

## IMPORTANT NOTICE

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

You must read this notice before continuing.

This notice applies to the preliminary prospectus following this page, and you are advised to read this carefully before reading, accessing or making any other use of the preliminary prospectus. In accessing the preliminary prospectus, you agree to be bound by the following terms and conditions and any amendments of such terms and conditions any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION IS AN OFFER OF SECURITIES FOR SALE OR THE SOLICITATION OF AN OFFER TO BUY THE SECURITIES OF THE ISSUER IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, OR THE "SECURITIES ACT", OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES 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), EXCEPT UNDER AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS AND UNDER CIRCUMSTANCES DESIGNED TO PRECLUDE THE ISSUER FROM HAVING TO REGISTER UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED, OR THE "INVESTMENT COMPANY ACT".

THE PRELIMINARY PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER AND, IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE PRELIMINARY PROSPECTUS 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.

THE SECURITIES OFFERED BY THE PRELIMINARY PROSPECTUS MAY NOT BE SOLD TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON (AS DEFINED IN REGULATION RR (17 C.F.R PART 246) IMPLEMENTING THE RISK RETENTION REQUIREMENTS OF SECTION 15G OF THE U.S. SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, OR THE "U.S. RISK RETENTION RULES"). PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS DIFFERENT FROM THE DEFINITION OF "U.S. PERSON" IN REGULATION S.

In order to be eligible to view the preliminary prospectus or make an investment decision about the securities, each prospective investor in the notes or a beneficial interest in the notes must not be a U.S. person (within the meaning of Regulation S under the Securities Act) or located in the United States.

By accepting the e-mail and accessing the preliminary prospectus, you will be deemed to have represented to the sender, the seller and the issuer that (1) you understand and agree to the terms set out in this notice; (2) you are not a U.S. person (within the meaning of Regulation S under the Securities Act) or acting for the account or benefit of any such U.S. person; (3) you are not located in the United States and the e-mail address that you have given to the sender 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), any state of the United States or the District of Columbia; and that you consent to delivery of the preliminary prospectus by electronic transmission.

The issuance of the notes was not designed to comply with the U.S. Risk Retention Rules other than under the "foreign offering" exemption under Section 15G of the U.S. Risk Retention Rules, and no other steps have been taken by the issuer, the seller or the joint lead managers or any of their affiliates or any other party to accomplish such compliance.

Under no circumstances is the preliminary prospectus an offer to sell or the solicitation of an offer to buy nor may there be any sale of the Class A notes or the Class B notes referred to in the preliminary prospectus in any jurisdiction in which such offer, solicitation or sale would be unlawful. Recipients of the preliminary prospectus who intend to subscribe for or purchase the Class A notes or the Class B notes are reminded that any subscription or purchase may only be made on the basis of the information in the final prospectus. The preliminary prospectus may only be communicated to persons in the United Kingdom in circumstances where section 21(1) of the Financial Services and Markets Act 2000 (as amended) does not apply to the issuer.

The materials relating to the offering are not, 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 licenced broker or dealer and the joint lead managers or any affiliate of the joint lead managers is a licenced broker or dealer in that jurisdiction, the offering will be deemed to be made by the joint lead managers or such affiliate on behalf of the issuer in such jurisdiction.

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

The preliminary prospectus has been sent to you in an electronic form and documents transmitted electronically may be altered or changed during the process of transmission. None of Ford Bank, the issuer, BofA Securities, Commerzbank AG, Intesa Sanpaolo S.p.A. and Société Générale S.A. nor any person who controls any of the same nor any director, officer, the issuer, employee or agent of such person or affiliate of any such person accepts any liability or responsibility for any difference between the preliminary prospectus distributed to you in electronic format and the hard copy version available to you on request from BofA Securities, Commerzbank AG, Intesa Sanpaolo S.p.A. and Société Générale S.A.

**€363,000,000**

**Globaldrive Auto Receivables 2024-A B.V.**

(incorporated under the laws of The Netherlands  
with its corporate seat in Amsterdam)

**Ford Bank GmbH**

Seller and Servicer

Before you purchase any notes, be sure you understand the structure and the risks. You should consider carefully the risk factors beginning on page 20 of this prospectus.

The notes will be obligations of the issuer only and will not be obligations of or interests in Ford Bank GmbH or any of its affiliates.

**The issuer will issue:**

	<u>Principal Amount</u>	<u>Issue Price</u>	<u>Interest Rate</u>	<u>Final Maturity Date</u>	<u>Legal</u>
Class A notes <sup>(1)</sup> .....	€ 350,000,000	100%	1 month EURIBOR + [●]% with a 0% floor	20 June 2032	
Class B notes <sup>(1)</sup> .....	€ 13,000,000	100%	1 month EURIBOR + [●]% with a 0% floor	20 June 2032	
Class C notes <sup>(2)</sup> .....	€ [15,296,997.41]	100%	[●]% fixed rate	20 June 2032	
Total.....	€ [378,296,997.41]				

- (1) If one-month EURIBOR plus the spread for the Class A notes and/or for the Class B notes is less than zero, the interest rate will be 0.00%  
(2) The Class C notes are not being offered by this prospectus.

The notes will be backed by a pool of new, ex-demonstration and used car and light commercial vehicle loan receivables originated in Germany by Ford Bank GmbH, or "Ford Bank".

The issuer will pay interest and principal on the notes on the 20th day of each month (or, if not a business day, the next business day). The first payment date will be 20 August 2024. The issuer will pay each class of notes in full on its final legal maturity date (or if not a business day, the next business day) if not paid in full before that date.

The issuer will pay principal sequentially to each class of notes in order of seniority until each class is paid in full.

The Class A notes and Class B notes are being offered by this prospectus outside the United States to non U.S. persons as defined in Regulation S under the U.S. Securities Act of 1933, as amended in reliance on Regulation S. The Class A notes and the Class B notes are referred to as the "listed notes". The Class C notes are not offered under this prospectus.

The credit enhancement for the Class A notes and the Class B notes will be a reserve account, subordination and excess spread.

The issuer will enter into an interest rate swap agreement to hedge the interest rate risk on the Class A notes and the Class B notes.

This prospectus has been approved by the Central Bank of Ireland or the "Central Bank" as competent authority under Regulation (EU) 2017/1129 (as amended), the "Prospectus Regulation". The Central Bank only approves this prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the issuer or the quality of the listed notes that are the subject of this prospectus and investors should make their own assessment as to the suitability of investing in the listed notes. Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin, or "Euronext Dublin", for the listed notes to be admitted to the official list and trading on its regulated market. Such approval relates only to the listed notes which are to be admitted to trading on the regulated market of Euronext Dublin or other regulated markets for the purposes of the Markets in Financial Instruments Directive 2014/65/EU (as amended) or which are to be offered to the public in a Member State of the European Economic Area or "EEA". This document is a prospectus for the purposes of the Prospectus Regulation.

Under Article 23(1) of the Prospectus Regulation, every significant new factor, material mistake or material inaccuracy relating to the information included in a prospectus which may affect the assessment of the securities and which arises or is noted between the time when the prospectus is approved and the closing of the offer period or the time when trading on a regulated market begins, whichever occurs later, will be mentioned in a supplement to the prospectus without undue delay.

This prospectus is valid for a period of twelve months from the date hereof. The obligation to supplement the prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when the prospectus is no longer valid.

The listed notes will be issued in registered form and in the denominations of €200,000 and integral multiples of €1,000 in excess of €200,000. Interests in each of the Class A notes and Class B notes will be represented by an unrestricted global registered note each, a "global note", without interest coupons attached. The global note representing the Class A notes will be deposited on the closing date with a nominee for one of Euroclear Bank SA/NV, or "Euroclear" or Clearstream Banking, S.A. or "Clearstream, Luxembourg" which will act as the common safekeeper for the Class A notes. The global note representing the Class B notes will be deposited on or around the closing date with, and registered in the name of, a nominee of a common depository for Clearstream, Luxembourg and Euroclear. Except in certain limited circumstances, the global notes will not be exchangeable for unrestricted registered definitive notes, or "definitive notes".

The Class A global note will be issued under the NSS. The Class A notes are intended to be held in a manner which will allow Eurosystem eligibility, as described in "Risk Factors – Eurosystem eligibility".

**Joint Arrangers and Joint Lead Managers**

**BofA Securities**

**Commerzbank**

**IMI – Intesa Sanpaolo**

**Société Générale**

The date of this prospectus is [●] July 2024

## IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS

THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED OR THE "SECURITIES ACT" OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE NOTES MAY NOT BE OFFERED OR SOLD DIRECTLY OR INDIRECTLY WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT) EXCEPT UNDER AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS AND UNDER CIRCUMSTANCES DESIGNED TO PRECLUDE THE ISSUER FROM HAVING TO REGISTER UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED, OR THE "INVESTMENT COMPANY ACT". THE NOTES WILL ONLY BE OFFERED AND SOLD OUTSIDE THE UNITED STATES TO NON U.S. PERSONS IN COMPLIANCE WITH THE REQUIREMENTS OF REGULATIONS UNDER THE SECURITIES ACT. THERE IS NO UNDERTAKING TO REGISTER THE NOTES UNDER STATE OR FEDERAL SECURITIES LAW IN THE UNITED STATES. THE NOTES CANNOT BE SOLD IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS UNLESS THEY ARE LATER REGISTERED OR AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT IS AVAILABLE.

NO LIABILITY FOR ANY FAILURE BY THE ISSUER TO PAY ANY AMOUNT DUE UNDER THE NOTES WILL BE ACCEPTED BY FORD BANK, THE JOINT ARRANGERS, THE JOINT LEAD MANAGERS, THE SWAP COUNTERPARTY, THE CASH MANAGER, THE ACCOUNT BANK, THE PRINCIPAL PAYING AGENT, THE CALCULATION AGENT, THE TRUSTEE, THE SECURITY TRUSTEE, THE COLLATERAL AGENT, ANY OF THE OTHER TRANSACTION PARTIES, OR BY ANY PERSON OTHER THAN THE ISSUER.

This prospectus contains information about Globaldrive Auto Receivables 2024-A B.V. and the terms of the notes to be issued by the issuer. You should rely only on information provided or referenced in this prospectus.

This prospectus starts with a transaction overview setting out:

- *Diagrams* – separate diagrams show the structure of this securitisation transaction, the credit enhancement available to the notes, the interest and principal collections available to the issuer of this securitisation transaction, the priority of payments for this securitisation transaction, and the role that each transaction party and each transaction document plays in this securitisation transaction,
- *Overview of the notes and this securitisation transaction* – provides an overview of the notes, the assets of the issuer, the cash flows in this securitisation transaction and the credit enhancement available to the notes, and
- *Risk Factors* – describes the most significant risks of investing in the notes.

The other sections of this prospectus contain more details about the notes and the structure of this securitisation transaction. Cross-references refer you to more details about a particular topic or related information elsewhere in this prospectus. The table of contents on page ([ix]) contains references to key topics.

An index of defined terms is at the end of this prospectus.

This prospectus has been prepared by the issuer and may not be copied or used for any purpose other than for your evaluation of an investment in the notes.

The delivery of this prospectus at any time does not imply that the information in this prospectus is correct as at any time after its date.

The offering of the Class A notes and the Class B notes may be withdrawn, cancelled or modified at any time, and the issuer, the joint arrangers and the joint lead managers each reserve the right to reject any commitment to purchase the Class A notes and the Class B notes in whole or in part and to allot to any prospective investor less than the full amount of the Class A notes and the Class B notes sought by such investor. The joint lead managers will subscribe for the Class A notes and the Class B notes. Ford Bank will purchase the Class C notes.

**The issuer accepts responsibility for the information in this prospectus. To the best of the knowledge of the issuer the information in this prospectus is in accordance with the facts and contains no omission likely to affect the import of such information.**

**Ford Bank accepts responsibility for the information in the sections entitled "*Seller and Servicer*" and "*Receivables*". To the best of the knowledge of Ford Bank the information in the sections entitled "*Seller and Servicer*" and "*Receivables*" is in accordance with the facts and contains no omission likely to affect the import of such information.**

**Deutsche Trustee Company Limited accepts responsibility for the information about itself in the section entitled "*Trustee, Security Trustee and Collateral Agent*". To the best of the knowledge of Deutsche Trustee Company Limited the information about itself in the section entitled "*Trustee, Security Trustee and Collateral Agent*" is in accordance with the facts and contains no omission likely to affect the import of such information.**

**Bank of America Europe DAC accepts responsibility for the information about itself in the section entitled "*Swap Counterparty*". To the best of the knowledge of Bank of America Europe DAC the information about itself in the section entitled "*Swap Counterparty*" is in accordance with the facts and contains no omission likely to affect the import of such information.**

**BNP Paribas S.A. Niederlassung Deutschland accepts responsibility for the information about itself in the section entitled "*Account Bank*". To the best of the knowledge of BNP Paribas S.A. Niederlassung Deutschland the information about itself in the section entitled "*Account Bank*" is in accordance with the facts and contains no omission likely to affect the import of such information.**

**Deutsche Bank AG, London Branch accepts responsibility for the information about itself in the section entitled "*Cash Manager*". To the best of the knowledge of Deutsche Bank AG, London Branch the information about itself in the section entitled "*Cash Manager*" is in accordance with the facts and contains no omission likely to affect the import of such information.**

**The notes are obligations solely of the issuer and are not obligations of, are not guaranteed by and are not the responsibility of any other entity. In particular, the notes are not the obligations of, are not guaranteed by and are not the responsibility of Ford Bank, the joint arrangers, the joint lead managers, the swap counterparty, the cash manager, the account bank, the principal paying agent, the trustee, the security trustee, the collateral agent or any of the other transaction parties.**

The information in this prospectus about Ford Bank, the swap counterparty, the cash manager and the account bank relates to and has been obtained from each of them.

The delivery of this prospectus will not create an implication that there has been no change in the activity of Ford Bank, the swap counterparty, the cash manager or the account bank since the date of this prospectus or that the information contained or referred to in it is correct as at any time after its date. The information provided by Ford Bank, the swap counterparty, the cash manager and the account bank to the issuer has been accurately reproduced and, as far as the issuer is aware, and is able to ascertain from information provided, no facts have been omitted that would make the reproduced information inaccurate or misleading. The issuer has taken no steps to verify independently this information.

No person has been authorised in connection with the issue, offering, subscription or sale of the notes to give information or to make representations not in this prospectus and, if given or made, such information or representation must not be relied on as having been authorised by or on behalf of the issuer, the directors of the issuer or Ford Bank.

Purchasers of the notes should conduct such independent investigation and analysis regarding the issuer, Ford Bank, the swap counterparty, the receivables and the notes as they deem appropriate to evaluate the merits and risks of an investment in the notes. Ford Bank, the joint arrangers, the joint lead managers, the swap counterparty, the cash manager, the account bank, the principal paying agent, the trustee, the security trustee, the collateral agent and any of the other transaction parties make no representation, recommendation or warranty, express or implied, about the accuracy, adequacy, reasonableness or completeness of the information in this prospectus or in any further information, notice or other document which may be supplied by or on behalf of the issuer in connection with the notes and accept no responsibility or liability for such information. None of the joint arrangers, the joint lead managers nor any of their respective affiliates will be responsible for, or for investigating, any matter which is the subject of any statement, representation, warranty or covenant of the issuer contained in the notes, or any other agreement or document relating to the notes, or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence of the notes or any such other agreement or document. None of Ford Bank, the joint arrangers, the joint lead managers, the swap counterparty, the cash manager, the account bank, the principal paying agent, the trustee, the security trustee, the collateral agent or any of the other transaction parties will review the financial position or activity of the issuer while the notes are outstanding nor, unless required by applicable law, will advise investors or potential investors in the notes of information coming to its attention. None of the joint lead managers or the joint arrangers will be deemed to be providing investment advice to any investor or acting in a fiduciary capacity in respect of any investor and each investor must make their own assessment as to the suitability of investing in the notes.

