

CONFORMED COPY

DELAMARE CARDS FUNDING 1 LIMITED

**(incorporated in England and Wales with registered number 08356561)
(Loan Note Issuer No.1)**

**ASSET BACKED GLOBAL LOAN NOTE NO. 1
(the Global Loan Note)**

This Global Loan Note has been constituted by Loan Note Issuer No.1 pursuant to the security trust deed and cash management agreement dated 31 October 2008 as amended and restated on 24 April 2013 (as the same may be amended, supplemented, varied, replaced or novated from time to time) between, among others, Loan Note Issuer No.1, Tesco Personal Finance PLC and The Bank of New York Mellon, acting through its London branch, (the **Security Trustee**) (the **Security Trust Deed**) and is subject to the terms and conditions (the **Loan Note Conditions**) attached hereto as well as the more detailed provisions of the Security Trust Deed.

Not an interest in or recourse obligation of Tesco Personal Finance PLC

This certifies that upon execution and authentication of this Global Loan Note in accordance with the Security Trust Deed, Loan Note Issuer No.1, for value received promises to pay to the Loan Note Holder (as defined below), as holder of this Global Loan Note the sum of the Outstanding Principal Amount of, and interest on, this Global Loan Note (as such Global Loan Note is supplemented by each Supplement to the Global Loan Note). The value of this Global Loan Note will increase and decrease from time to time based on the Outstanding Principal Amount of this Global Loan Note, (as this Global Loan Note is supplemented and amended by each Supplement to this Global Loan Note).

Any reference herein to the **Loan Note Conditions** is to the terms and conditions of this Global Loan Note set out in Schedule I hereto and any reference to a numbered **Loan Note Condition** is to the correspondingly numbered provision thereof.

In this Global Loan Note, unless otherwise defined herein or the context requires otherwise, words and expressions have the meanings and constructions ascribed to them in the Security Trust Deed or the Loan Note Conditions.

Loan Note Issuer No.1 hereby covenants with the Loan Note Holder that it will, in accordance with the Loan Note Conditions, on any date when any notional tranche of this Global Loan Note becomes due to be redeemed or repaid in whole or in part in accordance with such Loan Note Conditions, unconditionally pay or procure to be paid to or to the order of or for the Loan Note Holder, in immediately available funds, the amount then becoming due on that date in respect of each such notional tranche of this Global Loan Note and shall (subject to the Loan Note Conditions, until such payment (after as well as before any judgment or other order of a competent court)) unconditionally pay to or to the order of or for the account of the Loan Note Holder, interest on the Outstanding Principal Amount of each such notional tranche of this Global Loan Note (if any interest is specified in respect of that notional tranche), calculated in accordance with the relevant Loan Note Conditions and the relevant Supplement to the Global Loan Note in respect of such notional tranche.

PLEASE NOTE THE FOLLOWING:

- (a) No transfer of this Global Loan Note shall be permitted except in accordance with Clause 4.4 (Transfers of Loan Notes) of the Security Trust Deed and the Loan Note Conditions.
- (b) The entries in the Loan Note Register shall be conclusive in the absence of manifest error and, as at the date of issue of this Global Loan Note, the Security Trustee and Loan Note Issuer No. 1 shall be entitled to treat the Person or Persons in whose name this Global Loan Note is registered on any

relevant date (together with its successors and permitted transferees, the **Loan Note Holder**) as the owner hereof and the Person or Persons entitled to be repaid as a consequence thereof. The Loan Note Holder is entitled to payments in respect of this Global Loan Note and title to this Global Loan Note passes only on due registration in the Loan Note Register, **provided that** if the Loan Note Register specifies that any third party has a relevant beneficial interest in this Global Loan Note or any payments hereunder, then the rights of the Loan Note Holder hereunder shall be subject to such entitlement, subject always, in respect of any notional tranche, to the express terms and conditions of the relevant Supplement to the Global Loan Note.

