission to the Official List and for admission to trading [has been/is expected to be] made to: FCA and the London Stock Exchange plc Date from which admission effective: [●] Estimated total expenses related to such admission: [●]]
Screen Rate Determination:	[SONIA – Overnight Rate / SOFR – Overnight Rate / Not Applicable]
"D" for the purposes of	[[●]/[360/365]/[Actual/Actual]/[365/365]]

[SONIA/SOFR]:

Index Determination:	[Applicable / Not Applicable]
Calculation Method:	[Weighted Average/Compounded Daily]
Observation Method:	[Lag/Lock-out/Shift]
Observation Look-back Period:	[[●]/[5] Business Days/Not Applicable]
Observation Shift Period:	[[●]/[5] Business Days/Not Applicable]
Clearing System(s):	[●]
Additional Business Centre(s):	[Specify]/[None]
Additional Financial Centre(s):	[Specify]/[None]
Business Day:	[●]
Business Day Convention:	[Following Business Day Convention]/[Modified Following Business Day Convention]/[Modified Business Day Convention]/[Preceding Business Day Convention]/[No Adjustment]
Form of notes:	Registered Notes: [Regulation S Global Note Certificates registered in the name of a nominee for a [Common Depository][Common Safekeeper] for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))]/[U.S. Global Note Certificates registered in the name of a nominee for DTC]
Call Date:	[Specify]/[None]
Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes][No] [[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper),][<u>include this text for registered notes</u>] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the <i>European Central Bank (ECB)</i> being satisfied that Eurosystem eligibility criteria have been met. The designation "yes" does not mean that the Eurosystem eligibility criteria have been or will be met in respect of the Notes. Each prospective investor is required to independently assess and determine the prospects of the ECB being satisfied that Eurosystem eligibility criteria are met in respect of the Notes.][<u>Include this text if "yes" selected</u>] [No. <i>Whilst the designation is specified as "no" at the date of</i>

these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them, the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper),][include this text for registered notes]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met. Each prospective investor is required to independently assess and determine the prospects of the ECB being satisfied that Eurosystem eligibility criteria are met in respect of the Notes.] [Include this text if "no" selected]

Method of distribution	[Syndicated/Non-syndicated]
If syndicated, names of [the/each Joint] Lead Manager[s] [and any other [Co-]Manager[s]]:	[●]
Date of Subscription Agreement	[●]
If non-syndicated, name of relevant Dealer	[Not applicable/give name]
ISIN:	[●]
Common Code:	[●]
CFI Code:	[●]
FISN:	[●]
[Debt or Equity for US taxation purposes:]	[●]
[Issued with Original Issue Discount for US taxation purposes:]	[Yes/No]
[U.S. Credit Risk Retention:]	[Not Applicable]/[Tesco Personal Finance PLC expects the seller's interest held in the form of the Transferor Interest on the Closing Date to be approximately [●]% of the aggregate unpaid principal balance of all outstanding Notes of the Issuer as of [date no more than [60] days prior to closing date], measured in accordance with the provisions of the U.S. Credit Risk Retention Rules. We have used the aggregate principal balance of the receivables in the Issuer as of [date no more than [60] days prior to closing date], and the outstanding principal balance of the notes expected to be outstanding as of the Closing Date, including \$[] (subject to change) of notes expected to be issued on the Closing Date.]
STS Notification Submitted:	[Yes]/[No]

STS Verification: [Prime Collateralised Securities (PCS) UK Limited]/[•]/[No]

[The Transferor [has not used the services of]/[has used the services of [●] as] an authorised verification agent authorised under Article 28 of the UK Securitisation Regulation to assess whether the series 20[●]-[●] Notes comply with the UK STS Requirements and prepare an STS assessment.] [It is expected that the STS assessment prepared by the authorised verification agent will be available on the website of such agent (<https://www.pcsmarket.org/sts-verification-transactions/>) together with a detailed explanation of its scope at <https://www.pcsmarket.org/disclaimer>). For the avoidance of doubt, this website and the contents thereof do not form part of this Final Terms.".]

LOAN NOTE[S] SUPPORTING NOTE SERIES

The notes of [[this]/[each] Note Series] will be collateralised by [the class [class] [year] – [identifier]/[corresponding] Loan Note [of the same class specified below] (the **Related Loan Note**)] which shall have the following terms as set out in the class [●]/[relevant loan note] supplement [to [●]].

[A column to be added for each further class of notes of the applicable series on the right hand side of the page]

Designation for the purposes of the STDCMA:	[●]
Issuance Date:	[●]
Initial Principal Amount:	[●]
[Class [●]] Required Subordinated Percentage (if applicable):	[●]%
First Monthly Period End Date:	[Specify]/[Not Applicable]
Distribution Date:	[●]/[the [●] day of each month, [in each case subject to adjustment in accordance with the [Following Business Day Convention]]/[Modified Following Business Day Convention]/[Modified Business Day Convention]/[Preceding Business Day Convention]/[No Adjustment]/[Specify convention]]
First Loan Note Interest Payment Date:	[●]
Loan Note Interest Payment Date:	[●] and each Distribution Date thereafter up to and including the Distribution Date falling in [●]
Loan Note Interest Period:	From, and including, a Loan Note Interest Payment Date or, for the first Loan Note Interest Period, the Issuance Date, to, but excluding, the next Loan Note Interest Payment Date
Loan Note Interest Rate:	[[●] per cent. per annum fixed rate] [[●] month [USD-LIBOR [+/-] [●] per cent. per annum floating rate]
Series Cash Reserve Account:	[NO/specify whether series cash reserve is established for an individual Loan Note or Loan Note of different series]
[Required Series Cash Reserve Account Amount]/[Series Cash Reserve Account Percentage]	[None]/[Specify]
Scheduled Redemption Date:	[●]/[Loan Note Interest Payment Date falling in [●]]
Stated Monthly Accumulation	[●]