Amounts payable under the Class A notes and the Class B notes will be calculated by reference to EURIBOR. As at the date of this prospectus, European Money Markets Institute as the administrator of EURIBOR appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority under Article 36 of Regulation (EU) No. 2016/1011, or the "Benchmarks Regulation".

Nothing in this prospectus is an offer of securities for sale or the solicitation of an offer to buy the securities of the issuer in the United States or any other jurisdiction where it is unlawful to do so. The notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended, or "Securities Act", or the securities laws of any state of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons", as defined in Regulation S under the Securities Act, or "Regulation S", except under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws and under circumstances designed to preclude the issuer from having to register under the U.S. Investment Company Act of 1940, as amended, or the "Investment Company Act".

The notes sold as part of the initial distribution of the notes may not be purchased by any person except for persons that are not "U.S. persons" as defined in the U.S. Risk Retention Rules, or "Risk Retention U.S. Persons". "U.S. Risk Retention Rules" means Regulation RR (17 C.F.R Part 246) implementing the risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended. Prospective investors should note that, although the definition of "U.S. person" in the U.S. Risk Retention Rules is similar to the definition of "U.S. person" in Regulation S, the definitions are not identical and persons who are not "U.S. persons" under Regulation S may be "U.S. persons" under the U.S. Risk Retention Rules.

Each purchaser of notes, including beneficial interests in such notes will be deemed, and in certain circumstances will be required, to have made certain representations and agreements, including that it (1) is not a Risk Retention U.S. Person, (2) is acquiring such note or a beneficial interest in such notes for its own account and not with a view to distribute such note, and (3) is not acquiring such note or a beneficial interest in such notes as part of a scheme to evade the requirements of the U.S. Risk Retention Rules. Each prospective investor will be required to make these representations as a condition to placing any offer to purchase the notes. The issuer, the seller and the joint lead managers will rely on these representations, without further investigation.

Notwithstanding the foregoing, the issuer can, with the consent of, and in reliance on, the seller, sell a limited portion of the notes to, or for the account or benefit of, Risk Retention U.S. Persons under the "foreign offering" exemption under Section 20 of the U.S. Risk Retention Rules.

No action has been taken by the issuer, the joint arrangers or the joint lead managers, other than as described in this prospectus that would permit a public offering of the notes, or possession or distribution of this prospectus or other offering materials in any country or jurisdiction where action for that purpose is required. No notes may be offered or sold, directly or indirectly, and neither this prospectus, nor a part of this prospectus, nor an information memorandum, offering circular, form of application, advertisement or other offering materials may be issued, distributed or published in any country or jurisdiction except in compliance with applicable laws, orders, rules and regulations. The issuer, the joint arrangers and the joint lead managers have represented that all offers and sales by them have been made on these terms.

Other than the approval of the Central Bank of this prospectus as a prospectus under the Prospectus Regulation, no action has been or will be taken to permit a public offering of the notes or the distribution of this prospectus in any jurisdiction.

This prospectus may only be used for the purposes for which it has been published. This prospectus is not and does not form part of an offer to sell or the solicitation of an offer to buy securities other than the securities to which it relates or an offer to sell or the solicitation of an offer to buy the securities offered by this prospectus in circumstances in which such offer, solicitation or sale is not permitted. The distribution of this prospectus and the offering and sale of the notes in some jurisdictions may be restricted by law. Persons into whose possession this prospectus comes are required by the issuer, the joint arrangers and the joint lead managers to inform themselves about and to observe those restrictions. This prospectus is not, and may not be used for, or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is not permitted to make such offer or solicitation.

Each initial and subsequent purchaser of the notes will be deemed, by its acceptance of such notes, to have made certain acknowledgements, representations and agreements intended to restrict the resale or other transfer of such notes as set forth therein and described in this prospectus and may be required to provide confirmation of its compliance with such resale and other transfer restrictions in certain cases.

For a further description of certain restrictions on offerings and sales of the notes and distribution of this prospectus you should read "*Subscription and Sale*".

**If you are in any doubt about the contents of this prospectus you should consult your advisers. 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 that may result from such investment. It should be remembered that the price of the notes and the income from them may decrease.**

## **FORWARD-LOOKING STATEMENTS**

Any projections, expectations and estimates in this prospectus are not historical in nature but are forward-looking statements based on information and assumptions Ford Bank and the issuer consider reasonable. Forward-looking statements are about circumstances and events that have not yet taken place and may vary materially from actual events. Neither Ford Bank nor the issuer is obligated to update or revise any forward-looking statements including changes in economic conditions, portfolio or asset pool performance or other circumstances or developments after the date of this prospectus.

## **PROHIBITION OF SALES TO EEA RETAIL INVESTORS**

The notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area, or 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 (as amended), or "MiFID II"; (ii) a customer within the meaning of Directive 2016/97/EU (as amended), or 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 (as amended), or the "Prospectus Regulation". Consequently, no key information document required by Regulation (EU) No 1286/2014, or the "EU 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 EU PRIIPs Regulation.

## **PROHIBITION OF SALES TO UK RETAIL INVESTORS**

The notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom. 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 the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as amended), or the "EUWA"; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, or 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 the domestic law of the United Kingdom by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA, or 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.

## **TARGET MARKET**

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

## **FEE DISCLOSURE**

The joint arrangers and joint lead managers may have a conflict of interest as they will receive fees for their roles in the transaction. Certain of the joint arrangers and joint lead managers and their affiliates, in the ordinary course of business, have engaged or may in the future engage in lending, advisory, investment banking and corporate finance services for the issuer or the seller and servicer, their parent and group companies and to companies involved directly or indirectly in the sector in which the issuer or the seller and servicer operate. Certain of the joint arrangers and joint lead managers and their affiliates may make or hold a broad array of investments and actively trade bank loans, debt and equity securities (or related derivative securities) and financial instruments for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the issuer or the seller and servicer or their affiliates. The joint arrangers and joint lead managers and their affiliates that have a lending relationship with the issuer or the seller and servicer routinely hedge their credit exposure to such counterparties consistent with their customary risk management policies. Typically the joint arrangers and joint lead managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the notes issued. Any such short positions could adversely affect future trading prices of the notes issued.



## **SIMPLE, TRANSPARENT AND STANDARDISED SECURITISATION**

The securitisation transaction described in this prospectus is intended to qualify as a simple, transparent and standardised securitisation, or an "STS securitisation" within the meaning of Article 18 of Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down common rules on securitisation and creating a European framework for simple, transparent and standardised securitisation and amending Directives 2009/65/EC, 2009/38/EC, 2011/61/EU and Regulations (EC) No.1060/2009 and (EU) No. 648/2012, or the "EU Securitisation Regulation". The seller, as originator, will submit an STS notification to ESMA in accordance with Article 27 of the EU Securitisation Regulation on the closing date, pursuant to which compliance with the requirements of Articles 19 to 22 of the EU Securitisation Regulation will be notified with the intention that the securitisation transaction described in this prospectus is to be included in the list administered by ESMA within the meaning of Article 27(5) of the EU Securitisation Regulation. The STS notification will be available for download on the website of ESMA. The STS notification will be made in accordance with the requirements of Commission Delegated Regulation (EU) 2020/1226.

ESMA is obliged to maintain on its website a list of all securitisations which the originators and sponsors have notified as meeting the STS requirements in accordance with Article 27(5) of the EU Securitisation Regulation. For this purpose, ESMA has set up a register under [https://registers.esma.europa.eu/publication/searchRegister?core=esma\\_registers\\_stsre](https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_stsre).

The seller, as originator, and the issuer, as SSPE (as defined in the EU Securitisation Regulation), have used the service of STS Verification International GmbH, or "SVI", a third party authorised pursuant to Article 28 of the EU Securitisation Regulation, to verify whether the securitisation transaction described in this prospectus complies with Articles 19 to 22 of the EU Securitisation Regulation and the compliance with such requirements is expected to be verified by SVI on the closing date. No assurance can be provided that the securitisation transaction described in this prospectus does or continues to qualify as an STS securitisation under the EU Securitisation Regulation at any point in time in the future. Noteholders and potential investors should verify the current status of the securitisation transaction on the website of ESMA. None of the issuer, the joint arrangers, the joint lead managers, the trustee, the security trustee, the collateral agent, the servicer, the seller or any of the other transaction parties makes any representation that the securitisation transaction described in this prospectus does qualify or will qualify as an STS securitisation under the EU Securitisation Regulation on the closing date or at any point in time in the future or accepts any liability in respect of the securitisation transaction described in this prospectus not qualifying as an STS securitisation.

## **UK SECURITISATION REGULATION**

Ford Bank, as originator, is established in Germany and therefore does not satisfy the requirement under Article 18 of Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down common rules on securitisation and creating a European framework for simple, transparent and standardised securitisation, as it forms part of English law by virtue of the EUWA, or the "UK Securitisation Regulation" that 'the originator and sponsor involved in a securitisation which is not an ABCP programme or an ABCP transaction and is considered STS must be established in the United Kingdom'. However, under the UK Securitisation Regulation, securitisation transactions which have been notified to ESMA prior to 1 January 2025 as meeting the requirements to qualify as an STS transaction under the EU Securitisation Regulation can also qualify as an STS transaction under the UK Securitisation Regulation, provided that the securitisation transaction remains on the ESMA register described above and continues to meet the requirements for STS securitisations under the EU Securitisation Regulation.

In respect of the due diligence requirements under Article 5 of the UK Securitisation Regulation which are applicable to relevant UK institutional investors, potential investors should note in particular that:

- in respect of the risk retention requirements set out in Article 6 of the UK Securitisation Regulation, Ford Bank undertakes to retain a material net economic interest with respect to the securitisation transaction described in this prospectus in compliance with Article 6 of the EU Securitisation Regulation and the Commission Delegated Regulation (EU) 2023/2175 of 7 July 2023 supplementing the EU Securitisation Regulation with regard to regulatory technical standards

specifying in greater detail the risk retention requirements for originators, sponsors, original lenders and services, or the "RRTS", but gives no undertaking to comply with Article 6 of the UK Securitisation Regulation, and

- in respect of the transparency requirements set out in Article 7 of the UK Securitisation Regulation, Ford Bank will make use of the standardised templates developed by ESMA in respect of the transparency requirements set out in Article 7 of the EU Securitisation Regulation for the purposes of the securitisation transaction described in this prospectus and will not make use of the standardised templates adopted by the FCA.

Prospective investors should be aware that, whilst at the date of this prospectus the requirements under Article 6 and Article 7 of the EU Securitisation Regulation and Article 6 and Article 7 of the UK Securitisation Regulation are very similar, the requirements under the EU Securitisation Regulation and the UK Securitisation Regulation may diverge in the future, in particular given the on-going review of and suggested amendments to the UK Securitisation Regulation. No assurance can be given that the information included in this prospectus or provided by Ford Bank in accordance with the EU Securitisation Regulation will be sufficient for the purposes of assisting such UK institutional investors in complying with their due diligence obligations under Article 5 of the UK Securitisation Regulation.

Prospective investors should be aware that, if a UK institutional investor purchases or holds the notes having failed to comply with one or more of the due diligence requirements under the UK Securitisation Regulation, depending on the regulatory requirements applicable to such UK institutional investors, an additional risk weight, regulatory capital charge and/or other regulatory sanction may be applied to the notes and/or imposed on the UK institutional investor.

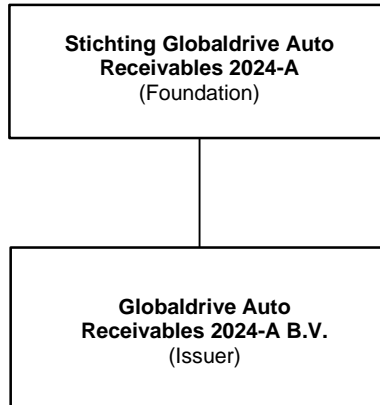
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## TRANSACTION OVERVIEW

### Ownership Structure Diagram of the Issuer



The above diagram illustrates the ownership structure of the issuer, as follows:

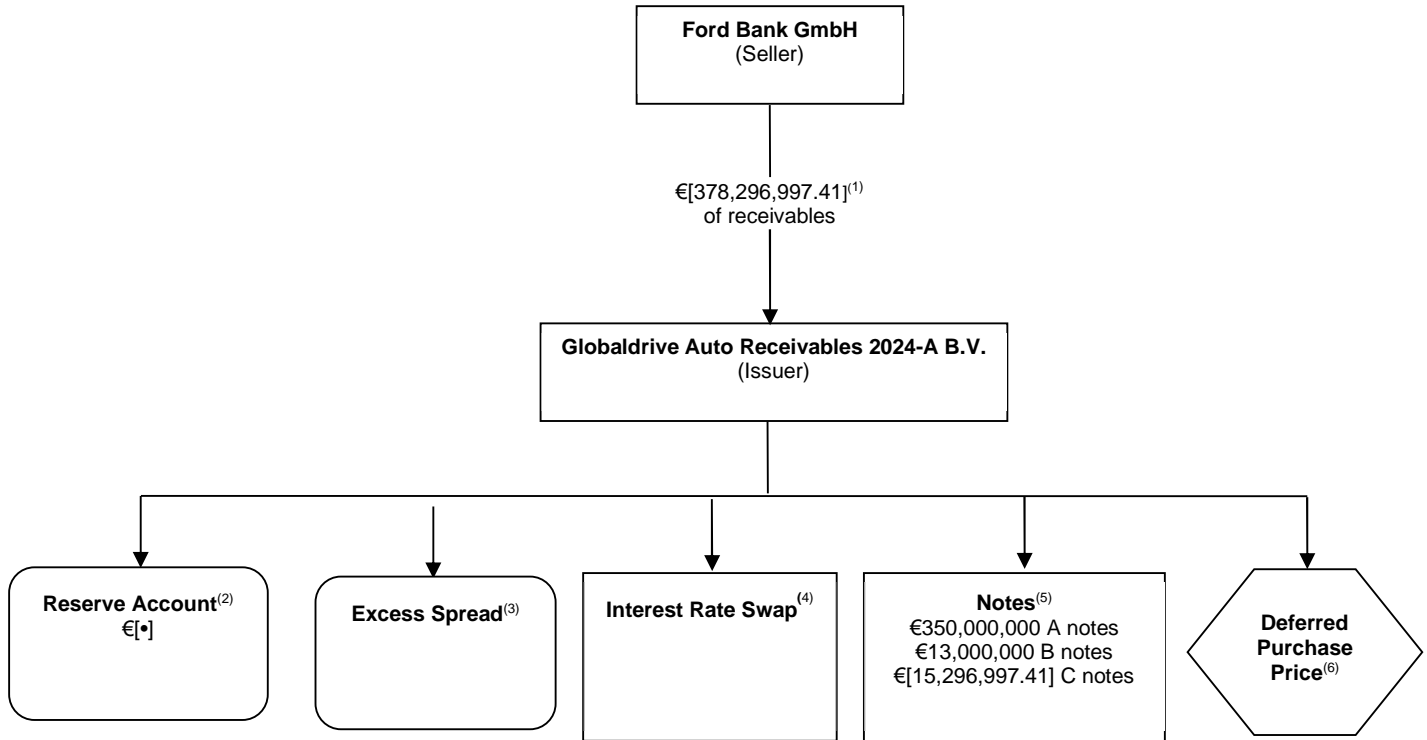
- the issuer is wholly owned by the foundation, and
- the issuer has an issued share capital of €1.00 consisting of one share of €1.00 and the foundation is the sole shareholder.

The issuer believes that the provisions of its constitutional documents and the issuer corporate services agreement are adequate to ensure that the control of the issuer by the foundation is not abused.

Neither the issuer nor the foundation is owned, controlled, managed, directed or instructed, whether directly or indirectly, by the seller.