- (c) Unless the authentication hereon has been executed by or on behalf of the Loan Note Registrar by manual signature, the Loan Note Holder shall not become entitled to be repaid as the holder of this Global Loan Note and shall not be registered in the Loan Note Register as holder of this Global Loan Note.
- (d) Except as specified herein, the Loan Note Holder is entitled to the benefit of the Security Trust Deed and the Loan Note Conditions as amended and supplemented by the relevant Supplement to the Global Loan Note and of the obligations on the part of Loan Note Issuer No.1 thereunder and to the benefit of such provisions therein (and the obligations on the part of Loan Note Issuer No.1 contained therein) applicable specifically to a notional tranche of this Global Loan Note, and all payments under and to the Loan Note Holder shall be valid and effective to satisfy and discharge the corresponding liabilities of Loan Note Issuer No. 1 in respect of a notional tranche of this Global Loan Note.
- (e) This Global Loan Note is evidence of entitlement only.
- (f) On any occasion on which a payment of interest is made in respect of a notional tranche of this Global Loan Note (if any interest is specified in respect of that notional tranche), Loan Note Issuer No.1 shall procure that the same is noted on Annex to Schedule 2 (Schedule of Notional Tranche) to this Global Loan Note in respect of such notional tranche.
- (g) On any occasion on which a payment of principal is made in respect of a notional tranche of this Global Loan Note or on which any part of the principal amount of a notional tranche of this Global Loan Note is to be cancelled Loan Note Issuer No.1 shall procure that (i) the aggregate principal amount of this Global Loan Note representing the notional tranche in respect of which such payment is made (or, in the case of a partial payment, the corresponding part thereof) or which is to be cancelled and (ii) the remaining Outstanding Principal Amount of this Global Loan Note (which shall be the previous Outstanding Principal Amount hereof less the amount referred to at (i) above) are noted on Schedule 2 (Payments in Respect of the Global Loan Note) hereto in respect of such notional tranche, whereupon the Outstanding Principal Amount of this Global Loan Note shall for all purposes be as most recently so noted.
- (h) Any Loan Note Holder subscribing for a notional tranche of this Global Loan Note shall as further consideration for its agreement to subscribe for such notional tranche be indemnified by Loan Note Issuer No.1 for its costs in connection with the subscription for and maintenance of its beneficial holding of such notional tranche of this Global Loan Note, provided that such indemnified amount shall be strictly limited to an amount (if any) in respect of each Distribution Date equal to such Loan Note Holder's Costs Amounts (as defined in the relevant supplement to this Global Loan Note in respect of such notional tranche) available to Loan Note Issuer No.1 for such purpose on the related Transfer Date in accordance with the Security Trust Deed.
- (i) The obligations of Loan Note Issuer No.1 in respect of this Global Loan Note are limited recourse in nature, as more particularly set out in the Security Trust Deed and the Loan Note Conditions as amended and supplemented by the relevant Supplement to the Global Loan Note. All claims in

respect of this Global Loan Note are limited to the Secured Property and once such Secured Property is realised and applied in accordance with the provisions of the Security Trust Deed as may be supplemented from time to time in relation to a particular notional tranche, no further steps against Loan Note Issuer No. 1 to recover amounts unpaid may be taken and all claims and all rights to claim against Loan Note Issuer No.1 to recover such sums will be extinguished. In addition, the Loan Note Holder and, inter alios, the Security Trustee are restricted in the proceedings which they may take against Loan Note Issuer No.1 to enforce their rights hereunder and under the Security Trust Deed and the Loan Note Conditions as amended and supplemented by the relevant Supplement to the Global Loan Note.

- (j) The **Global Scheduled Redemption Date** in respect of this Global Loan Note is that date which, at any time, is the latest of the Scheduled Redemption Dates specified in respect of each notional tranche of this Global Loan Note. The Global Scheduled Redemption Date may be extended at any time by a Supplement to the Global Loan Note.
- (k) This Global Loan Note is governed by, and shall be construed in accordance with, English law.
- (l) Loan Note Issuer No. 1 irrevocably agrees for the benefit of the Loan Note Holder that the courts of England are to have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with this Global Loan Note (respectively, **Proceedings** and **Disputes**) and, for such purposes, irrevocably submits to the jurisdiction of such Court. Loan Note Issuer No.1 irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes and agrees not to claim that any such court is not a convenient or appropriate forum.

IN WITNESS whereof, the manual or facsimile signature of a director, duly authorised officer, or duly authorised attorney on behalf of Loan Note Issuer No. 1.

SCHEDULE 1

TERMS AND LOAN NOTE CONDITIONS OF THE GLOBAL LOAN NOTE

This Global Loan Note is constituted and secured by a security trust deed and cash management agreement dated 31 October 2008 as amended and restated on 24 April 2013 (as the same may be amended, supplemented, verified, replaced or novated from time to time) (the **Security Trust Deed**) between, inter alios, Delamare Cards Funding 1 Limited (**Loan Note Issuer No.1**), Tesco Personal Finance PLC (the **Transferor Beneficiary**) and The Bank of New York Mellon, acting through its London branch, (the **Security Trustee** which expression shall include all persons for the time being the Security Trustee or Security Trustees under and pursuant to the Security Trust Deed) and these terms and conditions (the **Loan Note Conditions**) as supplemented from time to time by supplements to this Global Loan Note in respect of each notional tranche of this Global Loan Note (each a **Supplement to the Global Loan Note**) between Loan Note Issuer No.1, the Transferor Beneficiary, the Security Trustee and the other parties named therein.

Certain statements in these Loan Note Conditions may be summaries of the detailed provisions appearing in the Security Trust Deed. Copies of the Security Trust Deed, this Global Loan Note and each Supplement to the Global Loan Note are available for inspection by the Loan Note Holder(s) at the specified office of the Loan Note Registrar. The Loan Note Holder(s) is entitled to the benefit of, is bound by, and is deemed to have notice of, all the provisions of this Global Loan Note, and in respect of each notional tranche, as supplemented by the relevant Supplement to the Global Loan Note.