Amount:

- Controlled Amortisation Loan Note:** [Yes]/[No]
- Final Redemption Date:** [●]/[Loan Note Interest Payment Date falling in [●]]
- Additional Early Redemption Events:** [None]/[Specify]
- Optional Early Redemption in full:** [Applicable]/[Not Applicable]
- Programme Reserve Account Percentage** [None]/[Specify]
- Required Accumulation Reserve Account Amount:** [None]/[Specify]
- Additional Junior Cost Items:** [None]/[Specify]

The Loan Note will have a Loan Note Revolving Period and an Accumulation Period and may have an Amortisation Period as more fully described in the Base Prospectus.

[The **Accumulation Period Commencement Date** means, in respect of the Loan Note, the first day of the month that is [●] whole months prior to the Scheduled Redemption Date for the Loan Note **provided, however that**, if the Accumulation Period Length for such Loan Note is less than [●] months, the Accumulation Period Commencement Date will be the first day of the month that is the number of whole months prior to such Scheduled Redemption Date at least equal to the Accumulation Period Length and, as a result, the number of Monthly Periods during the period from the Accumulation Period Commencement Date to such Scheduled Redemption Date will be at least equal to the number of months comprising the Accumulation Period Length.][*To be included if the Accumulation Period Commencement Date is different from that set out in the Base Prospectus. The Accumulation Period Commencement Date must be less than 18 whole months prior to the Scheduled Redemption Date for the Loan Note.*]

The Weighted Average Interest Margin as of the date hereof is [●] per cent.

**Signed on behalf of Delamare Cards MTN
Issuer plc:**

By:

Duly authorised signatory

TPF TOTAL PORTFOLIO INFORMATION

The following tables show information relating to the historic performance of accounts originated using TPF's underwriting criteria. The Receivables from certain of these accounts will ultimately back the notes and comprise the Receivables Trust (the **Securitised Portfolio**).

Receivable Yield Considerations

The following table sets forth the gross revenues from finance charges and fees billed to Accounts in the TPF Total Portfolio for each of the years ended [●], [●], [●], [●] and [●]. These revenues vary for each account based on the type and volume of activity for each account. The historical yield figures in these tables are calculated on an accrual basis. Collections of Receivables included in Delamare Cards Receivables Trust will be on a cash basis and may not reflect the historical yield experience in the table. For further detail, please see the Base Prospectus.

TPF Total Portfolio Yield

	Year Ended				
	[●]	[●]	[●]	[●]	[●]
Average Receivables Outstanding (£) ⁽¹⁾	[●]	[●]	[●]	[●]	[●]
Accrued Finance Charges and Fees (£) ⁽²⁾⁽³⁾	[●]	[●]	[●]	[●]	[●]
Yield from Finance Charges and Fees ⁽⁴⁾⁽⁶⁾	[●]	[●]	[●]	[●]	[●]
Yield from Interchange ⁽⁵⁾⁽⁶⁾	[●]	[●]	[●]	[●]	[●]
Yield from Charges, Fees and Interchange ⁽⁶⁾	[●]	[●]	[●]	[●]	[●]

Notes:

- (1) Average Receivables Outstanding is the average monthly closing account balance across each year.
- (2) Accrued Finance Charges and Fees are comprised of monthly Periodic Finance Charges and other credit card fees.
- (3) Accrued Finance Charges and Fees are presented net of adjustments made pursuant to Tesco Personal Finance PLC's normal servicing procedures, including removal of incorrect or disputed monthly Periodic Finance Charges.
- (4) Yield from Finance Charges and Fees is the result of dividing the annualised Accrued Finance Charges and Fees by the Average Receivables Outstanding for the period.
- (5) Yield from Interchange is the result of dividing annualised revenue attributable to Interchange received during the period by Average Receivables Outstanding for the period. The amount of Interchange for each of the periods indicated above has been estimated.
- (6) All data is presented on an annualised basis [(however, data in respect of the year [●] is presented by reference to data up to end of [●])].

Delinquency and Loss Experience

The following tables set forth the delinquency and loss experience for each of the periods shown for the TPF Total Portfolio of credit card accounts. The TPF Total Portfolio's delinquency and loss experience is comprised of segments which may, when taken individually, have delinquency and loss characteristics different from those of the overall TPF Total Portfolio of credit card accounts. Because the Securitised Portfolio is only a portion of the TPF Total Portfolio, actual delinquency and loss experience with respect to the Receivables comprised therein may be different from that set forth below for the TPF Total Portfolio. There can be no assurance that the delinquency and loss experience for the Securitised Portfolio in the future will be similar to the historical experience of the TPF Total Portfolio set forth below. For further detail, please see the Base Prospectus.

Delinquency Experience

TPF Total Portfolio

	As at end [●]		As at end [●]		As at end [●]		As at end [●]		As at end [●]	
	Receivables (£)	% of Total Receivables	Receivables (£)	% of Total Receivables	Receivables (£)	% of Total Receivables	Receivables (£)	% of Total Receivables	Receivables (£)	% of Total Receivables
Receivables outstanding	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Receivables delinquent										
Up to 29 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
30-59 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
60-89 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
90-119 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
120-149 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
150-179 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
180-209 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
210-239 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
240-269 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
270-299 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
300-329 days	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
330 Days +	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Up to Date	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total 180 days or more delinquent	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total 30 days or more delinquent	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

Notes:

- (1) The Receivables outstanding on the Accounts consist of all amounts due from cardholders as posted to the Accounts as of the end of the period shown.
- (2) Amounts may not add up to total due to rounding.