## Transaction Structure Diagram

This diagram is a simplified overview of the structure of this securitisation transaction and the credit enhancement available for the notes. You should read this prospectus completely for more details about this securitisation transaction.



(1) The aggregate net present value of the receivables as at the cut-off date. For more details about the aggregate net present value of the receivables you should read "Receivables — Composition of the Receivables".

(2) The reserve account will be funded by Ford Bank, by way of the subordinated loan, on the closing date with the initial reserve amount.

(3) Excess spread is available, as a component of available interest collections, to replenish the reserve account (if required), to absorb losses on the receivables and to make required principal payment on the notes.

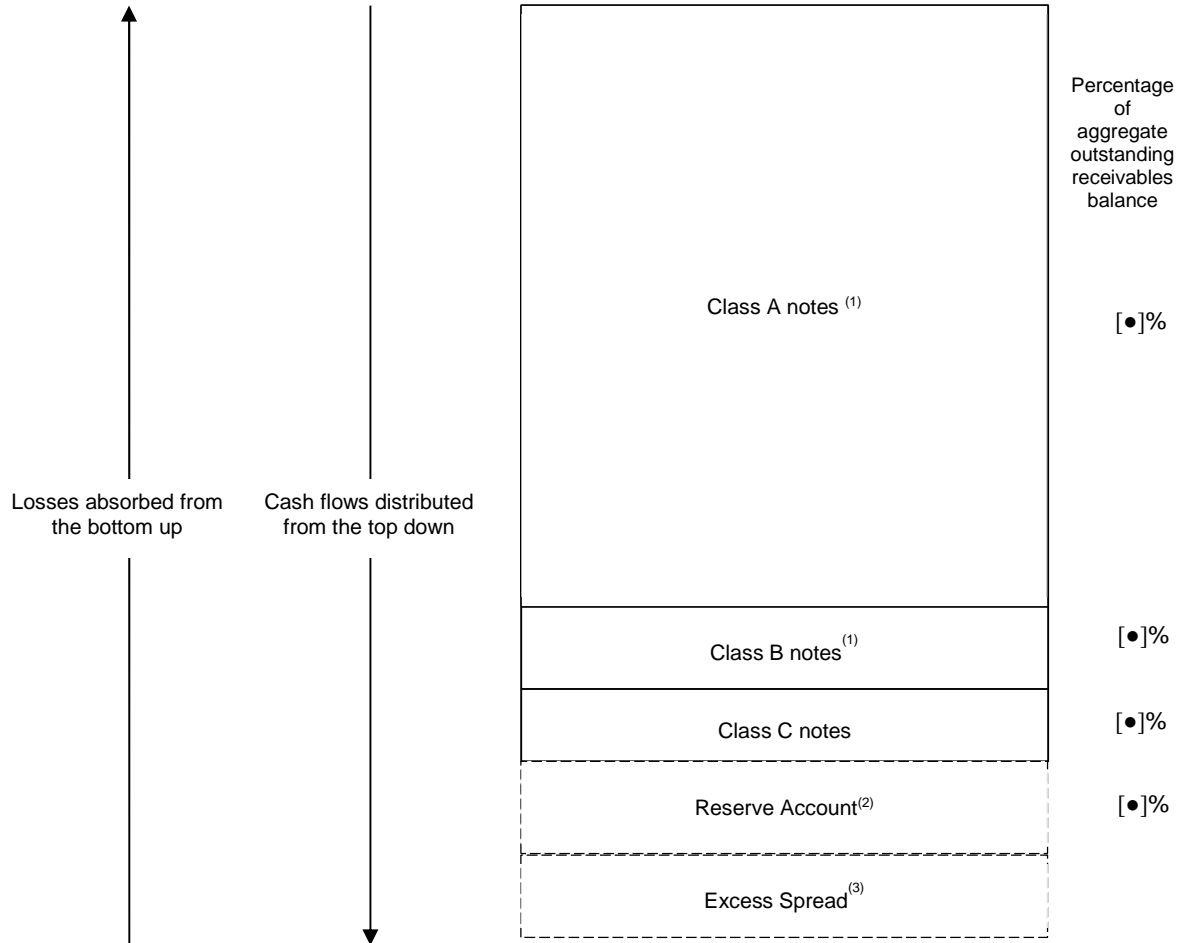
(4) Each month the fixed rate under the interest rate swap agreement will be [•]% and the floating rate under the interest rate swap agreement will be one-month EURIBOR. If the floating rate for any calculation period is less than -[•]%, then the floating rate will be deemed to be -[•]% for such calculation period. The notional amount under the interest rate swap agreement will be equal to the lesser of (a) the principal amount outstanding of the Class A notes and the Class B notes and (b) a predefined amortisation schedule (which is based on the projected amortisation of the Class A notes and the Class B notes assuming the receivables have a 0% default rate and prepay at a constant prepayment rate of 0%).

(5) All notes other than the Class C notes benefit from subordination of more junior classes to more senior classes. The subordination varies depending on whether interest or principal is being paid and whether or not an event of default that results in acceleration has occurred. For more details you should read "Overview of the notes and this securitisation transaction— Priority of Payments" and "Overview of the notes and this securitisation transaction— Credit Enhancement — Subordination".

(6) The seller will have a right to receive the deferred purchase price component on the receivables which represents the right to all funds not needed to pay fees and expenses of the issuer, to make payments under the interest rate swap agreement, to make required payments on the notes, to fund the reserve account or to make payments of reimbursed losses and principal deficiencies in accordance with the priority of payments.

## Transaction Credit Enhancement Diagram

*This diagram is a simplified overview of the credit enhancement available for the notes on the closing date and how credit enhancement is used to absorb losses on the receivables. You should read this prospectus completely, including "Credit Enhancement", for more details about the credit enhancement available for the notes.*



<sup>(1)</sup> All notes other than the Class C notes benefit from subordination of more junior classes to more senior classes. The order of the subordination varies depending on whether interest or principal is being paid and on whether or not an event of default that results in acceleration has occurred. For more details about the subordination within the transaction you should read "Overview of the notes and this securitisation transaction — Priority of Payments" and "Overview of the notes and this securitisation transaction — Credit Enhancement — Subordination".

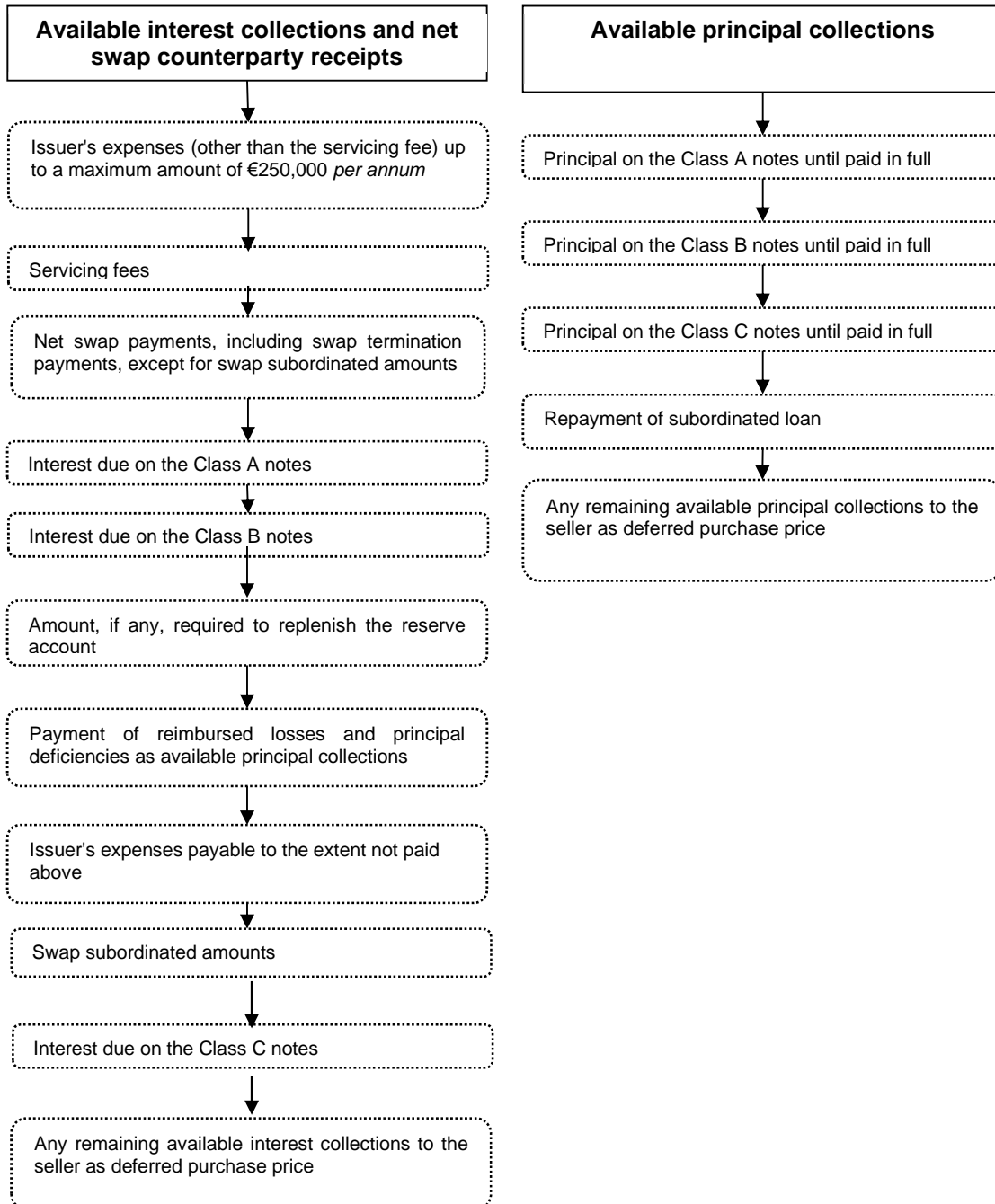
<sup>(2)</sup> On the closing date, the liquidity component of the reserve account will be funded by the seller by way of a subordinated loan at [●]% of the aggregate outstanding receivables balance or, equivalently, [●]% of the aggregate principal amount of the listed notes.

<sup>(3)</sup> Excess spread is available, as a component of available interest collections, to replenish the reserve account (if required), to absorb losses on the receivables and to make required principal payments on the notes.

## Priority of Payments Diagram

This diagram shows how available funds are paid on each payment date. The priority of payments shown in this diagram will apply unless the notes are accelerated after the service of an enforcement notice.

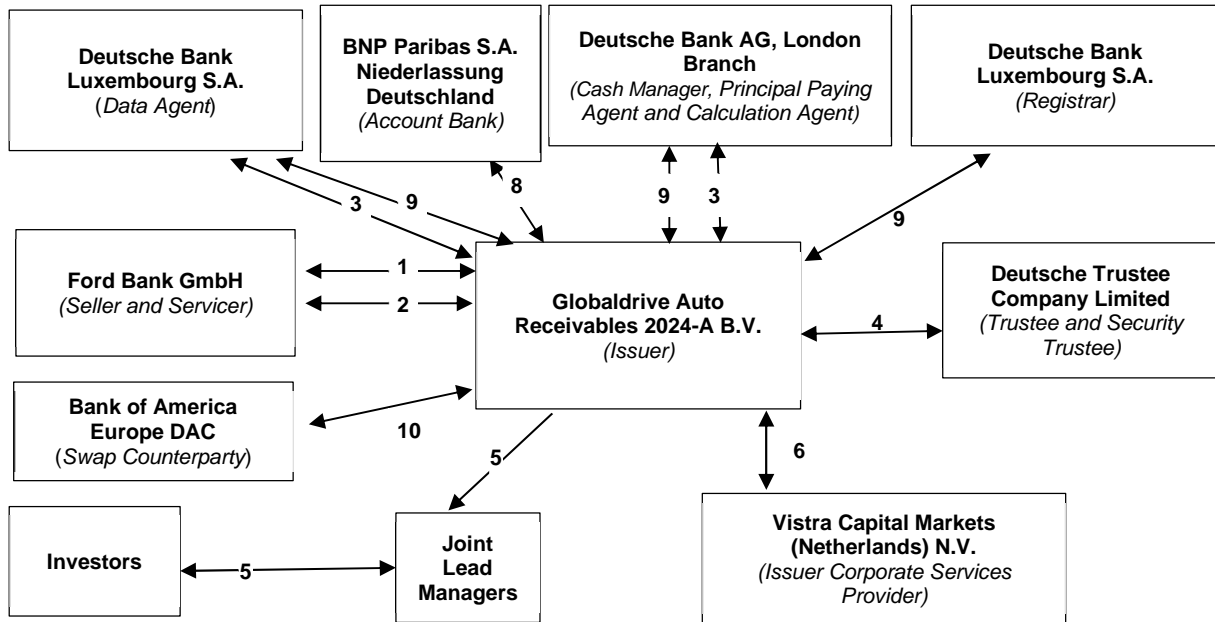
You should read this prospectus completely. For more details about the priority of payments before the acceleration of the notes after the service of an enforcement notice, you should read "Description of the Notes" and "Annex A: Terms and Conditions of the Notes".





## Transaction Parties and Documents Diagram

This diagram shows the role of each transaction party and each transaction document in this securitisation transaction. You should read this prospectus completely, including "Transaction Parties", "Receivables", "Description of the Notes" and "Seller and Servicer", for more details about the roles of each transaction party in this securitisation transaction.



### 1. RECEIVABLES SALE AGREEMENT

- the seller sells receivables to the issuer in exchange for the purchase price and the deferred purchase price component
- the seller makes representations to the issuer about the receivables and repurchases ineligible receivables
- the seller agrees to fund the initial reserve amount by way of the subordinated loan to the issuer

### 2. SERVICING AGREEMENT

- Ford Bank appointed servicer and receives the servicing fee
- the servicer provides information on the receivables and prepares monthly reports
- the servicer will purchase any servicer impaired receivables

### 3. CASH MANAGEMENT AGREEMENT

- Deutsche Bank AG, London Branch appointed cash manager and receives the cash management fee
- the cash manager will administer transaction funds, based on the information provided by the servicer

### 4. TRUST DEED, DEED OF CHARGE AND COLLATERAL AGENCY AGREEMENT

- the notes are constituted by the trust deed
- the trustee applies available amounts to pay expenses of the issuer and make payments on the notes in accordance with the priority of payments
- the receivables and all other German law governed assets of the issuer are assigned, transferred or pledged to the collateral agent to secure the notes under the collateral agency agreement
- all English law governed assets of the issuer are charged or assigned to the security trustee to secure the notes under the deed of charge

### 5. NOTE PURCHASE AGREEMENTS

- the issuer sells the Class A notes and the Class B notes to the joint lead managers
- the joint lead managers will purchase the Class A notes and the Class B notes and offer the Class A notes and the Class B notes to investors
- the Class C notes will be purchased by Ford Bank

### 6. ISSUER CORPORATE SERVICES AGREEMENT

- Vistra Capital Markets (Netherlands) N.V. appointed administrator of the issuer and will perform administrative duties of the issuer

### 7. BANK ACCOUNT OPERATION AGREEMENT

- BNP Paribas S.A. Niederlassung Deutschland appointed account bank and provides account services for the distribution account, the reserve account and the counterparty downgrade collateral account

### 8. DATA CUSTODY AGREEMENT

- Deutsche Bank Luxembourg S.A. appointed data agent for borrower information

### 9. AGENCY AGREEMENT

- Deutsche Bank AG, London Branch appointed principal paying agent and calculation agent
- Deutsche Bank Luxembourg S.A. appointed registrar

### 10. INTEREST RATE SWAP AGREEMENT

- Bank of America Europe DAC acts as swap counterparty to the issuer

## Overview of the notes and this securitisation transaction

*This overview must be read as an introduction to this prospectus and your decision to invest in the notes should be based on a consideration of this prospectus as a whole.*

*This overview describes the main terms of the offering of and payments on the notes, the assets of the issuer, the cash flows in this securitisation transaction and the credit enhancement available to each class of notes. It does not contain all of the information that you should consider in making your decision to purchase any notes. To understand fully the terms of the notes and the transaction structure, you should read this prospectus completely, especially "Risk Factors" starting on page 20.*

### Transaction Overview

The issuer will use the net proceeds from the sale of the notes to purchase from Ford Bank a pool of rights to amounts payable under German law governed retail auto loan agreements, or "receivables", that were originated in Germany by Ford Bank through motor vehicle dealers.