Words and expressions defined in the Security Trust Deed and, in respect of each notional tranche, in the relevant Supplement to the Global Loan Note shall have the same meaning where used in these Loan Note Conditions unless the context otherwise requires or unless otherwise stated and provided that, in respect of any notional tranche, in the event of inconsistency between these Loan Note Conditions, the relevant Supplement to the Global Loan Note and/or the Security Trust Deed the definition of the relevant term shall have the meaning specified in the relevant document ranking the highest in the following order of priority:

- (a) first, the relevant Supplement to the Global Loan Note;
- (b) second, these Loan Note Conditions; and
- (c) third, the Security Trust Deed.

1. FORM, DENOMINATION AND TITLE

1.1 Form, Denomination and Title

- (a) This Global Loan Note is issued in registered form with serial number 01.
- (b) Tesco Personal Finance PLC (in such capacity the **Loan Note Registrar**) will cause to be kept, at the specified office of the Registrar, the Loan Note Register on which shall be entered the names and addresses of the Loan Note Holder(s) and, if more than one, the particulars of that part of this Global Loan Note held by them and which tranches that part represents.
- (c) Title to this Global Loan Note will pass by and upon registration of transfers in the Loan Note Register. In these Loan Note Conditions, the **holder** of this Global Loan Note means the person in whose name or on whose behalf this Global Loan Note is for the time being registered in the Loan Note Register (or, (i) in the case of a joint holding, the first named thereof, or (ii) where the relevant Loan Note Holder has granted security with respect to this Global Loan Note, the beneficial holder so named in the Loan Note Register) and **Loan Note Holder** shall be construed accordingly. In the

case of there being more than one holder of parts of this Global Loan Note, a Loan Note Certificate will be issued to each Loan Note Holder in respect of its registered holding in this Global Loan Note.

- (d) The holder of this Global Loan Note or any part thereof shall (except as otherwise required by law) be treated as the absolute owner of this Global Loan Note or the relevant part thereof for all purposes (whether or not this Global Loan Note is overdue and regardless of any notice of ownership or writing on any Loan Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of previous loss or theft of such Loan Note Certificate) and no person shall be liable for so treating such holder.

1.2 Transfers of Notes

(a) *Transfers*

Subject to Loan Note Condition 1.2(d) (Closed Periods) below and save in the case of the initial transfer to the Note Trustee or its nominee, this Global Loan Note may be transferred in whole or in part upon surrender of the relevant Loan Note Certificate at the specified office of the Loan Note Registrar, with the form of transfer endorsed on the Loan Note Certificate duly completed and signed by or on behalf of the Transferor Beneficiary and Loan Note Issuer No. 1 and together with such evidence as the Loan Note Registrar may reasonably require to prove:

- (i) the title of the Transferor Beneficiary;
- (ii) the authority of the individuals who have executed the form of transfer; and
- (iii) the payment of any stamp duty payable on such transfer,

provided that save in the case of the initial transfer to the Note Trustee or its nominee, no Global Loan Note may be transferred without the prior written consent of the Security Trustee and the Transferor Beneficiary (such consent not to be unreasonably withheld).]

(b) *Registration and delivery of Loan Note Certificate*

Within five Business Days of the surrender of a Loan Note Certificate in accordance with Loan Note Condition 1.2(a) (Transfers) above (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), the Loan Note Registrar will register the transfer in question and deliver at the Loan Note Registrar's specified office a new Loan Note Certificate with the same face value as the Loan Note Certificate being transferred to the transferee or (at the request and risk of the transferee) send by uninsured mail to such address as the transferee may specify for the purpose. Where this Global Loan Note is transferred in part the Loan Note Registrar will register the transfer on the Loan Note Register by stating the relevant number of Loan Note Holders and the principal amounts held in that part of this Global Loan Note and shall issue Loan Note Certificates to each of the Loan Note Holders stating the parts of this Global Loan Note held by them.

(c) *Charge*

The relevant new Loan Note Holder will be required to bear the costs and expenses of effecting any registration of a transfer or any exchange as provided above.

(d) *Closed Periods*

No Loan Note Holder may require transfers affecting any notional tranche of this Global Loan Note to be registered during the period of five Business Days ending on the due date for any payment of principal or interest in respect of any such notional tranche of this Global Loan Note.

(e) *Initial Loan Note Registrar*

Loan Note Issuer No.1 reserves the right at any time with the consent of the Security Trustee to vary or terminate the appointment of the Loan Note Registrar and to appoint another Loan Note Registrar (subject to Clause 4.12 (Termination of Appointment of Loan Note Registrar) of the Security Trust Deed). Notice of any termination or appointment of a Loan Note Registrar and of any changes in its specified office will be given to Loan Note Holder(s) promptly by Loan Note Issuer No.1 in accordance with Loan Note Condition 15 (Loan Note Registrar).

1.3 Status

This Global Loan Note (including each notional tranche thereof) is a direct, unconditional and secured obligation of Loan Note Issuer No.1 and shall at all times rank *pari passu* and without any preference or priority with any and other global loan notes issued by Loan Note Issuer No. 1 pursuant to the Security Trust Deed.