Gross Charge-Off Experience

[TPF Total Portfolio]

	Year Ended				
	As at [●]	[●]	[●]	[●]	[●]
Average Receivables Outstanding (£)	[●]	[●]	[●]	[●]	[●]
Average Accounts Outstanding	[●]	[●]	[●]	[●]	[●]
Total Gross Charge-Offs (£)	[●]	[●]	[●]	[●]	[●]
Total Gross Charge-Offs as a % of Average Receivables	[●]	[●]	[●]	[●]	[●]
Recoveries (£)	[●]	[●]	[●]	[●]	[●]
Total Net Charge-Offs (£)	[●]	[●]	[●]	[●]	[●]
Total Net Charge-Offs as a % of Average Receivables Outstanding	[●]	[●]	[●]	[●]	[●]
Total Number of Accounts Charged-Off	[●]	[●]	[●]	[●]	[●]
Total Number of Accounts Charged-Off as a % of Average Accounts Outstanding	[●]	[●]	[●]	[●]	[●]
Average Net Charge-Off Amount (£)	[●]	[●]	[●]	[●]	[●]

Notes:

- (1) Average Receivables Outstanding is the average of the monthly Receivables balance during the period indicated.
- (2) Total Gross Charge-Offs are total principal and interest Charge-Offs and do not include the amount of any reductions in Average Receivables Outstanding due to fraud, returned goods, customer disputes or other miscellaneous Credit Adjustments.
- (3) All percentages shown above are annualised [(however, percentages shown in respect of the year [●] are presented by reference to data up to end of [●])].

Maturity Assumptions

The following table sets forth the highest and lowest cardholder monthly payment rates for the TPF Total Portfolio during any month in the periods shown and the average cardholder monthly payment rates for all months during the periods shown, in each case calculated as a percentage of total opening monthly account balances during the periods shown. Payment rates shown in the table are based on amounts which would be deemed payments of Principal Receivables and Finance Charge Receivables with respect to the related credit card accounts.

Cardholder Monthly Payment Rates

TPF Total Portfolio

	Year Ended				
	<u>As at [●]</u>	<u>[●]</u>	<u>[●]</u>	<u>[●]</u>	<u>[●]</u>
Lowest Monthly Payment Rate	[●]	[●]	[●]	[●]	[●]
Highest Monthly Payment Rate.....	[●]	[●]	[●]	[●]	[●]
Monthly Average.....	[●]	[●]	[●]	[●]	[●]

Notes:

- (1) Payment Rate is the result of dividing the sums of all payments received in the month by the outstanding balance at the start of the month.
- (2) Lowest Monthly Payment Rate is the lowest monthly payment rate within the calendar year.
- (3) Highest Monthly Payment Rate is the highest monthly payment rate within the calendar year.
- (4) Monthly Average Payment Rate is the average monthly payment rate over the calendar year.

RECEIVABLES INFORMATION

As at [●] (the Cut-Off Date)

[Except where specified otherwise below,][T][t]he following tables summarise the Securitised Portfolio by various criteria as of the close of business on [the Cut-Off Date]. Because the future composition of the Securitised Portfolio may change over time, these tables are not necessarily indicative of the composition of the Securitised Portfolio at any time subsequent to [the Cut-Off Date] (or such earlier date as may be specified below).

**Composition by Account Balance
Securitised Portfolio**

Account Balance Range	Total Number of Accounts	Percentage of Total Number of Accounts	Receivables (£)	Percentage of Total Receivables
Credit Balance	[●]	[●]%	[●]	[●]%
No Balance	[●]	[●]%	[●]	[●]%
£0.01—£5,000.00	[●]	[●]%	[●]	[●]%
£5,000.01—£10,000.00	[●]	[●]%	[●]	[●]%
£10,000.01—£15,000.00	[●]	[●]%	[●]	[●]%
£15,000.01—£20,000.00	[●]	[●]%	[●]	[●]%
£20,000.01—£25,000.00	[●]	[●]%	[●]	[●]%
£25,000.01 or more	[●]	[●]%	[●]	[●]%
Total	[●]	100.0%	[●]	100.0%
Average Account Balance (£)	£[●]			

Notes:

Amounts may not add up to total due to rounding

[The aggregate outstanding principal balance of all receivables to a single borrower does not exceed 2% of the aggregate outstanding principal balance of all receivables as of the Cut-Off Date]

**Composition by Credit Limit
Securitised Portfolio**

Credit Limit Range	Total Number of Accounts	Percentage of Total Number of Accounts	Receivables (£)	Percentage of Total Receivables
Less than £5,000.00	[●]	[●]%	[●]	[●]%
£5,000.00—£9,999.99	[●]	[●]%	[●]	[●]%
£10,000.00—£14,999.99	[●]	[●]%	[●]	[●]%
£15,000.00—£19,999.99	[●]	[●]%	[●]	[●]%
£20,000.00—£24,999.99	[●]	[●]%	[●]	[●]%
£25,000.00 or more	[●]	[●]%	[●]	[●]%
Total	[●]	100.0%	[●]	100.0%
Average Credit Limit (£)	£[●]			
Weighted Average Credit Limit (£)⁽¹⁾	£[●]			

Notes:

⁽¹⁾ Weighted by balance

Amounts may not add up to total due to rounding

**Composition by Period of Delinquency
Securitised Portfolio**

Period of Delinquency (Days Contractually Delinquent)	Total Number of Accounts	Percentage of Total Number of Accounts	Receivables (£)	Percentage of Total Receivables
Not Delinquent	[●]	[●]%	[●]	[●]%
Up to 29 Days	[●]	[●]%	[●]	[●]%
30 to 59 Days	[●]	[●]%	[●]	[●]%
60 to 89 Days	[●]	[●]%	[●]	[●]%
90 or More Days	[●]	[●]%	[●]	[●]%
Total	[●]	100.0%	[●]	100.0%

Notes:

Amounts may not add up to total due to rounding

**Composition by Account Age
Securitised Portfolio**

Account Age	Total Number of Accounts	Percentage of Total Number of Accounts	Receivables (£)	Percentage of Total Receivables
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RECEIVABLES INFORMATION

Not more than 1 year	[●]	[●]%	[●]	[●]%
Over 1 to 2 Years.....	[●]	[●]%	[●]	[●]%
Over 2 to 3 Years.....	[●]	[●]%	[●]	[●]%
Over 3 to 4 Years.....	[●]	[●]%	[●]	[●]%
Over 4 to 8 Years.....	[●]	[●]%	[●]	[●]%
Over 8 Years	[●]	[●]%	[●]	[●]%
Total	[●]	100.0%	[●]	100.0%

Notes:

Amounts may not add up to total due to rounding

**Geographic Distribution of Accounts
Securitised Portfolio**

Region	Total Number of Accounts	Percentage of Total Number of Accounts	Receivables (£)	Percentage of Total Receivables
East Anglia	[●]	[●]%	[●]	[●]%
East Midlands	[●]	[●]%	[●]	[●]%
Greater London	[●]	[●]%	[●]	[●]%
North East	[●]	[●]%	[●]	[●]%
North West	[●]	[●]%	[●]	[●]%
Northern Ireland	[●]	[●]%	[●]	[●]%
Scotland	[●]	[●]%	[●]	[●]%
South East Exl. London	[●]	[●]%	[●]	[●]%
South West	[●]	[●]%	[●]	[●]%
Wales	[●]	[●]%	[●]	[●]%
West Midlands	[●]	[●]%	[●]	[●]%
Yorks and Humberside	[●]	[●]%	[●]	[●]%
Unknown	[●]	[●]%	[●]	[●]%
Total	[●]	100.0%	[●]	100.0%

Notes:

Amounts may not add up to total due to rounding

**Composition by Payment Behaviour
Securitised Portfolio**

Payment Behaviour	Total Number of Accounts	Percentage of Total Number of Accounts	Receivables (£)	Percentage of Total Receivables
Accounts with minimum payment made	[●]	[●]%	[●]	[●]%
Accounts with full payment made	[●]	[●]%	[●]	[●]%
Accounts with other or no payments made	[●]	[●]%	[●]	[●]%
Total	[●]	100.0%	[●]	100.0%

Notes:

Table only includes accounts with a balance outstanding on the previous statement date

Amounts may not add up to total due to rounding

**Performance on a Monthly Basis
Securitized Portfolio**

	Month ended					
	[●]	[●]	[●]	[●]	[●]	[●]
Principal Receivables Outstanding (£) ..	[●]	[●]	[●]	[●]	[●]	[●]
Total Receivables Outstanding (£).....	[●]	[●]	[●]	[●]	[●]	[●]
Net Losses as % of Principal						
Receivables Outstanding	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Percentage of Total Receivables						
Delinquent 30+ Days.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Gross Yield.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Receivables Principal Payment Rate.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Percentage of accounts making						
minimum monthly payment.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Percentage of accounts making full						
payment.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

	Month ended					
	[●]	[●]	[●]	[●]	[●]	[●]
Principal Receivables Outstanding (£) ..	[●]	[●]	[●]	[●]	[●]	[●]
Total Receivables Outstanding (£).....	[●]	[●]	[●]	[●]	[●]	[●]
Net Losses as % of Principal						
Receivables Outstanding	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Percentage of Total Receivables						
Delinquent 30+ Days.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Gross Yield.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Receivables Principal Payment Rate.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Percentage of accounts making						
minimum monthly payment.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Percentage of accounts making full						
payment.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

	Month ended					
	[●]	[●]	[●]	[●]	[●]	[●]
Principal Receivables Outstanding (£) ..	[●]	[●]	[●]	[●]	[●]	[●]
Total Receivables Outstanding (£).....	[●]	[●]	[●]	[●]	[●]	[●]
Net Losses as % of Principal						
Receivables Outstanding	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Percentage of Total Receivables						
Delinquent 30+ Days.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Gross Yield.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Receivables Principal Payment Rate.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Percentage of accounts making						
minimum monthly payment.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
Percentage of accounts making full						
payment.....	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

Notes:

- (1) Principal Receivables Outstanding represent the closing balance of Principal Receivables at the period end.
- (2) Total Receivables Outstanding represent the closing balance of all Receivables at the period end.
- (3) Net Losses are charged-off Principal Receivables minus Recoveries.
- (4) Receivables Principal Payment Rate is the result of dividing the principal collections received in the month by the opening balance of Principal Receivables at the start of that month.