The issuer will issue the notes on the closing date.

### Transaction Parties

#### *Seller and Servicer*

Ford Bank GmbH, or "Ford Bank"

#### *Issuer*

Globaldrive Auto Receivables 2024-A B.V.

#### *Trustee and Security Trustee*

Deutsche Trustee Company Limited

#### *Registrar and Data Agent*

Deutsche Bank Luxembourg S.A.

#### *Account Bank*

BNP Paribas S.A. Niederlassung Deutschland

#### *Principal Paying Agent, Cash Manager and Calculation Agent*

Deutsche Bank AG, London Branch

#### *Issuer Corporate Services Provider*

Vistra Capital Markets (Netherlands) N.V.

*For more details about the transaction parties and their roles in this securitisation transaction, you should read "Transaction Parties".*

### Closing Date

The issuer expects to issue the notes on [22] July 2024, or the "closing date".

### Cut-Off Date

The issuer will purchase the receivables as of 30 June 2024, the "cut-off date". The issuer will have a right to collections on the receivables applied after the cut-off date.

**The data presented in this preliminary prospectus is based on a preliminary cut-off date of 31 May 2024. The data for the pool of receivables as of the actual cut-off date of 30 June 2024 will vary from the data presented in this preliminary prospectus. The receivables to be sold to the issuer on the closing date will be randomly selected by Ford Bank from its portfolio of retail loan agreements which Ford Bank determines to comply with the eligibility criteria. Any reference to the cut-off date will be deemed to be the preliminary cut-off date for the purposes of this preliminary prospectus.**

### Notes

The issuer will issue the following notes:

	<u>Principal Amount</u>	<u>Interest Rate</u>
Class A notes <sup>(1)</sup>	€350,000,000	1 month EURIBOR [●]% with a 0% floor
Class B notes <sup>(1)</sup>	€13,000,000	1 month EURIBOR [●]% with a 0% floor
Class C notes <sup>(2)</sup>	€[15,296,997.41]	[●]%

(1) If one-month EURIBOR plus the spread for the Class A notes and/or for the Class B notes is less than zero, the interest rate will be 0.00%

(2) The Class C notes are not being offered by this prospectus

The Class A notes, the Class B notes and the Class C notes are referred to as the "notes".

The Class A notes and the Class B notes offered by this prospectus will be subscribed for by BofA Securities Europe SA, or "BofA Securities", Commerzbank AG, Intesa Sanpaolo S.p.A. and Société Générale S.A. as joint lead managers. The joint lead managers will purchase and pay for (i) the principal amount of the Class A notes at an issue price of 100% of the principal amount of the Class A notes and (ii) the principal amount of the Class B notes at an issue price of 100% of the principal amount of the Class B Notes, as more particularly described in the section entitled "Subscription and Sale". The Class C notes will be purchased by Ford Bank.

**Form and Denomination**

The Class A notes and Class B notes will be issued in registered form and in the denominations of €200,000 and multiples of €1,000 in excess of €200,000. Interests in each of the listed notes will be represented by the related global note. Except in certain limited circumstances, definitive notes will not be available.

The Class A global note will be issued under the NSS.

*For more details about the form and denomination of the notes, you should read "Description of the Notes".*

**Status of the Notes**

The notes will be constituted by a trust deed between the issuer and the trustee. The notes are secured limited recourse obligations of the issuer.

The Class A notes will rank in priority to the Class B notes and the Class C notes. The Class B notes will rank in priority to the Class C notes. Each class of notes will rank *pari passu* without preference among the class.

For more details about the *status of the notes*, you should read "Description of the Notes" and "Annex A: Terms and Conditions of the Notes".

**Security for the Notes**

Under a German law governed collateral agency agreement and an English law governed deed of charge, the issuer will assign, transfer, pledge and/or charge by way of security all of its assets, including the receivables, the ancillary rights (including security interests in the vehicles), the accounts

and all of its other rights under the transaction documents in favour of the collateral agent and the security trustee, respectively, to secure its obligations under the transaction documents.

*For more details about the security for the notes, you should read "Description of the Notes" and "Principal Transaction Documents".*

**Payment Dates**

The issuer will pay interest and principal on the notes on "payment dates", which will be the 20th day of each month (or, if not a business day, the next business day). The first payment date will be 20 August 2024.

The Class A notes and the Class B notes will accrue interest on an "actual/360" basis from the prior payment date (or from the closing date, for the first interest period) to the following payment date and the Class C notes will accrue interest on a "30/360" basis provided that, from the closing date, for the first interest period, to the first payment date, the Class C notes will accrue interest on an "actual/360" basis.

The final legal maturity date for each class of notes is listed below.

	<u>Final Legal Maturity Date</u>
Class A notes.....	20 June 2032
Class B notes.....	20 June 2032
Class C notes.....	20 June 2032

It is expected that each class of notes will be paid in full earlier than its final legal maturity date.

*For more details about the payment of interest and principal on each payment date, you should read "Description of the Notes" and "Annex A: Terms and Conditions of the Notes".*

**Clean Up Call**

The seller will have an option to exercise a "clean up call" to purchase all of the receivables on a payment date when the aggregate principal amount outstanding of the listed notes is equal to 10% or less of the aggregate net present value of the receivables as at the cut-off date. The seller may exercise its clean up call only if the purchase price for the receivables is sufficient to redeem the notes and all other fees and expenses of the issuer. On the seller's

exercise of its clean up call, the notes will be redeemed and paid in full.

*For more details about the clean up call, you should read "Description of the Notes — Option to purchase", "Principal Transaction Documents — Receivables Sale Agreement — Clean up Call" and "Annex A: Terms and Conditions of the Notes".*

### **Optional early redemption for taxation and other reasons**

If a change of law occurs after the closing date and the issuer is required to deduct, withhold or account for tax on a payment by it on the notes or would itself suffer a tax (other than on the retained amount) and the issuer is unable so to avoid such withholding or deduction or tax, then the issuer may redeem all of the notes.

*For more details about the optional early redemption for taxation and other reasons, you should read "Annex A: Terms and Conditions of the Notes".*

### **Issuer's Assets**

The issuer's assets will include:

- the receivables and collections on the receivables applied after the cut-off date,
- proceeds of sale of the financed vehicles,
- rights under the loan agreements,
- any security or guarantees granted for the loan agreements,
- proceeds from claims on insurance policies covering the financed vehicles or the borrowers,
- rights in the issuer's distribution, reserve and counterparty downgrade collateral accounts,
- rights under the transaction documents,
- rights under the interest rate swap agreement, and
- all proceeds of the above.

### **Receivables**

The receivables that will be sold to the issuer are rights to amounts payable under retail auto loan agreements originated in Germany and governed under the laws of Germany that relate

to and are secured by new, ex-demonstration and used cars and light commercial vehicles, or "financed vehicles". The purchasers of the financed vehicles who are responsible for making payments on the receivables are retail borrowers, or "borrowers".

Receivables with an aggregate net present value of €[●] will be transferred to the issuer on the closing date.

Summary characteristics of the pool of receivables as of the cut-off date:

Number of receivables originated .....	18,842
Aggregate net present value.....	€378,296,997.41
Average net present value.....	€20,077.33
Average original amount financed.....	€26,198.70
Weighted average original LTV...	83.08%
Weighted average original interest rate .....	3.11%
New.....	82.98%
Ex-Demo.....	11.95%
Used.....	5.07%
Private.....	84.76%
Commercial.....	15.24%
TCM contracts.....	68.49%
Standard .....	31.51%

*For more details about the information in this table, including how it is calculated and defined, and for more information about the characteristics of the receivables and for more details about the aggregate net present value of the receivables, you should read "Receivables — Composition of the Receivables".*

### **Eligibility Criteria**

The receivables will be randomly selected by Ford Bank from its portfolio of retail loan agreements which Ford Bank determines to comply with the eligibility criteria. The eligibility criteria are as follows:

As at the cut-off date, each receivable,

- is payable in Euros,
- has a positive net present value,

- is evidenced by a loan agreement entered into to finance the purchase of a new, ex-demonstration or used car or light commercial vehicle,
- has had at least one full payment applied,
- is not more than 30 days delinquent (Ford Bank considers a receivable delinquent if more than €1 of a scheduled payment is overdue),
- has no more than 71 monthly payments remaining,
- arises from a loan agreement that has been entered into with a retail borrower who was domiciled in Germany at the point of sale, and
- arises from a loan agreement for the repayment of a loan which bears interest at a fixed rate.

*For more details about the eligibility criteria of the receivables you should read "Receivables — Selection of Receivables".*

### **Homogeneity**

As at the cut-off date, for the purposes of Article 20(8) of the EU Securitisation Regulation, and the Commission Delegated Regulation (EU) 2019/1851 of 28 May 2019 supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards on the homogeneity of the underlying exposures in securitisation, the receivables:

- have all been underwritten according to Ford Bank's bank working procedures,
- are all serviced according to Ford Bank's bank working procedures,
- all fall within the same asset type for the purposes of the EU Securitisation Regulation, being auto loans, and
- all arise from loan agreements that have been entered into with retail borrowers who were domiciled in Germany at the point of sale.

### **Servicer**

Ford Bank will be the servicer of the receivables and this securitisation transaction.

The servicer is responsible for collecting payments on the receivables, administering payoffs, defaults and delinquencies, terminating defaulted loan agreements and liquidating financed vehicles.

The servicer will prepare monthly reports on the receivables, payments on the notes and credit enhancement.

The servicer will act as custodian and maintain custody of the receivables files.

*For more details about the servicing of the receivables, you should read "Principal Transaction Documents — Servicing Agreement".*

### **Securitisation Regulation Disclosure Requirements**

Pursuant to Article 22(5) of the EU Securitisation Regulation, Ford Bank, the originator, is responsible for compliance with Article 7 of the EU Securitisation Regulation.

For the purposes of Article 7(2) of the EU Securitisation Regulation, the seller and the issuer will designate Ford Bank, the originator, to fulfil the applicable disclosure requirements set out in Article 7(1) of the EU Securitisation Regulation and the related regulatory technical standards adopted by the EU Commission, as well as under any associated ESMA guidelines, or the "EU Securitisation Regulation Disclosure Requirements". Ford Bank's obligations in respect of the EU Securitisation Regulation Disclosure Requirements after the closing date are set out in the servicing agreement and will be performed by Ford Bank in its capacity as servicer.

*For more details about the reporting obligations of Ford Bank in its capacity as servicer, you should read "Reporting obligations of the Servicer".*

### **Servicer Termination Event**

If any of the following events (each a "servicer termination event") occurs or exists (and has not been waived, cured or remedied):

- any failure by the servicer to pay or deposit any proceeds or payment required to be paid or deposited by it under the servicing agreement that continues for a period of five business days after the earlier of the date when (x) notice of such failure is given to the

servicer by the trustee, the security trustee or the collateral agent or (y) a responsible person of the servicer learns of such failure, unless:

- (i) (1) such failure is caused by an event outside the control of the servicer that the servicer could not have avoided through the exercise of due care, (2) such failure does not continue for more than ten business days after the earlier of the date when notice of such failure is given to the servicer by the trustee, the security trustee, the collateral agent or a responsible person of the servicer learns of such failure, (3) during such period the servicer uses all commercially reasonable efforts to perform its obligations under the servicing agreement and (4) the servicer provides the trustee, the security trustee, the collateral agent, the issuer and the noteholders with prompt notice of such failure that includes a description of the servicer's efforts to remedy such failure, or
  - (ii) (1) such failure would not reasonably be expected to, or after investigation and quantification does not, result in the failure in paying or depositing an amount greater than 0.05% of the outstanding aggregate amount payable regarding all notes and (2) such failure is remedied (A) if Ford Bank's long-term debt is rated investment grade by both rating agencies, no later than 90 days after a responsible person of the servicer learns of such failure or (B) if Ford Bank's long-term debt is not so rated (provided in each case of (A) and (B) above that Ford Bank is the servicer at that time), then no later than 90 days after such failure, or
- any failure by the servicer to observe or perform any other obligations under the servicing agreement and the issuer (prior to the service of an enforcement notice) or the collateral agent (acting as directed by the trustee) (after the service of an

enforcement notice) certifies that such default is, in its opinion, materially prejudicial to the interests of the noteholders and (except where, in the opinion of the issuer (prior to the service of an enforcement notice) or the collateral agent (acting as directed by the trustee) (after the service of an enforcement notice), such default is incapable of remedy, when no such continuation and/or notice as is mentioned below will be required) such default continues unremedied for a period of 60 days after the earlier of a responsible person of the servicer becoming aware of such default and receipt by the servicer of notice from the issuer or the collateral agent (as applicable) requiring the same to be remedied, or

- the seller fails to deposit the set-off reserve component to the reserve account on the relevant interest payment date, unless such failure is remedied within five business days of a responsible person of the seller becoming aware of such failure, or
- an insolvency event regarding the servicer occurs,

the issuer, provided the collateral agent (acting as directed by the trustee) consents to such termination, or (after the service of an enforcement notice) the collateral agent may at once or at any time subsequently while such servicer termination event continues, by written notice to the servicer (with a copy to the account bank, the cash manager, the security trustee, the issuer and the rating agencies), terminate the appointment of the servicer with effect from a date (not earlier than the date of such notice) stated in such notice, provided that no termination of the servicer will become effective until a replacement servicer has been appointed.

### **Cash Manager**

Deutsche Bank AG, London Branch will be the cash manager. The cash manager is responsible for managing the issuer's accounts and arranging for payments to be made on behalf of the issuer from such accounts on the basis of information in the monthly report provided to it by the servicer.

### **Priority of Payments**

On each payment date before the service of an enforcement notice, the issuer will use available

funds from the prior month to make payments in the order of priority listed below. Available funds will consist primarily of collections on the receivables. This priority of payments will apply unless the notes are accelerated after the service of an enforcement notice.

#### *Interest Priority of Payments*

On each payment date, before the service of an enforcement notice, the issuer will apply the available interest collections and any net swap counterparty receipts (excluding any permitted exceptions) to make payments in the order of priority listed below:

- (i) payment of arrears of the issuer expenses due and payable on a previous interest payment date and remaining unpaid on such interest payment date within the limit set out in item (ii) below,
- (ii) payment of the issuer expenses up to maximum amount of €250,000 *per annum*,
- (iii) to the servicer, payment of arrears of servicing fee from the previous interest payment dates and remaining unpaid on such interest payment date,
- (iv) to the servicer, payment of the servicing fee,
- (v) to the swap counterparty, net amounts to the swap counterparty under the interest rate swap agreement, other than any swap subordinated amounts,
- (vi) to the Class A noteholders, payment of any Class A interest shortfall (to be paid to each Class A noteholder), on a *pro rata* and *pari passu* basis,
- (vii) to the Class A noteholders, payment of the Class A interest amount (to be paid to each Class A noteholder), on a *pro rata* and *pari passu* basis,
- (viii) to the Class B noteholders, payment of any Class B interest shortfall (to be paid to each Class B noteholder), on a *pro rata* and *pari passu* basis,
- (ix) to the Class B noteholders, payment of the Class B interest amount (to be paid to each Class B noteholder), on a *pro rata* and *pari passu* basis,

- (x) to the reserve account, amounts necessary to maintain the reserve account at its required reserve amount,
- (xi) as available principal collections, payment of reimbursed losses and principal deficiencies,
- (xii) to the swap counterparty, amounts due to the swap counterparty for any swap subordinated amounts,
- (xiii) payment of issuer expenses to the extent that such issuer expenses have not been paid under item (i) or item (ii) above,
- (xiv) to the Class C noteholders, payment of any Class C interest shortfall (to be paid to each Class C noteholder), on a *pro rata* and *pari passu* basis,
- (xv) to the Class C noteholders, payment of the Class C interest amount (to be paid to each Class C noteholder), on a *pro rata* and *pari passu* basis, and
- (xvi) to the seller, payment of any amount remaining as part of the deferred purchase price component,

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

#### *Principal Priority of Payments*

On each payment date, before the service of an enforcement notice, the issuer will apply the available principal collections (excluding any permitted exceptions) to make the payments in the order of priority listed below:

- (i) to the Class A noteholders, payment of principal on a *pro rata* and *pari passu* basis until all the Class A notes have been redeemed in full,
- (ii) to the Class B noteholders, payment of principal on a *pro rata* and *pari passu* basis until all the Class B notes have been redeemed in full,
- (iii) to the Class C noteholders, payment of principal on a *pro rata* and *pari passu*

basis until all the Class C notes have been redeemed in full,

- (iv) to the seller, repayment of the subordinated loan in full, and
- (v) to the seller, all remaining available principal collections in the form of the deferred purchase price component,

in each case only to the extent that all payments and provisions of a higher priority to be paid or provided for on such payment date have been made in full.