1.4 Notional Tranches of the Global Loan Note

This Global Loan Note will comprise a number of notional tranches in order to calculate the amounts of principal and, if specified, interest payable under this Global Loan Note and each such notional tranche will represent the right to receive the payment of interest and repayment of principal on that part of this Global Loan Note represented by such notional tranche and the principal and interest calculated as payable in respect of any such notional tranche may be subordinated to the amount calculated as payable in respect of other notional tranches of this Global Loan Note.

2. STATUS OF THE NOTIONAL TRANCHES OF THE GLOBAL LOAN NOTE AND PRIORITY SECURED CREDITOR

2.1 Unsubordinated Class A Notional Tranche of the Global Loan Note

- (a) This Loan Note Condition 2.1 (Unsubordinated Class A Notional Tranche of the Global Loan Note) is applicable only in relation to any Class A notional tranche of this Global Loan Note which is specified as being unsubordinated in relation to all other notional tranches of this Global Loan Note.
- (b) In the case of an unsubordinated Class A notional tranche of this Global Loan Note, such notional tranche shall operate for the purposes of the amount calculated as being payable on that part of this Global Loan Note represented by such notional tranche as a secured, limited recourse obligation of Loan Note Issuer No.1, secured in the manner described in Loan Note Condition 3 (Security) and recourse in respect of which is limited in the manner described in Loan Note Conditions 7.3 and 11 (Enforcement) and will rank *pari passu* for the purposes of the amount calculated as payable with other such unsubordinated notional tranches of this Global Loan Note without any preference among themselves. The timing and the amount payable in respect of such unsubordinated Class A notional tranches of this Global Loan Note will be in accordance with the Security Trust Deed and will also reflect the terms of the relevant Supplement to the Global Loan Note for each such Class A notional tranche.

2.2 Subordinated Class B, Class C and Class D Notional Tranches of this Global Loan Note

- (a) This Loan Note Condition 2.2 (Subordinated Class B, Class C and Class D Notional Tranches of this Global Loan Note) is applicable only in relation to any notional tranche of this Global Loan Note which is specified as being a Class B, Class C or Class D, if any, notional tranche and thereby subordinated to any one or more other present or future notional tranches of this Global Loan Note.

- (b) In the case of any such subordinated notional tranches of this Global Loan Note, the notional tranche of this Global Loan Note shall operate for the purposes of the amount calculated as being payable on that part of this Global Loan Note represented by such notional tranche as a secured, limited recourse obligation of Loan Note Issuer No.1, secured in the manner described in Loan Note Condition 3 (Security) and recourse in respect of which is limited in the manner described in Loan Note Condition 7.3 and 11 (Enforcement) and will rank *pari passu* for the purposes of the amount calculated as payable with other such subordinated notional tranches of this Global Loan Note of the same Class without any preference among themselves. The timing and the amount payable will be in accordance with the Security Trust Deed and will also reflect the terms of the relevant Supplement to the Global Loan Note for each such notional tranche of the relevant Class.

3. SECURITY

3.1 Security

- (a) The obligations of Loan Note Issuer No.1 to the Secured Creditors in respect of this Global Loan Note and all notional tranches of this Global Loan Note are secured pursuant to the Security Trust Deed by Encumbrances governed by English law, or Scots law, as applicable, including a floating charge over such assets of Loan Note Issuer No.1 as are not otherwise secured (but extending over any Scottish assets).
- (b) The security granted by Loan Note Issuer No.1 in respect of the Secured Obligations (the **Security**) shall comprise the security created by the Security Trust Deed as described in Loan Note Condition 3.1(a) together with such further security (if any) as may be created by each further security document as may be required by the Security Trustee in respect of the relevant notional tranche of this Global Loan Note as specified in the Supplement to the Global Loan Note (the **Supplemental Security Document**, which definition shall not include any Supplement to the Global Loan Note).

4. DEFERRED SUBSCRIPTION

- 4.1 Unless otherwise specified in respect of any notional tranche in the relevant Supplement to the Global Loan Note, on each Transfer Date the Loan Note Holder shall pay to Loan Note Issuer No.1 the Deferred Subscription Price Amount due on each Distribution Date immediately following such Transfer Date, to the extent that such amount is available.

Deferred Subscription Price Amount means, on any Transfer Date an amount paid by the Loan Note Holder equal to the Further Interest received by such Loan Note Holder pursuant to Loan Note Condition 6.3 (Further Interest) on such Transfer Date and not utilised by the Loan Note Holder in paying any amounts other than Deferred Subscription Price Amounts.