[Verification of data

The Transferor has caused a sample of the Receivables (including the data disclosed in respect of those Receivables) to be externally verified by an appropriate and independent third party. The Securitised Portfolio as at the Cut-Off Date has been subject to an agreed upon procedures review on a representative sample of Receivables selected from the Securitised Portfolio as at the Cut-Off Date (as well as an agreed upon procedures review, amongst other things, of the conformity of Receivables in the Portfolio with certain of the eligibility criteria (where applicable)) conducted by a third-party and completed on or about [●] with respect to the Securitised Portfolio as at the Cut-Off Date (the **AUP Report**). The independent third party has verified that the stratification tables disclosed in these final terms in respect of the Receivables are accurate. [The AUP report has been filed with the U.S. Securities and Exchange Commission on [●] and is publicly available.] The Transferor has reviewed the reports of such independent third parties and is of the opinion that there were no significant adverse findings in such reports. The third parties undertaking such reviews only have obligations to the parties to the engagement letters governing the performance of the agreed upon procedures subject to the limitations and exclusions contained therein.]

[STATIC POOL DATA

The following tables present yield from finance charge, principal payment rate and total Receivables balance for Receivables included in the Securitised Portfolio. In each case, the information is organised by calendar year of account origination ("**Year of Account Origination**") for each monthly period. [For purposes of clarification, as at the Issue Date, no accounts originated after [●] are included in the Securitised Portfolio.]

[Yield from Finance Charge]

<u>Year of Account Origination</u>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
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Pre 2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2013	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2014	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2015	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2016	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2017	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2018	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2019	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2020	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

<u>Year of Account Origination</u>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
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Pre 2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2013	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2014	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2015	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2016	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2017	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2018	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2019	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2020	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

<u>Year of Account Origination</u>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
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Pre 2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2013	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2014	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

2018	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2019	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2020	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
<u>Year of Account Origination</u>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Pre 2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2013	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2014	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2015	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2016	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2017	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2018	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2019	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2020	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
<u>Year of Account Origination</u>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Pre 2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2013	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2014	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2015	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2016	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2017	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2018	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2019	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2020	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

Yield from finance charges and fees includes interest income, late fees, forex fees, credit insurance, card protection insurance, overlimit fees, cash advance fees, ATM fees, balance transfer fees, and other fees related to credit cards. The yield percentage for each monthly period is calculated by dividing the result by the Average Principal Receivables balance at the end of the performance period. Volatility in the yield percentage is driven primarily by variations in the number of collection days and weekend collection days during the performance period; the more collection days there are, the higher the value of payments received, and the higher the reported yield.

Net Charge Off

<u>Year of Account Origination</u>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Pre 2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2013	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2014	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2015	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2016	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2017	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2018	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2019	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2020	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

[Net losses for a performance period is calculated as Principal Receivables charged off during the performance period less recoveries received on previously charged off accounts during the performance period, all divided by the Principal Receivables balance as of the beginning of the performance period. The resultant figure is then annualised.]

Net charge offs reported in [●], [●], [●], [●], [●], [●] and [●] report negative [in some vintages and below trend for others]. This is due to TPF's sale of previously charged off receivables to a third party where the sale recovery proceeds were received by Delamare Cards Receivables Trustee Ltd in accordance with the terms of the respective Call Option Agreements.

[On [●] approximately £[●] million of receivables were removed on Non-Compliant Accounts (and such Non-Compliant Accounts were redesignated) which resulted in the reduction in net charge offs seen in [●].]¹¹

¹¹ Inclusion will be subject to availability of the relevant data.

30+ days Delinquencies

<u>Year of Account Origination</u>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Pre 2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2013	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2014	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2015	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2016	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2017	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2018	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2019	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2020	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

[Delinquencies include both Principal Receivables and Finance Charge Receivables. The 30+ day delinquency percentage for a performance period is calculated as: Total Receivables 30 days or more past due divided by the Total Receivables outstanding for all accounts originated in that same year as at the last day of the performance period.

It should be noted that delinquency percentages naturally increase due to the ring fenced amortising nature of the denominator as repayments, charge off and account closures are reflected. As Debt Sales and Subsequent Offers of Eligible Receivables accepted by Delamare Cards Receivables Trustee Ltd occur these subsequently reduce the percentages reported as the numerator and denominator are impacted respectively.

A receivable is defined as Delinquent when reporting 30 to 360 days delinquent, this may differ to other UK card issuers.]

Pre 2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2013	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2014	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2015	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2016	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2017	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2018	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2019	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2020	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

<u>Year of Account Origination</u>	[●]	[●]	[●]	[●]	[●]	[●]	[●]
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Pre 2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2012	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2013	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2014	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2015	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2016	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2017	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2018	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2019	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%
2020	[●]%	[●]%	[●]%	[●]%	[●]%	[●]%

[[Description to be inserted]]

<u>Year of Account Origination</u>	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Pre 2012	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2012	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2013	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2014	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2015	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2016	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2017	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2018	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2019	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2020	[●]	[●]	[●]	[●]	[●]	[●]	[●]

[[*Description to be inserted*]]

APPENDIX C

FORM OF PRICING SUPPLEMENT

Set out below is the form of pricing supplement which will be completed for each Series of Exempt Notes issued on a particular Issue Date under the below mentioned programme. The Exempt Notes will not form part of the Base Prospectus and will not be compliant with the UK Prospectus Regulation. The FCA will neither approve nor review information contained in any pricing supplement in connection with the issuance of Exempt Notes.

[NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES [EXCEPT TO "QUALIFIED INSTITUTIONAL BUYERS" (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED)]¹².]