*For more details about the priority of payments and the allocation of funds on each payment date you should read "Annex A: Terms and Conditions of the Notes".*

### **Events of Default**

Each of the following will be an "event of default" under the notes:

- the issuer fails to pay interest due on notes of the controlling class within five business days of its due date,
- the issuer fails to pay the principal amount of a class of notes in full on its final legal maturity date,
- the issuer fails to perform or comply with its covenants, not corrected within a 60 day cure period after being notified of the breach,
- security granted under the transaction documents being terminated or otherwise becoming void or ineffective and not sufficiently replaced or supplemented (if it is possible in the opinion of the trustee to supplement or replace such security) within 30 days of the day on which such security was terminated or otherwise became void or ineffective (other than where such termination of the security or such security becoming void or ineffective is, in the opinion of the trustee, not materially prejudicial to the interest of the controlling class), or
- an insolvency event regarding the issuer.

On the occurrence of an event of default, the notes may be accelerated by the trustee in its absolute discretion and/or in compliance with the directions of the controlling class acting by

way of a written resolution or by way of an extraordinary resolution.

Following the service of an enforcement notice, the notes are accelerated and the priority of payments will change, and the issuer will not pay interest on notes that are not part of the controlling class until both interest and principal on the controlling class are paid in full and all issuer expenses and payments due to the swap counterparty (except for a swap subordinated amount) are paid in full.

*For more details about the events of default and the rights of noteholders and the priority of payments following the service of an enforcement notice, you should read "Description of the Notes" and "Annex A: Terms and Conditions of the Notes".*

### **Accelerated Priority of Payments**

Following the service of an enforcement notice, the security trustee will apply (or direct the cash manager to apply) amounts available for distribution (excluding any permitted exceptions), to the extent permitted by applicable law, on each accelerated payment date to the satisfaction of the amounts and in the order of priority set out below:

- (i) payment of arrears of the issuer expenses due and payable on a previous payment date and remaining unpaid on such accelerated payment date,
- (ii) payment of the issuer expenses,
- (iii) to the servicer, payment of arrears of servicing fee on the previous payment dates and remaining unpaid on such accelerated payment date,
- (iv) to the servicer, payment of the servicing fee,
- (v) to the swap counterparty, net amounts due to the swap counterparty, other than any swap subordinated amounts,
- (vi) to the Class A noteholders, payment of any Class A interest shortfall, on a *pro rata* and *pari passu* basis,
- (vii) to the Class A noteholders, payment of the Class A interest amount, on a *pro rata* and *pari passu* basis,



- (viii) to the Class A noteholders, repayment of the Class A notes on a *pro rata* and *pari passu* basis until all the Class A notes have been paid in full,
- (ix) to the Class B noteholders, payment of any Class B interest shortfall, on a *pro rata* and *pari passu* basis,
- (x) to the Class B noteholders, payment of the Class B interest amount, on a *pro rata* and *pari passu* basis,
- (xi) to the Class B noteholders, repayment of the Class B notes on a *pro rata* and *pari passu* basis until all the Class B notes have been paid in full,
- (xii) to the swap counterparty, amounts due to the swap counterparty for any swap subordinated amounts,
- (xiii) to the Class C noteholders, payment of any Class C interest shortfall, on a *pro rata* and *pari passu* basis,
- (xiv) to the Class C noteholders, payment of the Class C interest amount, on a *pro rata* and *pari passu* basis,
- (xv) to the Class C noteholders, repayment of the Class C notes on a *pro rata* and *pari passu* basis until all the Class C notes have been paid in full,
- (xvi) to the seller, repayment of the subordinated loan in full,
- (xvii) to the seller, payment of any amount remaining as part of the deferred purchase price component,

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

Any permitted exceptions will be paid in accordance with the relevant transaction documents.

The collateral agent is also required, without double counting, to apply amounts available for distribution in or towards the satisfaction of the amounts and in the order of priority set out in the accelerated priority of payments, in compliance with the collateral agency agreement.

### **Relationship between the Class A notes, the Class B notes and the Class C notes**

The Class A notes will rank in priority to the Class B notes and the Class C notes. The Class B notes will rank in priority to the Class C notes.

Payments of interest on the Class A notes will rank *pro rata* and *pari passu* between themselves and in priority to payments of interest on the Class B notes and the Class C notes. Payments of interest on the Class B notes will rank *pro rata* and *pari passu* among themselves and in priority to payments of interest on the Class C notes. If the issuer does not have sufficient available interest collections on the relevant payment date to meet interest payments on the Class A notes, the Class B notes and the Class C notes in full, any shortfall will first be borne by the Class C notes and, to the extent that interest due on the Class C notes on such interest payment date is less than such shortfall, the remaining shortfall will, subject to the priority of payments, secondly be borne by the Class B notes and, to the extent that interest due on the Class B notes on such interest payment date is less than such remaining shortfall, it will thirdly be borne by the Class A notes, *pro rata* and *pari passu* between the notes of such class.

No amount of principal of the Class B notes or the Class C notes will become due and payable until redemption and payment in full of the Class A notes, and no amount of principal of the Class C notes will become due and payable until redemption and payment in full of the Class A notes and the Class B notes.

To the extent that the trustee acts in accordance with the directions of the controlling class, it will have no obligation to take the interests of any other noteholders into account or to follow any direction given by any other noteholders.

The trust deed and the deed of charge contain terms requiring the trustee, where the trustee is required to consider the interests of the noteholders (unless acting in accordance with the directions of the controlling class), to take into account the interests of the Class A noteholders, the Class B noteholders and the Class C noteholders equally as regards all trusts, rights, powers, authorities or discretions of the trustee (except where expressly provided otherwise), but requiring the trustee (A) to take into account only the interests of the Class A noteholders if, in the opinion of the trustee, there is a conflict between the interests of the Class A noteholders and the Class B

noteholders and/or the Class C noteholders and (B) subject to the prevailing rule under item (A) above, to take into account only the interests of the Class B noteholders if, in the opinion of the trustee, there is a conflict between the interests of the Class B noteholders and the Class C noteholders.

None of the Class B noteholders or the Class C noteholders may request or direct the trustee or the issuer to take action or pass an effective extraordinary resolution or written resolution if the effect of the same would, in the sole opinion of the trustee, be materially prejudicial to the interests of the Class A noteholders, and neither the trustee nor the issuer will be responsible to the Class B noteholders or the Class C noteholders for disregarding any such request, direction or resolution.

None of the Class C noteholders may request or direct the trustee or the issuer to take action or pass an effective extraordinary resolution or written resolution if the effect of the same would, in the sole opinion of the trustee, be materially prejudicial to the interests of the Class B noteholders, and neither the trustee nor the issuer will be responsible to the Class C noteholders for disregarding any such request, direction or resolution.

In addition, if there is a conflict between the interests of (i) the noteholders and (ii) any of the other secured parties, the security trustee will, to the extent permitted by applicable law, take into account only the interests of the Class A noteholders, the Class B noteholders and the Class C noteholders.

The provisions described above also apply to the collateral agency agreement and describe how the collateral agent has the right to act *vis-à-vis* the noteholders.

### **Controlling Class**

Holders of the controlling class will control certain amendments to the transaction documents as well as certain decisions regarding the issuer, including whether to waive an event of default and a servicer termination event, or accelerate the notes, cause a sale of the receivables or direct the trustee to exercise other remedies following an event of default. Holders of notes that are not part of the controlling class will not have these rights. Notes of the controlling class held by Ford Bank or its affiliates will not be considered outstanding for these purposes unless Ford

Bank or its affiliates hold all of the controlling class of notes.

The "controlling class" will be holders of Class A notes as long as Class A notes are outstanding. After the Class A notes are paid in full, the most senior class of notes outstanding will be the controlling class.

*For more details about the actions that the controlling class may direct, you should read "Annex A: Terms and Conditions of the Notes".*

### **Meetings of Noteholders**

The trust deed contains terms for convening separate meetings of each of the Class A noteholders, the Class B noteholders and the Class C noteholders to consider matters affecting their interests, including the sanctioning by a resolution passed at a meeting convened and held in compliance with the trust deed by at least 66⅔% of votes cast, or an "extraordinary resolution", of a modification of the trust deed, the deed of charge, the collateral agency agreement or the other transaction documents.

The quorum for meetings of holders of the Class A notes, the Class B notes and the Class C notes for passing an extraordinary resolution will be one or more persons holding or representing 66⅔% of the principal amount of the relevant class for the time being outstanding or, at an adjourned meeting, one or more persons holding or representing noteholders of the relevant class, whatever the principal amount of the notes of the relevant class so held or represented, except that, among others, the details of the security, certain terms concerning the amount, currency and postponement of the due dates for payment of the notes, modifying the events of default or priority of payments, the terms concerning the quorum required at a meeting of the relevant class of noteholders and the terms concerning the majority required to pass an extraordinary resolution may be modified by a special quorum resolution passed at a meeting the quorum at which will be one or more persons holding or representing at least 75% in principal amount of the relevant class of notes for the time being outstanding, or at an adjourned meeting at least one-third in principal amount of the relevant class for the time being outstanding.

An extraordinary resolution passed at a meeting of Class A noteholders, Class B noteholders or Class C noteholders will be binding on, respectively, all Class A noteholders, Class B

noteholders or Class C noteholders whether or not they were present at such meeting. An extraordinary resolution which in the sole opinion of the trustee affects two or more classes of noteholders and gives or may give rise to a conflict of interest between the holders of such classes of notes will be deemed to have been passed only if it will be passed by an extraordinary resolution or written resolution of the most senior class outstanding so affected notwithstanding a resolution of the holders of another class so affected, provided that no resolution of holders of the most senior class outstanding which would have the effect of changing a due date for payment of principal and/or interest on such senior notes, increasing the amount required to redeem each such senior note, or the amount of interest payable on such senior notes or changing the method of calculation therefore, releasing or substituting the security or part of the security or altering this proviso will be effective unless sanctioned by an extraordinary resolution or written resolution of holders of each other class of notes.

### **Credit Enhancement**

Credit enhancement provides protection for the notes against losses on the receivables and potential shortfalls in the amount of cash available to the issuer to make required monthly payments. If the credit enhancement is not sufficient to cover all amounts payable on the notes, the losses will be allocated to the notes by reverse seniority with junior notes bearing the risk of loss before more senior classes.

The following credit enhancement will be available to the issuer.

#### *Reserve Account and Subordinated Loan*

On the closing date, the seller will fund €[●], being the "initial reserve amount", by way of a non-interest bearing loan, the "subordinated loan", to the issuer.

The initial reserve amount will be made up of the liquidity component and will be deposited into the reserve account on the closing date.

The issuer will repay the subordinated loan to the seller in accordance with the applicable priority of payments.

In addition, as Ford Bank's business activity involves accepting deposits from retail customers in Germany, which may include borrowers, if any borrower makes any deposit with the seller and:

- the aggregate of the deposits accepted by the seller from all borrowers is greater than 1% of the aggregate closing loan balances of the assigned receivables as of the end of the relevant collection period, and
- Ford Bank's long-term issuer default rating is lower than (A) "BBB" by Fitch Ratings Ireland Limited or "Fitch", or (B) "BBB" by S&P Global Ratings acting through S&P Global Ratings Europe Limited or "S&P", or Ford Bank ceases to be the servicer,

Ford Bank will pay into the reserve account an amount equal to the sum of the lesser of (i) the closing loan balance(s) of any assigned receivable(s) arising under any loan agreement(s) with such borrower(s) and (ii) the amount of such deposit(s), for so long as such deposit(s) is outstanding, or the "set-off component".

[As at the date of this prospectus, Ford Bank is not rated by Fitch.]

#### *Liquidity component*

If interest collections on the receivables are insufficient to cover the fees and expenses of the issuer and interest payments on the Class A notes and the Class B notes and senior payments to the swap counterparty, the issuer will withdraw funds from the liquidity component of the reserve account to cover the shortfall. The issuer also will withdraw funds from the liquidity component to the extent needed to pay principal on a class of notes on the earlier of (i) the final legal maturity date, (ii) the aggregate principal amount outstanding of the Class A notes and Class B notes being less than the liquidity component and (iii) the aggregate outstanding receivables balance being reduced to zero (excluding written-off receivables).

If liquidity component amounts are used, they will be replenished up to the reserve account required level specified in clause 11.4 (*Subordinated Loan and Reserve Amount*) of the receivables sale agreement to the extent of available funds on later payment dates after the issuer makes all higher priority payments.

#### *Set-off component*

The issuer will only be entitled to use the set-off component to the extent that a borrower exercises any right of set-off between any amount owing by it under any loan agreement from which an assigned receivable derives and any deposit made by it with Ford Bank. On each

relevant payment date, the issuer will repay to Ford Bank any excess set-off component required to be standing to the credit of the reserve account on the previous payment date from the reserve account or the "set-off component repaid amount". Such payment will not form part of the priority of payments.

*For more details about the reserve account, you should read "Credit Enhancement — Reserve Account".*

#### *Subordination*

The issuer will pay interest on the Class A notes, and then will pay interest sequentially to the remaining classes of notes in order of seniority. The issuer will not pay interest on a class of notes until all interest due on all more senior classes of notes is paid in full.

The issuer will pay principal sequentially to each class of notes in order of seniority. The issuer will not pay principal on a class of notes until the principal amounts of all more senior classes of notes are paid in full.

*For more details about the priority of payments, including changes to the priority after the service of an enforcement notice and acceleration of the notes, you should read "Description of the Notes" and "Annex A: Terms and Conditions of the Notes".*

#### *Excess Spread*

For each payment date, excess spread is the excess of (a) the sum of interest collections on the receivables and the net swap counterparty receipts (except any termination payment not available for distribution) over (b) the sum of the fees and expenses of the issuer, including interest payments on the notes and net swap payments to the swap counterparty.

The purchase price paid for the receivables by the issuer to Ford Bank is calculated on a discounted cash flow basis to provide the issuer with interest cash flows in excess of what is available through the regular collections allocated to interest on the receivables. The net present value of each receivable will be calculated by discounting each scheduled remaining monthly instalment on that receivable at the greater of the borrower rate in the loan agreement and [5.8]%. This has the effect of creating additional interest cash flow by reallocating a portion of the principal amount of each monthly instalment of a receivable to interest for the loan agreements whose

borrower rate is lower than [5.8]%. The minimum discount rate is set by the issuer to achieve sufficient additional interest to satisfy the issuer expenses and may provide limited additional credit enhancement to absorb losses.