5. RESTRICTIONS

- 5.1 With respect to any notional tranche of this Global Loan Note (the **relevant notional tranche**), Loan Note Issuer No.1, until (a) no further sums are outstanding in respect of the relevant notional tranche; (b) Loan Note Issuer No. 1 has fulfilled and discharged all of the Secured Obligations in respect of the relevant notional tranche and (c) the Security Trust Deed has ceased to apply as between Loan Note Issuer No. 1 and all the other parties, in relation to its obligations under the relevant notional tranche shall:
- (a) at all times carry on and conduct its affairs in a proper and efficient manner;
- (b) at all times keep proper books of account and allow the Security Trustee and any person appointed by it, to whom Loan Note Issuer No.1 or the Transferor Beneficiary have no

reasonable objection, access to the books of account of Loan Note Issuer No.1 at all reasonable times during normal business hours and to discuss the same with a nominated officer of Loan Note Issuer No.1 and in the event that audited financial accounts of Loan Note Issuer No. 1 are produced, to provide a copy thereof to the Security Trustee;

- (c) give notice in writing to the Security Trustee and the Loan Note Holder(s) forthwith upon becoming aware of the occurrence of a Loan Note Event of Default or Potential Loan Note Event of Default and without waiting for the Security Trustee to take any action;
- (d) so far as permitted by law, at all times give to the Security Trustee all such information within its power and control and afford the Security Trustee such facilities as it may reasonably require for the purpose of discharging the duties, powers, trusts, authorities and discretions vested in it by the Security Trust Deed or by operation of law;
- (e) unless specified otherwise in the relevant Supplement to the Global Loan Note, not make or consent to any amendment, variation or termination to any Series Document and/or any Relevant Document or any Secured Property without the prior written consent of the Security Trustee (in its capacity as trustee) and with due diligence use best efforts to pursue the performance of any party with which it has contracted of the obligations of such party under any Series Document;
- (f) not, without the prior written consent of the Security Trustee, give any guarantee or indemnity (other than as contemplated by the Series Documents in relation to a notional tranche of this Global Loan Note and the articles of association of Loan Note Issuer No.1);
- (g) not establish a permanent establishment, branch or agency nor maintain an office or establishment in any other jurisdiction;
- (h) ensure that each issuance or increase in the Outstanding Principal Amount of this Global Loan Note in respect of a notional tranche of this Global Loan Note and all other transactions to be effected hereunder shall at the time when they are entered into comply with all applicable laws and regulations of any governmental or other regulatory authority of the United Kingdom for the purposes of any relevant Series Documents in relation to a notional tranche of this Global Loan Note and that all necessary consents and approvals of, and registrations and filings with, any such authority in connection therewith are obtained and maintained in full force and effect and copies thereof are available to the Security Trustee on request upon reasonable notice;
- (i) promptly after the date hereof join with the Security Trustee in giving notice to each relevant Person of the Security granted to the Security Trustee under the Security Trust Deed and procure that each such Person acknowledges the same. In addition to the foregoing, Loan Note Issuer No.1 shall from time to time deliver, and assist the Security Trustee in delivering, any other notices in relation to any Security as the Security Trustee may reasonably request;
- (j) at all times use its best efforts to minimise taxes and any other costs arising in connection with its activities;
- (k) forthwith upon execution of any further instruments or documents pursuant to any Supplement to the Global Loan Note creating or purporting to create or to perfect or to protect any security interest by Loan Note Issuer No. 1, register in any jurisdiction where such registration may be required, details of such instrument or document;

- (l) not take any steps in its capacity as Investor Beneficiary of the Delamare Cards Receivables Trust (either on its own or in conjunction with any other Beneficiary of the Delamare Cards Receivables Trust) to terminate the Delamare Cards Receivables Trust or any sub-trust thereof;
- (m) furnish or cause to be furnished to the Loan Note Registrar, at such times as the Loan Note Registrar may request in writing, all information in the possession or control of Loan Note Issuer No.1, as to the names and addresses of each Loan Note Holder, and requiring the Loan Note Registrar to preserve, in as current a form as is reasonably practicable, all such information so furnished to it or received by it in the capacity as Loan Note Registrar;
- (n) upon the execution of the Security Trust Deed and thereafter forthwith upon any change of the same, deliver to the Security Trustee a list of the Authorised Signatories of Loan Note Issuer No.1, together with certified specimen signatures of the same;
- (o) not at any time to incur any liabilities representing debtor relationships which would result in 50% or more of its total liabilities in respect of all debtor relationships being owed to a person other than the Issuer;
- (p) not carry on a business or enter into any business transactions, in any other jurisdiction except as contemplated by any Series Document or any Relevant Document; and
- (q) send to the Security Trustee within 180 days after the end of its financial year, and also within ten days of any request by the Security Trustee, a certificate of Loan Note Issuer No.1 signed by two of its directors stating that as at a date not more than seven days before the date of such certificate, no Loan Note Event of Default or Potential Loan Note Event of Default had occurred since the date of the last such certificate (or the initial Issuance Date, if applicable) or that one has occurred and giving details thereof.

The Security Trustee shall be entitled to rely absolutely on a certificate of a director of Loan Note Issuer No.1 in relation to any matter relating to such restrictions or any other matter relating to this Global Loan Note or any notional tranche thereof and to accept without liability any such certificate as sufficient evidence of the relevant fact or matter in question.