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

[NOTHING IN THIS DOCUMENT CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SECURITIES OF DELAMARE CARDS MTN ISSUER PLC IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE FOLLOWING DOCUMENT MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT) OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND THE NOTES MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR THE BENEFIT OF, U.S. PERSONS (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE SECURITIES MAY BE OFFERED ONLY (A) TO, OR FOR THE ACCOUNT OR BENEFIT OF, PERSONS THAT ARE "QUALIFIED INSTITUTIONAL BUYERS" WITHIN THE MEANING OF RULE 144A (AS DEFINED BELOW) (**QUALIFIED INSTITUTIONAL BUYERS OR QIBs**) IN RELIANCE UPON RULE 144A UNDER THE SECURITIES ACT (**RULE 144A**) PURCHASING FOR THEIR OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A OR (B) IN OFFSHORE TRANSACTIONS TO NON-U.S. PERSONS IN RELIANCE UPON REGULATION S UNDER THE SECURITIES ACT (**REGULATION S**). THE SECURITIES ARE NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN UNDER "**PURCHASE AND TRANSFER RESTRICTIONS**".]

[THE FOLLOWING DOCUMENT AND ITS CONTENTS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS [OTHER THAN AS PROVIDED BELOW]. THIS DOCUMENT MAY ONLY BE

¹²Include for 144A issuance.

DISTRIBUTED IN "OFFSHORE TRANSACTIONS" AS DEFINED IN, AND AS PERMITTED BY, REGULATION S UNDER THE SECURITIES ACT], OR WITHIN THE UNITED STATES TO QUALIFIED INSTITUTIONAL BUYERS (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT (**RULE 144A**)¹³. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.]

This pricing supplement has been delivered to you on the basis that you are a person into whose possession this pricing supplement may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located. By accessing the pricing supplement, you shall be deemed to have confirmed and represented to us that (a) you have understood and agree to the terms set out herein, (b) you consent to delivery of the pricing supplement by electronic transmission, (c) you are [either (i)] not a U.S. Person (within the meaning of Regulation S under the Securities Act) or acting for the account or benefit of a U.S. Person and the electronic mail address that you have given to us and to which this e-mail has been delivered is not located in the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands) or the District of Columbia [or (ii) a Qualified Institutional Buyer in each case acting for your own account or for the account of one or more Qualified Institutional Buyers]¹⁴, and (d) if you are a person in the United Kingdom, then you are a person who (i) is an investment professional within the meaning of Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the FPO) or (ii) is a high net worth entity falling within Article 49(2)(a) to (d) of the FPO.

This pricing supplement has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither the Issuer, the Joint Lead Managers nor any person who controls it nor any director, officer, employee nor agent of it or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the pricing supplement distributed to you in electronic format and the hard copy version available to you on request from the Joint Lead Managers.

[PROHIBITION OF SALES TO UK RETAIL INVESTORS

THE NOTES ARE NOT INTENDED TO, AND SHOULD NOT, BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE UNITED KINGDOM. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) NO. 2017/565 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (EUWA); (II) A CUSTOMER WITHIN THE MEANING OF THE PROVISIONS OF THE FSMA AND ANY RULES OR REGULATIONS MADE UNDER THE FSMA TO IMPLEMENT DIRECTIVE (EU) 2016/97, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO. 600/2014 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA. CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO. 1286/2014 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA (THE UK PRIIPS REGULATION) FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE UNITED KINGDOM HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE UNITED KINGDOM MAY BE UNLAWFUL UNDER THE UK PRIIPS REGULATION.]

¹³ Include for 144A issuance.

¹⁴ Include for 144A issuance.

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS

THE NOTES ARE NOT INTENDED TO, AND SHOULD NOT, BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA (THE EEA). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU (**MIFID II**) OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2016/97/EC (THE **INSURANCE DISTRIBUTION DIRECTIVE**), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II. CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (AS AMENDED, THE **PRIIPS REGULATION**) FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.]

[UK MiFIR product governance / Professional investors and ECPs only target market

Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the [●] notes has led to the conclusion that: (i) the target market for the [●] notes is eligible counterparties only, as defined in the FCA Handbook Conduct of Business Sourcebook (COBS), and professional clients, as defined in Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**UK MiFIR**); and (ii) all channels for distribution of the [●] notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the [●] notes (a UK Distributor) should take into consideration the manufacturer['s/s'] target market assessment; however, a UK Distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the UK MiFIR Product Governance Rules) is responsible for undertaking its own target market assessment in respect of the [●] notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.].

[MIFID II product governance / Professional investors and ECPs only target market

Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the [●] notes has led to the conclusion that: (i) the target market for the [●] notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MIFID II**); and (ii) all channels for distribution of the [●] notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the [●] notes (an **EEA Distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, an EEA Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the [●] notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.].

NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH REGULATION (EU) 2017/1129 FOR THE ISSUE OF NOTES DESCRIBED BELOW.

The Notes described below do not form part of the [Base Prospectus] and will not be compliant with the UK Prospectus Regulation. The FCA have neither approved nor reviewed information contained in any pricing supplement in connection with the issuance of such Notes.

PRICING SUPPLEMENT DATED [Date]

(to the Base Prospectus dated [●])

Delamare Cards MTN Issuer plc

(incorporated in England and Wales with limited liability under registered number 6652499)

(the Issuer)

Issuer legal entity identifier: 635400IAJKM25WRCSE95

Tesco Personal Finance PLC

as Sponsor, Transferor, Transferor Beneficiary, Cash Manager and Servicer

(TPF)

TPF legal entity identifier: 213800J17G8WI3MJ5660

Securitisation transaction unique identifier: 213800J17G8WI3MJ5660N200801

Issue of [£/€//\$][●] Series [●] [title of notes] under
the **Delamare Cards Medium Term Note Programme**
(ultimately backed by trust property in the Delamare Cards Receivables Trust)