The initial purchase price paid for the receivables transferred to the issuer on the closing date is calculated on the basis of the net present value of the receivables.

Furthermore, any excess interest collections, following the payment of interest on the Class B notes and the replenishment of the reserve account (if required), will be used to cover losses on written-off receivables and deficiency of payments of principal on the receivables.

*For more details about the use of excess spread as credit enhancement for your notes, you should read "Credit Enhancement — Excess Spread".*

#### **Interest Rate Swap Agreement and Swap Counterparty**

The issuer will enter into an interest rate swap agreement documented by an ISDA master agreement with the swap counterparty for the sole purpose of hedging the interest rate risk on the Class A notes and the Class B notes which are floating rate liabilities backed by fixed rate loan agreements. Each month the fixed rate under the interest rate swap agreement will be [●]% and the floating rate under the interest rate swap agreement will be one-month EURIBOR. If the floating rate for any calculation period is less than -[●]%, then the floating rate will be deemed to be -[●]% for such calculation period. The notional amount under the interest rate swap agreement will be equal to the lesser of (a) the principal amount outstanding of the Class A notes and the Class B notes and (b) a predefined amortisation schedule (which is based on the projected amortisation of the Class A notes and the Class B notes assuming the receivables have a 0% default rate and prepay at a constant prepayment rate of 0%).

*For more details about the swap counterparty and the interest rate swap agreement, you should read "Swap Counterparty" and "Principal Transaction Documents — Interest Rate Swap Agreement".*

## Repurchases and Purchases of Receivables

### *Repurchase of Receivables for Breach of Representations and Warranties*

Ford Bank will make representations and warranties about the origination, characteristics, terms and transfer of the receivables. If a representation or warranty is later determined to be untrue when made, the receivable was not eligible to be sold to the issuer. If a breach of a representation and warranty has a material adverse effect on the receivable, Ford Bank must repurchase or, if the receivable does not exist, indemnify the issuer for, the affected receivable unless it remedies the breach before the date it is required to repurchase the receivable.

*For more details about the representations made in connection with the sale of the receivables to the issuer and the repurchase obligation if these representations are breached, you should read "Principal Transaction Documents — Receivables Sale Agreement" and "— Servicing Agreement".*

### *Purchase of Receivables for Servicer Actions*

If Ford Bank as servicer breaches certain of its servicing obligations in a manner which materially and adversely affects a receivable or determines, in its discretion, acting as a reasonable prudent servicer of receivables of this nature that, as a result of a computer systems error or limitation or for any other reason the servicer is unable to service a receivable according to the Ford Bank origination and servicing procedures and the servicer does not correct the failure in all material respects in the required time, Ford Bank as servicer must purchase the receivable.

*For more details about the servicer's obligation to purchase receivables following breach of its servicing obligations, you should read "Principal Transaction Documents — Servicing Agreement — Obligation to purchase Receivables".*

## Retained Interest

For so long as listed notes are outstanding, Ford Bank, as the originator, will (i) retain the Class C notes and (ii) provide the subordinated loan to the issuer on the closing date (which will be used to fund the initial reserve amount which will be made up of the liquidity component) which equal, together, as at the closing date, a material net economic interest of not less than

5% of the nominal amount of the securitised exposures in this securitisation transaction in compliance with Article 6(3)(d) of the EU Securitisation Regulation and Article 7 of the RRTS.

The (i) Class C notes and (ii) the subordinated loan, together, will represent [●]% of the nominal amount of the securitised exposures as at the closing date.

The monthly report will include information about Ford Bank's net economic retained interest.

## Reporting obligations of the servicer

The monthly report will be published by the servicer on each monthly reporting date on its investor website (<https://www.ford.com/finance/investor-center/asset-backed-securitization>) and on the website of European DataWarehouse (<https://editor.eurodw.eu/>) as a securitisation repository in accordance with Article 10 of the EU Securitisation Regulation.

*For more details about the servicer's reporting obligations, you should read "Reporting obligations of the Servicer".*

## Ratings

The issuer expects that the listed notes will receive the following credit ratings from the rating agencies listed below:

	<u>Fitch</u>	<u>S&amp;P</u>
Class A notes	[AAA]sf	[AAA](sf)
Class B notes	[AAA]sf	[AA](sf)

The Class C notes will not be rated.

Each of Fitch and S&P is established in the European Community and registered under the Credit Rating Agencies Regulation 1060/2009 of the European Parliament and of the Council of 16 September 2009, or "CRA3", and are included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority at [www.esma.europa.eu/supervision/credit-rating-agencies/risk](http://www.esma.europa.eu/supervision/credit-rating-agencies/risk). In accordance with CRA3 as it forms part of English law by virtue of the EUWA and as amended by the Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019, or "UK CRAR", the credit ratings assigned to the Class A notes and the Class B notes by Fitch and S&P will be endorsed by Fitch Ratings Limited and S&P

Global Ratings UK Limited, as applicable, being rating agencies which are registered with the FCA.

The ratings of the Class A notes and the Class B notes will reflect the likelihood of the timely payment of interest and the ultimate repayment of principal on the Class A notes and the Class B notes according to their terms. Each rating agency rating the Class A notes and the Class B notes will monitor its ratings under its normal surveillance process. A rating agency may change or withdraw an assigned rating at any time. A rating action taken by one rating agency may not necessarily be taken by another rating agency. No transaction party will be responsible for monitoring changes to the ratings of the Class A notes and the Class B notes.

### **Listing**

Application has been made to Euronext Dublin for the Class A notes and the Class B notes to be admitted to the official list of Euronext Dublin and to trading on its regulated market.

### **Clearing System**

Clearstream, Luxembourg and Euroclear, each an "ICSD".

### **Tax Status of the Notes**

You should read "*Taxation*".

### **Withholding Tax**

All payments of interest and principal on the notes will be made without withholding taxes, unless required by law (or under FATCA). If withholding is required, the issuer will not be obliged to make additional payments.

### **Selling Restrictions**

You should read "*Subscription and Sale*".

### **Investment Considerations**

The issuer is structured not to be a "covered fund" under the regulations adopted to implement section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, commonly known as the "Volcker Rule". In making this determination, the issuer is relying on the "loan securitization exclusion" under subsection 10(c)(8) of the Volcker Rule although other exclusions or exemptions may also be available to the issuer.

### **Clearing Codes**

Class A global note  
ISIN: XS2842066735  
Common Code: 284206673

Class B global note  
ISIN: XS2842067113  
Common Code: 284206711

### **STS securitisation**

The securitisation transaction described in this prospectus is intended to qualify as an STS securitisation within the meaning of Article 18 of the EU Securitisation Regulation. The seller, as originator, will submit an STS notification to ESMA in accordance with Article 27 of the EU Securitisation Regulation on the closing date, pursuant to which compliance with the requirements of Articles 19 to 22 of the EU Securitisation Regulation will be notified with the intention that the securitisation transaction described in this prospectus is included in the list administered by ESMA within the meaning of Article 27(5) of the EU Securitisation Regulation. The STS notification will be available for download on the website of ESMA. The STS notification will be made in accordance with the requirements of Commission Delegated Regulation (EU) 2020/1226.

ESMA is obliged to maintain on its website a list of all securitisations which the originators and sponsors have notified as meeting the STS requirements in accordance with Article 27(5) of the EU Securitisation Regulation. For this purpose, ESMA has set up a register under [https://registers.esma.europa.eu/publication/seArchRegister?core=esma\\_registers\\_stsre](https://registers.esma.europa.eu/publication/seArchRegister?core=esma_registers_stsre).

The seller, as originator, and the issuer, as SSPE (as defined in the EU Securitisation Regulation), have used the service of SVI, a third party authorised pursuant to Article 28 of the EU Securitisation Regulation, to verify whether the securitisation transaction described in this prospectus complies with Articles 19 to 22 of the EU Securitisation Regulation and the compliance with such requirements is expected to be verified by SVI on the closing date. No assurance can be provided that the securitisation transaction described in this prospectus does or continues to qualify as an STS securitisation under the EU Securitisation Regulation at any point in time in the future. Noteholders and potential investors should verify the current status of the securitisation transaction on ESMA's website. None of the issuer, the joint arrangers, the joint lead

managers, the trustee, the security trustee, the collateral agent, the servicer, the seller or any of the other transaction parties makes any representation that the securitisation transaction described in this prospectus does qualify or will qualify as an STS securitisation under the EU Securitisation Regulation on the closing date or at any point in time in the future or accepts any liability in respect of the securitisation transaction described in this prospectus not qualifying as an STS securitisation.

## RISK FACTORS

*The following risk factors are material for the purpose of assessing the market risks associated with the notes. In each category below, the most material risk factors have been presented first, taking into account the negative impact of such risks and the probability of their occurrence.*

*Structured securities, such as the notes, are sophisticated instruments, which can involve a significant degree of risk. Investors should ensure that they understand the nature of the notes and the extent of their exposure to the relevant risks. Investors should also ensure that they have sufficient knowledge, experience and access to professional advice to make their own legal, tax, accounting and financial evaluation of the merits and risks of an investment in the notes and that they consider the suitability of the notes as an investment in light of their own circumstances and financial condition.*

*The following risk factors are not intended to be exhaustive and investors should read the detailed information set out elsewhere in this prospectus and, in particular, the section entitled "Some Important Legal Considerations" and reach their own views prior to making any investment decision.*

### 1. Risk factors which are specific and material to the issuer

**The assets of the issuer are limited, are the only source of payment for your notes and may be insufficient on enforcement**

The issuer will not have assets or sources of funds other than the receivables and related property it owns. Credit enhancement is limited. Your notes will not be insured or guaranteed by Ford Bank or its affiliates or anyone else. If these assets or sources of funds or enhancements are insufficient to pay your notes in full, you will incur losses on your notes.

The primary source of funds for payments of your notes will be the receivables. If borrowers default on the receivables, the issuer should be able to obtain funds from the realisation of the related financed vehicles by Ford Bank and, in some cases, from third party payment protection insurance but this may not be adequate to ensure timely and full payment of the notes.

*For more details about the payment protection insurance, you should read "Seller and Servicer — Origination and Underwriting — Insurance".*

The issuer's ability to make full payments of interest and principal on the notes will also depend on Ford Bank performing its obligations under the servicing agreement, to collect amounts due from borrowers and transfer amounts so collected to the issuer's distribution account, the cash manager performing its obligations under the cash management agreement and the swap counterparty performing its obligations under the interest rate swap agreement. To the extent there is a shortfall the issuer will also rely on excess spread being available for distribution as a result of the discount to the receivables. In the case of an income shortfall, the issuer may use amounts in the liquidity component of the reserve account. It is not certain whether the level of liquidity support provided will be adequate to ensure timely and full payment of the notes.

*For more details about the liquidity component, you should read "Credit Enhancement— Liquidity component".*



On enforcement of the security for the notes, the collateral agent and the security trustee will have recourse to the issuer's interest in the receivables and its other assets, including the reserve account, to pay amounts owing by the issuer under the notes after payment of prior ranking claims. The collateral agent and the security trustee will have no recourse against Ford Bank other than for breach of a representation or warranty and for breach by Ford Bank of its obligations under the receivables sale agreement and for breach by Ford Bank of its obligations under the servicing agreement.

On enforcement of the security for the notes, the proceeds of such enforcement may be insufficient, after payment of all other claims ranking in priority to and *pari passu* with amounts due under the notes, to pay in full all principal and interest due on the notes.

## **2. Risk factors which are specific and material to the notes**

### **2.1 Risks related to the nature of the notes**

**Economic volatility and global financial market disruptions resulting from a significant global or regional event could result in losses on your notes and/or limit your ability to resell your notes**

The occurrence of a significant global or regional event, such as a financial crisis, economic downturn or recession, a public health crisis, epidemic or pandemic, a natural disaster or a geopolitical conflict, war or other military conflict, could result in economic volatility and global financial markets disruptions, which could result in losses on your notes and/or limit your ability to resell your notes.

For example, the COVID-19 pandemic caused widespread deterioration in household, business and economic conditions and caused severe disruptions and significant dislocations and volatility in the economy and global financial markets, including:

- unprecedented increases in unemployment, stay-at-home orders, travel restrictions, quarantines and remote work arrangements,
- decreases in consumer spending and reduced demand for certain products, including abrupt declines in new and used vehicle sales and volatility in used vehicle values,
- disruptions in global supply chains, governmental restrictions on business operations, shutdowns of various businesses and industries deemed non-essential and shutdowns of manufacturing capacity in certain industries, including those of auto manufacturers, and
- significant disruptions in financial markets and decreases in liquidity of certain secondary markets.

The collapse of the Francis Scott Bridge in Baltimore on 26 March 2024 has caused significant supply chain disruption. The conflicts in the Middle East, the ongoing conflict in Ukraine and the sanctions imposed by the United States, the United Kingdom and the European Union, in particular, against Russia and Belarus, have also had, and may continue to have, an adverse impact on the global

financial markets, in particular due to increases in the cost of living and inflation and the disruption to global supply chains. In addition, several major banks either failed or were compelled to sell at distressed prices in 2023, causing additional volatility in the global financial markets and uncertainty regarding the health of certain banks.

Developments such as consumer energy price inflation, alongside elevated global demand for goods and supply shortages of specific goods have led to inflationary pressure and rises in interest rates. Continuing inflationary pressure may result in further interest rate increases over time.

If a significant global or regional event occurs, or if an existing event worsens, it could cause similar increases in economic volatility or disruptions of the global financial markets, which could result in losses on your notes and/or affect your ability to resell your notes. Specifically, economic disruption related to such an event could lead to:

- Ford Bank choosing to grant an increased number of extensions to borrowers on the receivables,
- depressed economic activity and increased unemployment, leading to increased delinquency and credit losses for borrowers,
- adverse effects on the liquidation value for repossessed vehicles or restrictions on the ability of the servicer to repossess and liquidate vehicles, and
- the enactment or enforcement of laws and regulations, executive orders and other actions that may preclude creditors from exercising certain rights.

*For more information about the effects that global financial market disruptions may have on your notes, you should read "— Performance of the receivables is uncertain and depends on many factors and may worsen in an economic downturn," "— A decline in the financial condition or business prospects of Ford, Ford Bank or other interdependent market participants could result in losses on your notes" and "— Financial market disruptions and a lack of liquidity in the secondary market could adversely affect the market value of your notes and/or limit your ability to resell your notes".*

**The timing of the principal payments on your notes is uncertain**

Faster than expected rates of prepayments on the receivables will cause the issuer to make payments of principal on your notes earlier than expected and will shorten the maturity of your notes. Prepayments on the receivables may occur as a result of:

- prepayments of receivables by borrowers in whole or in part,
- liquidations and other recoveries due to default,
- receipts of proceeds from claims on any physical damage, credit life or other insurance policies covering the financed vehicles or

the borrowers,

- indemnities or purchases by the servicer of receivables due to breach of servicing obligations, or
- indemnities or repurchases by the seller of receivables due to breach of representations and warranties.

A variety of economic, social and other factors will influence the rate of prepayments on the receivables, including individual borrower circumstances, changes in types of incentives offered under Ford-sponsored marketing programs, and the fact that the financed vehicle may not be sold without the consent of the seller. No prediction can be made about the actual prepayment rates that will occur for the receivables.

Some of the receivables will have annual percentage rates, or "APRs", that are less than the interest rate on your notes, plus fees and expenses of the issuer. Payments on receivables with higher APRs compensate for the payments made on receivables with lower APRs. Excessive prepayments or defaults on the higher APR receivables may adversely impact your notes by reducing the amounts available to pay principal and interest on your notes or by causing faster than expected prepayments of the principal of your notes.