6. INTEREST AND OTHER CALCULATIONS

6.1 Interest Calculation

- (a) Interest on this Global Loan Note will equal the aggregate amount of interest payable on each notional tranche plus the Further Interest payable pursuant to Condition 6.3 (Further Interest).
- (b) In the case of each notional tranche of this Global Loan Note the Loan Note Interest Amount payable on any Loan Note Interest Payment Date in respect of any Loan Note Interest Period (if any) will be calculated in accordance with the Supplement to the Global Loan Note in respect of such notional tranche.
- (c) Interest will cease to accrue on this Global Loan Note when interest has ceased to accrue on each notional tranche of this Global Loan Note.
- (d) Interest will cease to accrue on a notional tranche of this Global Loan Note on the date of redemption in full of the relevant notional tranche of this Global Loan Note unless, upon due presentation, payment of principal is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment), in the manner provided in the relevant

Supplement to the Global Loan Note, to the Final Redemption Date of the relevant notional tranche of this Global Loan Note.

6.2 Interest Deferral

To the extent that the monies paid by Loan Note Issuer No.1 for this Global Loan Note in respect of any notional tranche of this Global Loan Note are insufficient to pay the full Loan Note Interest Amount on any notional tranche of this Global Loan Note, payment of the shortfall (**Deferred Interest**) will unless specified otherwise in the relevant Supplement to the Global Loan Note be deferred and thereafter included in the Loan Note Interest Amount payable in respect of such notional tranche on the next and, if necessary, each subsequent Loan Note Interest Payment Date on which funds are available to Loan Note Issuer No.1 to pay the Loan Note Interest Amount in respect of such notional tranche in respect of such date, until the Final Redemption Date for such notional tranche. To the extent specified in the relevant Supplement to the Global Loan Note, Deferred Interest in respect of a notional tranche will accrue interest (**Additional Interest**) at the interest rate specified in such Supplement to the Global Loan Note in the manner set out therein, and such Additional Interest may if specified in the relevant Supplement to the Global Loan Note be included in the definition of Loan Note Interest Amount.

6.3 Further Interest

To the extent of monies available for such purpose (and unless otherwise specified in respect of any notional tranche in the relevant Supplement to the Global Loan Note) on each Transfer Date Loan Note Issuer No.1 will pay Further Interest to the Loan Note Holder.

Further Interest means an amount to be paid by Loan Note Issuer No.1 to the Loan Note Holder which is equal to the aggregate of the amounts paid in respect of each notional tranche of the Global Loan Note forming part of this Global Loan Note in accordance with Clause 26.12 of the Security Trust Deed.

7. REDEMPTION

- 7.1 This Global Loan Note will be redeemed by repayment of each notional tranche of this Global Loan Note.
- 7.2 In the case of each notional tranche of this Global Loan Note it will be repaid in accordance with the Supplement to the Global Loan Note in respect of such notional tranche.
- 7.3 Unless specified otherwise in the relevant Supplement to the Global Loan Note, the obligation of Loan Note Issuer No.1 to repay any notional tranche shall be limited to the amount of funds available to Loan Note Issuer No. 1 pursuant to the Security Trust Deed to make such payments and if such funds are insufficient to repay the notional tranche in full on the Final Redemption Date for such notional tranche, the shortfall shall cease to be a debt due from Loan Note Issuer No.1 and any liability in respect of such amount of the notional tranche shall be extinguished.

8. PAYMENTS

8.1 Global Loan Note

Payments of principal and interest (including Additional Interest) and Further Interest in respect of this Global Loan Note will, subject as mentioned below, be made in respect of each notional tranche to the Loan Note Holder (or if there are holders of different parts of this Global Loan Note, the holder of the relevant part) by transfer to such account(s) as shall be specified in the relevant Supplement to the Global Loan Note.

8.2 Payments subject to fiscal laws; payments on Global Loan Note

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Loan Note Condition 9 (Taxation). No commission or expenses shall be charged to the Loan Note Holder(s) in respect of such payments.

8.3 Non-Business Days

Subject as provided in the relevant Supplement to the Global Loan Note in respect of a notional tranche of this Global Loan Note, if any date for payment in respect of this Global Loan Note is not a business day, the Loan Note Holder(s) shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, **business day** means a day on which commercial banks and foreign exchange markets settle payments generally in London, England (subject to the terms of the relevant Supplement to the Global Loan Note).

9. TAXATION

Subject to provisions in the relevant Supplement to the Global Loan Note in respect of a notional tranche of this Global Loan Note all payments in respect of each notional tranche of this Global Loan Note will be made without withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature unless Loan Note Issuer No.1 or, where applicable, the Security Trustee is required by applicable law to make any payment in respect of this Global Loan Note or any notional tranche thereof subject to any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature. In that event, Loan Note Issuer No.1 or the Security Trustee (as the case may be) shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither Loan Note Issuer No.1 nor the Security Trustee will be obliged to make any additional payments to the relevant Loan Note Holder in respect of such withholding or deduction. Loan Note Issuer No.1 may require the Loan Note Holder(s) to provide such certifications and other documents as required by applicable law in order to qualify for exemptions from applicable tax laws in respect of this Global Loan Note or any notional tranche thereof.