Series	Class	Principal Amount	Interest Rate	Interest Payment Dates	Scheduled Redemption Date	Final Redemption Date	Price to public
[●]	[●]	[\$][€][£] [●],000,000	[●]% per annum plus [●] rate of relevant Interest Period	[●]	[●], 20[●]	[●], 20[●]	[\$][€][£] [●],000,000 (or [●]%)
[●]	[●]	[\$][€][£] [●],000,000	[●]% per annum plus [●] rate of relevant Interest Period	[●]	[●], 20[●]	[●], 20[●]	[\$][€][£] [●],000,000 (or [●]%)
[●]	[●]	[\$][€][£] [●],000,000	[●]% per annum plus [●] rate of relevant Interest Period	[●]	[●], 20[●]	[●], 20[●]	[\$][€][£] [●],000,000 (or [●]%)
[●]	[●]	[\$][€][£] [●],000,000	[●]% per annum plus [●] rate of relevant Interest Period	[●]	[●], 20[●]	[●], 20[●]	[\$][€][£] [●],000,000 (or [●]%)
[●]	[●]	[\$][€][£] [●],000,000	[●]% per annum plus [●] rate of relevant Interest Period	[●]	[●], 20[●]	[●], 20[●]	[\$][€][£] [●],000,000 (or [●]%)
[●]	[●]	[\$][€][£] [●],000,000	[●]% per annum plus [●] rate of relevant Interest Period	[●]	[●], 20[●]	[●], 20[●]	[\$][€][£] [●],000,000 (or [●]%)
[●]	[●]	[\$][€][£] [●],000,000	[●]% per annum plus [●] rate of relevant Interest Period	[●]	[●], 20[●]	[●], 20[●]	[\$][€][£] [●],000,000 (or [●]%)

[●]	[●]	[\$][€][£] [●],000,000	[●]% per annum plus [●] rate of relevant Interest Period	[●]	[●], 20[●]	[●], 20[●]	[\$][€][£] [●],000,000 (or [●]%)
[●]	[●]	[\$][€][£] [●],000,000	[●]% per annum plus [●] rate of relevant Interest Period	[●]	[●], 20[●]	[●], 20[●]	[\$][€][£] [●],000,000 (or [●]%)

Any person making or intending to make an offer of the notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or to supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation, in each case, in relation to such offer.

This document constitutes the Pricing Supplement for the notes described herein. This document must be read in conjunction with the prospectus dated [●] 2018 [and the supplement[s] to it dated [●] [and [●]]] (the **Base Prospectus**).

Full information on the Issuer and the offer of the notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus. The Base Prospectus [and the supplement[s]] to it are [is] available for viewing [on the website of the London Stock Exchange plc and] at the specified offices of the Principal Paying Agent and copies may be obtained from the specified offices of the Principal Paying Agent.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Base Prospectus.

TRANSACTION FEATURES

The following is qualified in its entirety by the Base Prospectus. Words and expressions defined in the Base Prospectus shall have the same meanings below.

[A column to be added for each further class of notes of the applicable series on the right hand side of the page]

NOTE SERIES

Series Number:	Series [●]
Class of Note:	[●]
Issue Date:	[●]
Issue Price:	[●] per cent.
Ratings:	[●]
Principal Amount:	[●]
Net Proceeds:	[●]
Specified Currency:	[●]
Specified Denominations:	[●]/[€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000.]
Fixed or Floating Designation:	[●]
Scheduled Redemption Date:	[●]
Final Redemption Date:	[●]
Initial Rate (if applicable):	[●]
Rate of Interest:	[●]
Margin:	[●]
Additional Interest Margin:	[Not Applicable]/[●]
Minimum Interest Rate (if applicable):	[●]
Maximum Interest Rate (if applicable):	[●]
Day Count Fraction[s]:	[●]
Interest Determination Date:	[●]/[Two Business Days prior to the commencement of the relevant Interest Period]/[[5] Business Days prior to the end of the relevant Interest Period]

Relevant Screen Page:	[●]
First Interest Payment Date:	[●]
Interest Commencement Date:	[●]/[Issue Date]/[Not Applicable]
Floating Rate Commencement Date (if applicable):	[●]
Regular Interest Payment Dates:	[●]
Redemption Period Interest Payment Dates:	[●]
[[USD-LIBOR/EURIBOR/SONIA/SOFR] (in the case of the first Interest Period)]	[[USD-LIBOR]/[EURIBOR]/[SONIA]/[SOFR] based on the linear interpolation of [●] month and [●] month [Sterling]/[Dollar]/[Euro] [[USD-LIBOR]/[EURIBOR]/[SONIA]/[SOFR]
Reference Rate:	[[USD-LIBOR]/[EURIBOR]/[SONIA]/[SOFR]
Rate of return of a daily compound interest investment:	[(with the daily Sterling overnight reference rate [●] as the reference rate for the calculation of interest)]
Redenomination, Renominalisation and Reconventioning:	[YES/NO]
Indication of Yield:	[●]
Denomination:	[●]
Listing:	[Application [has been/is expected to be] made by the Issuer (or on its behalf) for the notes to be listed on [<i>specify market – note this should not be a regulated market</i>]. Date from which admission effective: [●] Estimated total expenses related to such admission: [●] [Not Applicable]
Screen Rate Determination:	[SONIA – Overnight Rate / SOFR – Overnight Rate / Not Applicable]
"D" for the purposes of [SONIA/SOFR]:	[[●]/[360/365]/[Actual/Actual]/[365/365]]
Index Determination:	[Applicable / Not Applicable]
Calculation Method:	[Weighted Average/Compounded Daily]
Observation Method:	[Lag/Lock-out/Shift]
Observation Look-back Period:	[[●]/[5] Business Days/Not Applicable]