Reinvestment risk resulting from a faster or slower rate of prepayment of receivables will be borne entirely by the noteholders. Higher than anticipated rates of prepayment and defaults on the receivables will cause principal to be paid to the noteholders faster than expected. Noteholders will bear the risk of not being able to reinvest the principal repaid faster than expected at a rate of return that is equal to or greater than the rate of return on the notes. Noteholders may also have to wait longer than anticipated to receive principal payments if prepayment rates are slower than assumed, exposing them to reinvestment risk at the time principal is paid or to lost investment opportunities that may arise before receipt of principal from the issuer.

In addition, your notes will be paid in full before maturity if Ford Bank exercises its clean up call when the aggregate principal amount outstanding of the listed notes is equal to 10% or less of the aggregate net present value of the receivables as at the cut-off date or if the issuer exercises its option to redeem for taxation reasons.

*For more details about the timing of repayment and other sources of prepayments, you should read "Maturity and Prepayment Considerations".*

**An event of default and acceleration of the notes may result in earlier than expected payment of your notes or losses on your notes**

An event of default may result in an acceleration of payments on your notes. If principal of your notes is paid earlier than expected, you may not be able to reinvest the principal at a rate of return that is equal to or greater than the rate of return on your notes. Following the service of an enforcement notice, the notes are accelerated and the issuer will not pay interest on or principal of any notes that are not part of the controlling class until all interest on and principal of the notes of the controlling class are paid in full. If collections on the receivables and the proceeds of any sale of receivables are

insufficient to pay the amounts owed on your notes, you may have delays in payments or losses on your notes.

*For more details about the events of default, acceleration of the notes and the change in the priority of payments following certain events of default and acceleration of the notes, you should read "Description of the Notes" and "Annex A: Terms and Conditions of the Notes".*

**Failure to pay principal on a note will not be an event of default until its final legal maturity date**

The issuer will not be obliged to pay any specific amount of principal of a note on any date other than its outstanding principal amount on its final legal maturity date. Failure to pay principal on a note will not be an event of default until its final legal maturity date.

**The Class B notes will be subject to greater risk because of subordination**

The Class B notes will bear greater risk than the Class A notes because no interest will be paid on the Class B notes until all interest due on the Class A notes is paid in full, and no payment of principal will be made on the Class B notes until the principal amount of the Class A notes is paid in full. The Class C notes bear even greater risk because of similar subordination to more senior classes of notes.

If the notes are accelerated, no interest will be paid on the Class B notes until the principal amount of the Class A notes is paid in full and no interest will be paid on the Class C notes until the principal amount of the Class B notes is paid in full.

If available funds on a payment date are not sufficient to pay interest due on a class of notes, the payment of such interest shortfall will be postponed until sufficient funds are available. An event of default will occur only if the controlling class of notes is subject to an interest shortfall.

**The exercise of rights by the controlling class following an event of default may be harmful to the other classes**

The controlling class may accelerate the notes after the occurrence of an event of default or waive events of default (other than failure to pay interest or principal on the notes when due and payable). The controlling class may, in certain circumstances, direct the security trustee and/or collateral agent to enforce the security under the deed of charge and the collateral agency agreement after an acceleration of the notes even if the proceeds would not be sufficient to pay all of the notes in full. If your notes cannot be repaid in full with the proceeds of the security, you will suffer a loss. In addition, the controlling class may terminate the servicer following a servicer termination event and may waive servicer termination events.

Holders of notes that are not part of the controlling class will have no right to take these actions. Only the controlling class will have these rights. The controlling class may have different interests from the holders of other classes of the notes and will not be required to consider the effect of its actions on the holders of other classes.

*For more details about the actions that the controlling class may direct, you should read "Principal Transaction Documents — Servicing Agreement — Resignation and Termination of the Servicer" and "Annex A: Terms and Conditions of the Notes".*

**Risks for the notes associated with the interest rate swap agreement**

The issuer will enter into an interest rate swap agreement with the swap counterparty because the receivables owned by the issuer

bear interest at fixed rates while the Class A notes and the Class B notes will bear interest at floating rates.

If the floating rate payable by the swap counterparty under the interest rate swap agreement is substantially greater than the fixed rate payable by the issuer, the issuer will be more dependent on receiving payments from the swap counterparty to pay interest on the notes.

If the floating rate payable by the swap counterparty under the interest rate swap agreement is less than the fixed rate payable by the issuer, the issuer will be obligated to make payments to the swap counterparty. The amounts payable to the swap counterparty are ranked higher in priority than payments on your notes.

Each month the fixed rate under the interest rate swap agreement will be [•]% and the floating rate under the interest rate swap agreement will be one-month EURIBOR. If the floating rate for any calculation period is less than -[•]%, then the floating rate will be deemed to be -[•]% for such calculation period. The notional amount under the interest rate swap agreement will be equal to the lesser of (a) the principal amount outstanding of the Class A notes and the Class B notes and (b) a predefined amortisation schedule (which is based on the projected amortisation of the Class A notes and the Class B notes assuming the receivables have a 0% default rate and prepay at a constant prepayment rate of 0%).

If the swap counterparty fails to make payments required under the interest rate swap agreement when due, payments on your notes may be reduced or delayed.

An interest rate swap agreement generally may not be terminated except after the failure of either party to make payments when due, the insolvency of either party, illegality, an occurrence of an event of default that results in acceleration of the notes and liquidation of the pool of receivables or the failure of the swap counterparty to post collateral, transfer the interest rate swap agreement to an eligible substitute swap counterparty or take other remedial action if the swap counterparty's credit ratings drop below the levels required by each of the rating agencies sufficient to maintain the then current ratings of the notes. On termination of the interest rate swap agreement, a termination payment may be due to the issuer or due to the swap counterparty. The termination payment could be substantial if market interest rates and other conditions have changed materially. To the extent not paid by a replacement swap counterparty, any termination payment will be paid by the issuer from funds available for such purpose, and payments on your notes may be reduced or delayed.

If the swap counterparty's credit rating falls below the levels required by a rating agency and a termination event occurs under the interest rate swap agreement because the counterparty fails to take one of the required corrective actions, that rating agency may place its ratings of the notes on watch or reduce or withdraw its ratings if the issuer does not replace the counterparty.

If the swap counterparty defaults under the interest rate swap agreement, the issuer may not be able to enter into a replacement interest rate swap agreement. If the issuer has floating rate notes

outstanding and does not have an interest rate swap agreement arrangement in place for that floating rate exposure, the amount available to pay interest on your notes may be reduced or delayed.

*For more details about the risk of withholding tax on payments under the interest rate swap agreement, you should read "— Withholding tax".*

### **Validity of contractual priority of payments**

The validity of contractual priority of payments such as those contemplated in this securitisation transaction has previously been challenged in the English and U.S. courts in connection with the insolvency of a secured creditor (namely, a swap counterparty). These proceedings considered whether such payment priorities breach the anti-deprivation principle under English and U.S. insolvency law. These rules prevent a party from agreeing to a contractual provision that deprives that party's creditors of an asset solely as a result of the party's insolvency.

While the English courts' approach has been generally favourable to priority of payment provisions that are set out in commercial contracts freely entered into in good faith by sophisticated parties, if a subordination provision included in the transaction documents was successfully challenged under the insolvency laws of England and Wales or a relevant jurisdiction outside England and Wales and such relevant foreign judgment or order was recognised by the English courts, it could adversely affect the rights of the noteholders, the ratings of your notes, the market value of your notes and/or the ability of the issuer to satisfy all or any of its obligations under your notes.

*For more details, you should read "Some Important Legal Considerations — Validity of Contractual Priority of Payments".*

### **Meetings of noteholders, modifications and waivers**

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

The notes and the trust deed also state that the trustee or the security trustee and/or the collateral agent acting on the directions of the trustee, may agree, without the consent of the noteholders, to certain modifications of the notes and the transaction documents, or the waiver or authorisation of certain breaches or proposed breaches of, the notes or the transaction documents.

The servicer may require the issuer, the trustee or the security trustee and/or the collateral agent acting on the directions of the trustee to agree, without the consent of the noteholders, to modifications of the notes and the transaction documents to address new rating criteria with the aim to maintain the ratings of the Class A notes and the Class B notes or to ensure that the issuer and the notes continue to comply with applicable law or regulation, as well as the EU Securitisation Regulation and the requirements for simple, transparent and standardised securitisations set out in the EU Securitisation Regulation and in any regulatory technical standards authorised under the EU Securitisation Regulation or official guidance in relation thereto.

In certain circumstances, including following the discontinuation of EURIBOR, and subject to certain conditions, the servicer can also request the issuer, the trustee or the security trustee and the collateral agent acting on the directions of the trustee to agree, without the consent of the noteholders, to amend the benchmark rate used to determine the interest rate of the Class A notes and the Class B notes and to adjust the spread to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one transaction party to another as a result of the application of the new benchmark rate.

*For more details about the potential discontinuation of EURIBOR, you should read "Changes or uncertainty in respect of EURIBOR may affect the value or payment of interest under the notes".*

These modifications may be materially prejudicial to the interests of the noteholders of any class or other parties to the transaction documents. The issuer, the trustee, the security trustee and the collateral agent (as applicable) will each rely without further investigation on any certification provided to it in connection with the transaction amendments. Such parties will not be required to monitor or investigate whether the servicer is acting in a commercially reasonable manner or be liable to any person by acting according to any certification it receives from the servicer.

It is not certain whether the noteholders will be adversely affected by such action or that they will be adequately compensated for any resulting loss or expense.

**Financial market disruptions and a lack of liquidity in the secondary market could adversely affect the market value of your notes and/or limit your ability to resell your notes**

Although an application has been made to list the Class A notes and the Class B notes on Euronext Dublin, there is currently no secondary market for the Class A notes and the Class B notes. The absence of a secondary market for your notes could limit your ability to resell them. This means that if you want to sell your notes before they mature, you may be unable to find a buyer or, if you find a buyer, the selling price may be less than it would have been if a secondary market existed. If a secondary market does develop, it might not continue or it might not be sufficiently liquid to allow you to resell your notes.

Disruptions in the global financial markets, such as the conflicts in the Middle East, the ongoing conflict in Ukraine and bank failures in 2023, which continue to impact the economy in the European Union, have resulted in increased uncertainty in the currency and credit markets.

These type of events may create severe disruptions and significant uncertainty in global financial markets and cause further reduction in liquidity in the secondary market for asset-backed securities. The lack of liquidity may result in a decrease in demand for asset-backed securities in the secondary market and cause the de-valuation of various assets in secondary markets.

It is not certain whether future events will occur that could have an adverse effect on the liquidity of the secondary market. If there is a lack of liquidity in the secondary market it could adversely affect the

market value of your notes and/or limit your ability to resell your notes.

*For more information, you should read "— Economic volatility and global financial market disruptions resulting from a significant global or regional event could result in losses on your notes and/or limit your ability to resell your notes".*

## **Eurosystem eligibility**

The Class A notes are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Class A notes are intended on issue to be deposited with one of the ICSDs as common safekeeper. It does not mean that the Class A notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either on issue or at any or all times during their term. Such recognition will, among other things, depend on the satisfaction of the Eurosystem eligibility criteria set out in the Guideline of the ECB of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (recast) (ECB/2014/60) as amended and applicable from time to time or "Eurosystem guidelines".

For asset-backed securities to become or to remain eligible for Eurosystem monetary policy operations, the Eurosystem requires comprehensive and standardised loan-level data on the pool of cash flow generating assets underlying an asset-backed security to be submitted by the relevant parties in the asset-backed security, as set out in Annex 8 (*Loan-level data reporting requirements for asset-backed securities*) of the Eurosystem guidelines. Non-compliance with the provision of loan-level data will lead to suspension of or refusal to grant eligibility to the asset-backed security transaction in question. The data must be presented no later than one month after the payment date and sent to the European Data Warehouse, a repository body responsible for scoring the degree of compliance with the Eurosystem eligibility criteria and can be obtained at the website of the European Data Warehouse [www.eurodw.eu](http://www.eurodw.eu) for so long as such requirement is effective.

Ford Bank will undertake in the servicing agreement, for as long as the Class A notes or, if possible in compliance with the Eurosystem eligibility criteria in force from time to time, any other class of notes intended to be held in a manner which will allow Eurosystem eligibility, to make loan-level data available in such manner as required by the ECB to comply with the Eurosystem eligibility criteria, subject to applicable German data protection rules.

The Eurosystem discounts are applied to value eligible collateral. Such valuation is subject to variations influenced by a number of factors, including, among other things, the structure of the securitisation, the underlying assets and general market developments. The value of eligible collateral for Eurosystem transactions may therefore be significantly less than the nominal value of the eligible collateral.

While Ford Bank intends to fully comply with the new information requirements, it is not certain whether it will be able to do so and if the Class A notes do not satisfy Eurosystem eligibility criteria or if Ford Bank fails to submit the required loan-level data, there is a risk that the Class A notes will not be eligible collateral for the Eurosystem. Neither the issuer nor any other transaction party gives



a representation to any investor in the Class A notes that the Class A notes will, either on issue, or any or at all times during their life, satisfy all or any requirements for Eurosystem eligibility and be recognised as Eurosystem eligible collateral. Any potential investor in the Class A notes should make their own conclusions and seek their own advice regarding whether or not the Class A notes constitute or will constitute at all times Eurosystem eligible collateral.

*For additional information, you should read "— Increased regulation and changes of law" and "Description of the Notes".*

**A reduction, withdrawal or qualification of the ratings on your notes, or the issuance of unsolicited ratings on your notes, may adversely affect the market value of your notes and/or limit your ability to resell your notes**

The ratings assigned to the Class A notes and the Class B notes by the rating agencies take into consideration the structural and legal aspects associated with the Class A notes and the Class B notes and the underlying receivables, the credit quality of the receivables, the extent to which the borrowers' payments under the receivables are adequate to make the payments required under the Class A notes and the Class B notes as well as other relevant features of the structure, including the credit situation of the swap counterparty, the account bank, Ford Bank and the servicer (if different). The rating agencies' ratings reflect only the view of that rating agency. Each rating assigned to the Class A notes and the Class B notes addresses the likelihood of full and timely payment to the holders of the Class A notes and the Class B notes of all payments of interest on the Class A notes and the Class B notes when due and the ultimate repayment of principal on the final maturity date of the Class A notes and the Class B notes. A change in rating methodology or future events, including events affecting the swap counterparty, the account bank, Ford Bank and the servicer (if different from Ford Bank) could also have an adverse effect on the rating of the Class A notes and the Class B notes.

The ratings of the Class A notes and the Class B notes are not recommendations to purchase, hold or dispose of the Class A notes and the Class B notes and do not address market value or investor suitability. The ratings reflect each rating agency's assessment of the creditworthiness of the receivables, the credit enhancement on the Class A notes and the Class B notes and the likelihood of repayment of the Class A notes and the Class B notes. It is not certain whether the receivables and/or the Class A notes and the Class B notes will perform as expected or whether the ratings will be reduced, withdrawn or qualified in the future as a result of a change of circumstances, deterioration in the performance of the receivables, errors in analysis or otherwise. None of the issuer, Ford Bank or its affiliates will have an obligation to replace or supplement any credit enhancement or to take other action to maintain the ratings of the Class A notes and the Class B notes.

The issuer has not engaged a rating of the Class A notes and the Class B notes by any organisation other than the rating agencies listed in this prospectus. However, rating organisations other than the specified rating agencies may seek to rate the Class A notes and the Class B notes and if such shadow ratings or unsolicited ratings are lower than the comparable ratings assigned to the Class A notes and the Class B notes by the engaged rating agencies, such shadow

or unsolicited ratings could have an adverse effect on the secondary market value of the Class A notes and the Class B notes.

If the ratings on the Class A notes and the Class B notes are reduced, suspended, withdrawn or qualified, it may adversely affect the market value of the Class A notes and the Class B notes and/or limit your ability to resell the Class A notes and the Class B notes.

You should make your own evaluation of the creditworthiness of the receivables and the credit enhancement available for the Class A notes and the Class B notes and the likelihood of repayment of the Class A notes and the Class B notes. You should not rely solely on the ratings of the Class A notes and the Class B notes.