10. LOAN NOTE EVENTS OF DEFAULT

10.1 On the occurrence of any of the following events in respect of a notional tranche of this Global Loan Note (each a **Loan Note Event of Default**), as supplemented by a Supplement to the Global Loan Note in respect of a notional tranche of this Global Loan Note:

- (a) *Non-payment*: Loan Note Issuer No.1 fails to pay any amount of principal or interest in respect of that notional tranche of this Global Loan Notes within five Business Days of the date for payment thereof; or
- (b) *Breach of other obligations*: Loan Note Issuer No.1 defaults in the performance or observance of any of its other obligations under or in respect of this Global Loan Note, the relevant Supplement to the Global Loan Note or the Security Trust Deed and the Security Trustee has given written notice thereof to Loan Note Issuer No.1, certifying that such default is, in the opinion of the Security Trustee, materially prejudicial to the interests of the Loan Note Holders and (except where such default is incapable of remedy) such default remains unremedied for 30 days after such notice was given 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 Loan Note Issuer No.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) *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 Loan Note Issuer No. 1 or an enforcement action is begun or a distress or execution is levied against any of the assets of Loan Note Issuer No.1; or
- (e) *Insolvency etc:* (i) Loan Note Issuer No.1 becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator of Loan Note Issuer No.1 or the whole or any part of the undertaking, assets and revenues of Loan Note Issuer No.1 is appointed (or application for any such appointment is made), (iii) Loan Note Issuer No.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) Loan Note Issuer No.1 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 Loan Note Issuer No. 1; 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 Loan Note Issuer No.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 (as defined in the Receivables Trust Deed and Servicing Agreement) or (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) is not taken, fulfilled or done; or
- (h) *Unlawfulness:* it is or will become unlawful for Loan Note Issuer No.1 to perform or comply with any of its obligations under or in respect of a notional tranche of this Global Loan Note or the documents relating to it; or
- (i) *Government intervention:* (i) all or any substantial part of the undertaking, assets and revenues of Loan Note Issuer No.1 is condemned, seized or otherwise appropriated by any person acting under the authority of any national, regional or local government or (ii) Loan Note Issuer No.1 is prevented by any such person from exercising normal control over all or any substantial part of its undertaking, assets and revenues,

the Security constituted by the Security Trust Deed shall immediately become enforceable (as provided in the Security Trust Deed).

- 10.2 The Security Trustee shall not be bound to take any such proceedings or steps as are contemplated by any provision of the Loan Note Condition 10 (Loan Note Events of Default) or any other proceedings pursuant to or in connection with this Global Loan Note, the Security Trust Deed, the Supplement to the Global Loan Note or any of them or to give any notice pursuant to this Loan Note Condition 10 (Loan Note Events of Default) unless directed or requested to do so by the Note Trustee or its nominee (in its capacity as Loan Note Holder in respect of a particular notional tranche

of this Global Loan Note) and then only if it shall have been indemnified and/or secured to its satisfaction.

- 10.3 Subject to the Security Trustee being requested and/or directed by the Loan Note Holder in respect of a particular notional tranche of this Global Loan Note and subject also to it having been indemnified and/or secured to its satisfaction following the occurrence of a Loan Note Event of Default, the Security Trustee shall be required to issue a notice (a **Loan Note Enforcement Notice**) to Loan Note Issuer No.1 and to take such steps as it shall think fit to enforce any security it holds, save to the extent restricted in accordance with Clause 3.1(b) of the Security Trust Deed.

10.4 Variation of Loan Note Events of Default

The Loan Note Events of Default may be varied or amended in respect of any notional tranche of this Global Loan Note as set out in the relevant Supplement to the Global Loan Note.

10.5 Realisation of the Underlying Assets upon redemption

In the event of the Security becoming enforceable, the Security Trustee shall, but in each case without any liability as to the consequence of such action and without having regard to the effect of, or being required to account for, such action to the Secured Creditors in relation to any notional tranche of this Global Loan Note, have the right to enforce its rights under the Security Trust Deed and any Supplemental Security Document (including the appointment of a Receiver) in relation to the Secured Property or any part thereof, provided that the Security Trustee shall not be required to take any action except to the extent specified in the Security Trust Deed.