Observation Shift Period:	<input type="checkbox"/> /[5] Business Days/Not Applicable]
Clearing System:	<input type="checkbox"/>
Additional Business Centre(s):	<input type="checkbox"/>
Additional Financial Centre(s):	<input type="checkbox"/>
Business Day:	<input type="checkbox"/>
Business Day Convention:	<input type="checkbox"/>
Form of notes:	Registered Notes: [Regulation S Global Note Certificates registered in the name of a nominee for a [Common Depository][Common Safekeeper] for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))]/[U.S. Global Note Certificates registered in the name of a nominee for DTC]
Call Date:	[None/specify the Call Date]
Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes][No] [[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper),][include this text for registered notes] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the <i>European Central Bank (ECB)</i> being satisfied that Eurosystem eligibility criteria have been met. The designation "yes" does not mean that the Eurosystem eligibility criteria have been or will be met in respect of the Notes. Each prospective investor is required to independently assess and determine the prospects of the ECB being satisfied that Eurosystem eligibility criteria are met in respect of the Notes.][Include this text if "yes" selected] [No. <i>Whilst the designation is specified as "no" at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them, the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper),][include this text for registered notes]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met. Each prospective investor is required to independently assess and determine the prospects of</i>

the ECB being satisfied that Eurosystem eligibility criteria are met in respect of the Notes.] [Include this text if "no" selected]]

ISIN:

Common Code:

CFI Code:

FISN:

[Debt or Equity for US taxation purposes:]

[Issued with Original Issue Discount for US taxation purposes:] [Yes/No]

[U.S. Credit Risk Retention:] [Not Applicable]/[Tesco Personal Finance PLC expects the seller's interest held in the form of the Transferor Interest on the Closing Date to be approximately % of the aggregate unpaid principal balance of all outstanding Notes of the Issuer as of *[date no more than [60] days prior to closing date]*, measured in accordance with the provisions of the U.S. Credit Risk Retention Rules. We have used the aggregate principal balance of the receivables in the Issuer as of *[date no more than [60] days prior to closing date]*, and the outstanding principal balance of the notes expected to be outstanding as of the Closing Date, including \$[] (subject to change) of notes expected to be issued on the Closing Date.]

Swap Agreement: [No/Yes]

Swap Counterparty: [No/specify name]

Specified currency exchange rate (Sterling/specified currency): [Not applicable/specify]

Other rate applicable to the Swap Agreement [Not applicable/specify]

Redemption Protection Period: [Not applicable/specify]

Call Protection Accumulation Deposit Account: [Not applicable/specify]

STS Notification Submitted: [Yes]/[No]

STS Verification: [Prime Collateralised Securities (PCS) UK Limited]/[•]/[No]

[The Transferor [has not used the services of]/[has used the services of] as] an authorised verification agent authorised under Article 28 of the UK Securitisation Regulation to assess whether the series 20- Notes comply with the UK STS Requirements and prepare an STS assessment.] [It is expected that the STS assessment prepared by the authorised verification agent will be available on the website of such agent (<https://www.pcsmarket.org/sts-verification-transactions/>) together with a detailed explanation of its scope at <https://www.pcsmarket.org/disclaimer>). For the avoidance of doubt, this website and the contents thereof do

not form part of this Drawdown Prospectus.".]

LOAN NOTE[S] SUPPORTING NOTE SERIES

The notes of this Note Series will be collateralised by the class [class] [year] – [identifier] Loan Note (the **Related Loan Note**) which shall have the following terms as set out in the class [●] supplement to [●].

[A column to be added for each further class of notes of the applicable series on the right hand side of the page]

Issuance Date: [●]

Initial Principal Amount: [●]

Class [●] Required Subordinated Percentage (if applicable): [●]%

First Monthly Period End Date: [●]

Distribution Date: [●]

First Loan Note Interest Payment Date: [●]

Loan Note Interest Payment Date: [●]

Loan Note Interest Period: [●]

Loan Note Interest Rate: [●]

Series Cash Reserve Account: [NO/specify whether series cash reserve is established for an individual Loan Note or Loan Note of different series]

[Required Series Cash Reserve Account Amount/ Series Cash Reserve Account Percentage] [●]

Scheduled Redemption Date: [●]

Stated Monthly Accumulation Amount: [●]

Controlled Amortisation Loan Note: [Yes]/[No]

Final Redemption Date: [●]

Additional Early Redemption Events: [None]/[Specify]

Optional Early Redemption in full: [None]/[Specify]

Programme Reserve Account Percentage [None]/[Specify]

Required Accumulation Reserve Account Amount: [None]/[Specify]

Additional Junior Cost Items: [None]/[Specify]

The Loan Note will have a Loan Note Revolving Period and an Accumulation Period and may have an Amortisation Period as more fully described in the Base Prospectus.

[The **Accumulation Period Commencement Date** means, in respect of the Loan Note, the first day of the month that is [●] whole months prior to the Scheduled Redemption Date for the Loan Note **provided, however that**, if the Accumulation Period Length for such Loan Note is less than [●] months, the Accumulation Period Commencement Date will be the first day of the month that is the number of whole months prior to such Scheduled Redemption Date at least equal to the Accumulation Period Length and, as a result, the number of Monthly Periods during the period from the Accumulation Period Commencement Date to such Scheduled Redemption Date will be at least equal to the number of months comprising the Accumulation Period Length.][*To be included if the Accumulation Period Commencement Date is different from that set out in the Base Prospectus. The Accumulation Period Commencement Date must be less than 18 whole months prior to the Scheduled Redemption Date for the Loan Note.*]

The Weighted Average Interest Margin as of the date hereof is [●] per cent.

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