11. ENFORCEMENT

- 11.1 Only the Security Trustee, at its discretion and without further notice, may pursue the remedies available under the general law or under the Security Trust Deed or these Loan Note Conditions as supplemented by the relevant Supplement to the Global Loan Note to enforce the rights of the Secured Creditors. No Secured Creditor is entitled to proceed directly against Loan Note Issuer No.1 or the assets of Loan Note Issuer No.1 to enforce the performance of any of the provisions of the Security Trust Deed and any relevant Supplement to the Global Loan Note or the Series Documents (if any) relating to such notional tranche of this Global Loan Note unless the Security Trustee, having become bound to proceed in accordance with the terms of the Security Trust Deed, any Supplemental Security Document or these Loan Note Conditions as amended and supplemented by the relevant Supplement to the Global Loan Note, fails or neglects to do so within a reasonable period of time and such failure or neglect is continuing.
- 11.2 No Secured Creditor, nor the Security Trustee on its behalf, may (at any time, whether prior to or after the realisation of the Secured Property) institute against, or join any person in instituting against Loan Note Issuer No.1 any bankruptcy, winding-up, re-organisation, arrangement, insolvency or liquidation proceeding (except for the appointment of a receiver and manager pursuant to the terms of the Security Trust Deed) or other proceeding under any similar law nor shall any of them have any recourse, in respect of any obligation, covenant or agreement of Loan Note Issuer No.1, against any shareholder, officer, agent or director of Loan Note Issuer No.1.
- 11.3 The net proceeds of enforcement of the Security in respect of a relevant notional tranche of this Global Loan Note may be insufficient to pay all amounts due to the Secured Creditors in respect of such notional tranche of this Global Loan Note, in which event claims in respect of all such amounts will be extinguished.

12. PRESCRIPTION

Claims against Loan Note Issuer No. 1 for payment in respect of any notional tranche of this Global Loan Note shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date (defined below). After the date on which this Global Loan Note becomes void in its entirety no claim may be made in respect thereof.

Relevant Date means the later of (a) the date on which the payment in question first becomes due and (b) (where the full amount of the monies payable in respect of those payments under the notional tranche due on or before that date has not been duly received by or on behalf of the relevant Loan Note Holder on or prior to such due date) the date on which the full amount of such monies having been so received or notice to that effect is duly given to such Loan Note Holder in accordance with Loan Note Condition 14 (Notices).

13. REPLACEMENT OF LOAN NOTES

If any Loan Note Certificate is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Loan Note Registrar, 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 Loan Note Issuer No.1 may require. A mutilated or defaced Global Loan Note must be surrendered before a replacement will be issued.

14. NOTICES

Any notices to a Loan Note Holder shall be given to it at the address/fax number specified in the Loan Note Register provided that, if different, any notice in respect of a notional tranche should, if

specified in the relevant Supplement to the Global Loan Note, be given at the address/fax specified in such Supplement to the Global Loan Note and in all cases shall be copied to the Loan Note Registrar and the Security Trustee.

15. LOAN NOTE REGISTRAR

The Loan Note Registrar will act solely as agent of Loan Note Issuer No.1 and will not otherwise assume any obligation or duty or relationship of agency or trust to or with the Loan Note Holders unless a Loan Note Event of Default has occurred, when it will act as agent of the Security Trustee. Such agreement may be amended by the parties thereto with the prior written approval of the Security Trustee subject to its obtaining the consent of the Loan Note Holder(s).

Loan Note Issuer No. 1 reserves the right at any time with the consent of the Security Trustee to vary or terminate the appointment of the Loan Note Registrar and to appoint another Loan Note Registrar. Notice of any termination or appointment and of any changes in specified offices will be given to the Loan Note Holder(s) promptly by Loan Note Issuer No.1 in accordance with Loan Note Condition 14 (Notices).

16. GOVERNING LAW

16.1 Governing Law

The Security Trust Deed, this Global Loan Note and each Supplement to the Global Loan Note and all non-contractual obligations arising out of or in connection with them are governed by and shall be construed in accordance with English law.

16.2 Submission to Jurisdiction

Loan Note Issuer No.1 has, in the Security Trust Deed, irrevocably agreed for the benefit of the Secured Creditors that the courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Loan Notes and, for such purposes, irrevocably submits to the jurisdiction of such court.

SCHEDULE 2

PAYMENTS IN RESPECT OF THE GLOBAL LOAN NOTE

Registered Holder(s) of Global Loan Note	Date of Principal increase or cancellation	Remaining Principal Amount outstanding of Global Loan Note	Authorised signature by or on behalf of the Loan Note Registrar

ANNEX TO SCHEDULE 2 – SCHEDULE OF NOTIONAL TRANCHE [●]

Registered Holder(s) of part of Global Loan Note (note if parts held by different parties)	Notional tranche of the Global Loan Note	Date of principal payment, increase or cancellation	Date of interest payment and amount of interest on relevant notional tranche	Remaining Outstanding Principal Amount of relevant notional tranche	Authorised signature by or on behalf of the Loan Note Registrar

SIGNATORIES

DELAMARE CARDS FUNDING 1 LIMITED

By: BRIJESH PATEL

Name:

Title: DIRECTOR

Date: 24/04/2013

AUTHENTICATION

This is the Global Loan Note referred to in the above-mentioned Security Trust Deed, each Supplement to the Global Loan Note and the Loan Note Conditions.

TESCO PERSONAL FINANCE PLC, as Loan Note Registrar

without recourse, warranty or liability

By: PETER BOLE

Name:

Title: AUTHORISED SIGNATORY

Date: 24 APRIL 2013