*For more details about the rating agencies, you should read "Some Important Legal Considerations — Rating Agencies".*

## **2.2 Risks related to the receivables**

**Performance of the receivables is uncertain and depends on many factors and may worsen in an economic downturn**

Historical performance and reference to historical information cannot give assurance that performance will remain constant. The performance of the receivables depends on a number of factors, including global financial markets, general economic conditions, unemployment levels, the circumstances of individual borrowers, the terms of the loan agreements, Ford Bank's underwriting standards at origination, Ford Bank's servicing and collection strategies, the resale value of repossessed or returned vehicles and changes in Ford-sponsored marketing programs, all of which could result in higher delinquencies and losses on the receivables.

In particular, the recent increases in the cost of living and inflation, as well as the disruption to global supply chains, may have an adverse impact on the performance of the receivables.

Global economic and political conditions may adversely affect the performance of the receivables, which could result in losses on your notes. A severe economic downturn could adversely affect the performance of the receivables. During a downturn, unemployment and a lack of availability of credit may lead to increased delinquency and default rates by borrowers and decreased consumer demand for cars, trucks and utility vehicles. In addition, during certain periods there may be reduced used vehicle prices, which may increase the amount of losses on defaulted receivables. If a financial crisis or a severe economic downturn occurs, delinquencies and losses on the receivables could increase, which could result in losses on your notes.

As many of these factors are outside the control of Ford Bank, the performance of the receivables cannot be predicted with accuracy and may worsen in an economic downturn, which could result in losses on your notes.

*For more information about factors which could affect the performance of the receivables and the value of the financed vehicles, you should read "— Right to financed vehicles and reliance on residual value; balloon payment receivables may result in higher losses and declines in the resale value of the financed vehicles may adversely affect the performance of the receivables*

*and your notes" and "— Vehicle recalls may adversely affect the performance of the receivables and your notes" below.*

*For more details about the performance of the receivables, you should read "Receivables" and "Seller and Servicer".*

*For more details about delinquency and credit loss experience for the German portfolio of retail loan agreements of the Ford Credit Group in Europe, you should read "Seller and Servicer — Delinquency and Credit Loss Information".*

### **Insolvency of borrowers**

As the borrowers are German persons, German insolvency law would apply to a borrower's bankruptcy, meaning that the borrower's obligation to pay the loan instalments may not be enforceable against the insolvency administrator of such debtor and the issuer may receive a marginal quota only. The transaction has been structured to take into account potential defaults by the debtors but may not provide protection against all risks of loss and does not guarantee payment of interest and repayment of the entire principal amount of your notes.

*For further information, you should read "Seller and Servicer — Servicing and Collections — Bankrupt and Insolvent Accounts" and "Credit Enhancement".*

### **A decline in the financial condition or business prospects of Ford, Ford Bank or other interdependent market participants could result in losses on your notes**

Manufacturers and suppliers in the auto industry in Germany are interdependent, and adverse events affecting any major auto manufacturer or supplier could have an adverse effect on the other industry participants in the auto industry in Germany, including Ford and Ford Bank. For example, economic volatility associated with the conflicts in the Middle East, the ongoing conflict in Ukraine and bank failures in 2023, in particular, have had adverse effects on the financial condition and business prospects of manufacturers, suppliers and other interdependent market participants in the auto industry in Germany, including Ford and Ford Bank.

It is not possible to predict whether a significant global or regional event will occur, or whether an existing event will worsen, or whether and when other periods of increased economic volatility or decline will occur. If a significant global or regional event occurs or an existing event worsens, or global economic volatility resumes, the financial condition and business prospects of Ford and Ford Bank or of other manufacturers and suppliers in the German auto industry, could be further adversely affected, which could have industry- or economy-wide effects due to the interdependence of market actors.

The occurrence of any of these events could adversely affect the performance of the receivables, the market value of the vehicles securing the receivables, the credit rating of Ford Motor Company, or "Ford", or Ford Bank or the ability of Ford Bank, as seller, to honour its commitment to repurchase receivables due to breaches of representations or warranties and, as servicer, to service the receivables or purchase receivables due to certain servicer modifications, which could result in losses on your notes.

*For more information about the effects that economic disruptions may have on the performance of the receivables, you should read*

*"— Performance of the receivables is uncertain and depends on many factors and may worsen in an economic downturn".*

**Risk of defences and set-off rights of borrowers**

The assignment of the receivables will only be disclosed to borrowers on the termination of Ford Bank as servicer, the insolvency of Ford Bank, following the failure by Ford Bank to deposit the set-off component into the reserve account (unless such failure is remedied within five business days of a responsible person of the seller becoming aware of such failure) or if notification is required for enforcement of the issuer's rights related to the assigned receivables, each a "borrower notification event". The borrower may:

- until it has been notified of the assignment of the receivables, effect payment with discharging effect to Ford Bank or enter into other transactions regarding the receivables with Ford Bank with binding effect on the issuer and the collateral agent. It may also have a right to set off against Ford Bank prior claims it may have against Ford Bank,
- following such notification, raise defences against the issuer and the collateral agent resulting from its relationship with Ford Bank which are existing at the time of the assignment of the receivables, and
- following such notification, have the right to set off against the issuer and the collateral agent any claims, arising before notification, against Ford Bank,
- all of which could result in delays in payments or losses on your notes.

Set-off rights could in particular result from deposits being made with the seller by individuals who are, at the same time, borrowers under the receivables. In order to mitigate any risk of set-off, if any borrower makes any deposit with the seller and (i) the aggregate of the deposits accepted by the seller from all borrowers is greater than 1% of the aggregate closing loan balances of the assigned receivables as of the end of the relevant collection period, and (ii) Ford Bank's long-term issuer default rating is lower than (A) "BBB" by Fitch or (B) "BBB" by S&P or Ford Bank ceases to be the servicer, Ford Bank will pay into the reserve account the set-off component, being the amount equal to the sum of the lesser of (i) the closing loan balance(s) of any assigned receivable(s) arising under any loan agreement(s) with such borrower(s) and (ii) the amount of such deposit(s), for so long as such deposit(s) is outstanding. However, any such set-off may be in excess of the amount deposited into the reserve account by Ford Bank to absorb it. [As at the date of this prospectus, Ford Bank is not rated by Fitch.]

*For more details, you should read "Principal Transaction Documents — Receivables Sale Agreement — Notification of Assignment of Receivables" and "Some Important Legal Considerations — Restriction on Assignment".*

**Delays in collecting payments could occur if**

If Ford Bank resigns or is terminated as servicer, the processing of payments on the receivables, information about collections and the

**Ford Bank ceases to be the servicer**

recovery and resale of vehicles could be disrupted or delayed. Ford Bank may be removed as servicer if it defaults on its servicing obligations or becomes subject to insolvency proceedings as described under "*Principal Transaction Documents — Servicing Agreement — Resignation and Termination of the Servicer*". There is no guarantee that a substitute servicer could be found that would be willing and able to service the receivables. Further, a substitute servicer, even if willing and able to act under the terms of the servicing agreement, may be less effective in this role than Ford Bank, given Ford Bank's experience in servicing the receivables. Finally, a substitute servicer is almost certain to charge a fee on a basis different from that of Ford Bank and payment of this fee will rank ahead of the payments of interest on the notes.

**The servicing fee may be insufficient to attract a replacement servicer**

If Ford Bank resigns or is terminated as servicer, the servicing fee which is calculated as a fixed percentage of the pool balance, may be insufficient to attract a replacement servicer or cover the actual cost of servicing of the receivables. In particular, the amount of the servicing fee will decline each month as the pool balance declines, but the cost of servicing each account will remain essentially fixed. This risk is greatest toward the end of a securitisation transaction when the pool balance has declined significantly. A delay or inability to find a replacement servicer would disrupt or delay collection and other servicing activities on the receivables and could disrupt or delay monthly reports and any other periodic reports required by the transaction documents and result in delayed payments or losses on your notes.

**Insolvency of the seller**

If the seller becomes insolvent and an administrator or liquidator is appointed to realise its assets to pay its creditors, such administrator or liquidator or similar person may argue that the sale of receivables to the issuer was not a true sale (for example that it should be re-characterised as a loan granted from the issuer to the seller secured by an assignment by way of security of the receivables). In such case, in insolvency proceedings relating to the seller and/or the servicer under German law, the issuer would not have a right of segregation (*Aussonderungsrecht*) of the receivables but a right to preferential satisfaction (*Absonderungsrecht*).

In either case, the issuer could experience delays in receiving collections on the receivables and that could indirectly cause delays in payments due to the noteholders. If a court were to agree with such administrator or liquidator, the issuer would receive less than the full amount of collections on receivables because such administrator or liquidator would be entitled to deduct certain fees and costs from the enforcement proceeds. This could cause noteholders to receive less than the full amounts due to them.

*For more details about the risk of re-characterisation of the sale of receivables, you should read "Important Legal Considerations — Risk of re-characterisation of the transaction as a loan secured by receivables" and "Some Important Legal Considerations — Risk of Claw Back".*

**Continuing impact of Brexit**

Brexit has led to uncertainty in European and global markets. The structure and terms of the future relationship between the European Union and the UK may continue to adversely affect economic or market conditions in the UK and throughout the European Union,

and could contribute to on-going instability in global financial and foreign exchange markets. The period of uncertainty may continue for several years and it is not possible to determine the precise impact on general economic conditions in the UK.

Brexit may also have an adverse impact on Ford Bank's operations, prospects and/or financial condition as well as its ability to perform its obligations under the transaction documents. *For more information in respect of the Ford group's Brexit plans, you should read "Seller and Servicer —General".*

While the extent and impact of all the issues, uncertainty and market disruptions arising from Brexit are unknown, you should be aware that they may adversely affect the ability of the issuer to make payments under your notes, the market value of your notes and/or your ability to resell your notes.

**Climate change could have an adverse effect on Ford and Ford Bank and may, directly or indirectly, cause losses on your notes**

The effects of climate change and the ongoing efforts to mitigate its impact may have a negative effect on Ford and Ford Bank, including through climate change-related legislation and regulation, adverse changes to the physical environment and public perception of greenhouse gas emissions from petroleum powered vehicles.

The auto industry in particular is subject to regulations worldwide that govern product characteristics and that differ by region, country, state or province and locality. Regulations continue to be proposed to address concerns regarding the environment, including global climate change and its impact. The precise implications of those actions, as well as future efforts, are uncertain, but could adversely impact the business operations and financial condition of manufacturers, suppliers and other interdependent market participants in the auto industry, including Ford and Ford Bank.

Significant physical effects of climate change, such as extreme weather and natural disasters, the frequency and severity of which are expected to increase, may affect manufacturers, suppliers and other interdependent market participants in the auto industry, including Ford, Ford Bank and their customers. For example, customers living in areas affected by extreme weather and natural disasters may suffer financial harm, reducing their ability to make timely payments on their receivables. The auto dealerships and physical auctions that facilitate the origination of the receivables and disposition of the financed vehicles are also subject to disruption as a result of extreme weather and natural disasters. In addition, extreme weather and natural disasters may have industry- or economy-wide effects due to the interdependence of market actors.

In addition, legal, technological, political and scientific developments related to climate change have created and will continue to create new opportunities and risks for Ford and Ford Bank. For example, Ford is continuing to make changes to its product cycle plan to improve the fuel economy of its petroleum powered vehicles and to offer more propulsion choices, such as electrified vehicles, with lower greenhouse gas emissions. These changes in Ford's business may:

- create demand for those products and related services, such as Ford Bank financing,
- decrease demand for existing products or services related to petroleum powered vehicles, and/or
- increase competition in the auto industry to develop innovative new products and related services.

Ford and Ford Bank's reputations may also be adversely affected by current and/or future public perception of the greenhouse gas emissions of its petroleum powered vehicles. A negative change in public opinion could expose Ford and Ford Bank to potential adverse consequences to their business operations and financial condition.

Any of those effects or their confluence could adversely affect the performance of the receivables, the market value of the vehicles securing the receivables, the credit rating of Ford or Ford Bank or the ability of Ford Bank, as seller, to honour its commitment to repurchase receivables due to breaches of representations or warranties, and, as servicer, to service the receivables or purchase receivables due to certain servicer modifications, which could result in losses on your notes.

The risks of climate change described above may exacerbate other risks disclosed in this section. *For more information, you should read "— Geographic concentration may result in more risk to you," "— Performance of the receivables is uncertain and depends on many factors and may worsen in an economic downturn," "— Right to financed vehicles and reliance on residual value; balloon payment receivables may result in higher losses and declines in the resale value of the financed vehicles may adversely affect the performance of the receivables and your notes," "— Vehicle recalls may adversely affect the performance of the receivables and your notes," "— High vehicle model or vehicle type concentrations may adversely affect the performance of the receivables and your notes".*

**Reduction in demand for diesel-powered vehicles could affect the issuer's ability to make payments on your notes**

The manufacture and operation of diesel-powered vehicles has come under increased scrutiny in recent years following investigations into emission levels.

International, national and local standards regarding emissions by vehicles (e.g. CO<sub>2</sub>/NO<sub>x</sub> emissions, fuel consumptions, engine performance and noise emissions) are currently subject to important developments. These include discussions on the strengthening of

the tax regime for diesel vehicles, tighter standards for diesel vehicles' exhaust emission benchmarks and restrictions or prohibitions in certain areas of the cars empowered by diesel (or even fuel), that are currently being contemplated by different regulators or regions and municipalities around the world. It is not clear at this stage whether these new standards will only apply to new vehicles or be extended to existing vehicles.

A number of cities in Germany, including Munich, Hamburg and Stuttgart, have implemented bans on specific diesel-powered vehicles (Euro-5 or less) from parts of their city centres.

As a consequence of the above, public confidence in diesel-powered vehicles may be diminished and this may reduce the demand for new and used diesel-powered vehicles in the future. The actual proceeds realised by Ford Bank upon the disposal of a repossessed vehicle may be lower than that forecast at the beginning of the contract. Ultimately, this may have an adverse effect on the ability of the issuer to make payments on the notes.

*For more details, you should read "Receivables — Distribution by Fuel Type" and "Receivables — Distribution by Emissions Standard".*

**Vehicle recalls may adversely affect the performance of your receivables and your notes**

Vehicle recalls that apply to the financed vehicles, including recalls resulting from government or regulatory investigations, Ford Bank's requests to borrowers to return their vehicles to dealers or mechanics for possible service and repair or other similar actions, may adversely affect delinquencies, repossessions and credit losses on the related receivables and financed vehicles, particularly those related to TCM contracts, and may result in accelerated, delayed or reduced payments on your notes.

Under a TCM contract however, the borrower remains ultimately obligated to pay Ford Bank any shortfall in the balloon payment. *For more information about the buy-back agreement in place between borrowers and dealers and the obligation of the borrower to pay any shortfall in the balloon payment, you should read "—— Right to financed vehicles and reliance on residual value; balloon payment receivables may result in higher losses and declines in the resale value of the financed vehicles may adversely affect the performance of the receivables and your notes".*

The impact of vehicle recalls may be more pronounced if a vehicle recall applies to vehicle models or vehicle types that represent a high percentage of the financed vehicles in the pool of receivables.

*For more information about delinquencies, repossessions and credit losses, you should read "Seller and Servicer — Delinquency and Credit Loss Information" and for more information about the distribution by vehicle make and model, you should read "Receivables— Distribution by Make and Model".*



**High vehicle model or vehicle type concentrations may adversely affect the performance of the receivables and your notes**

If a specific vehicle model or vehicle type of the financed vehicles represents a significant percentage of the pool balance, any adverse change in the value of that specific vehicle model or vehicle type of the financed vehicles may adversely impact the performance of the related receivables and could result in accelerated or delayed payments or losses on your notes.

**Geographic concentration may result in more risk to you**

As at the cut-off date, the borrowers as a percentage of the aggregate net present value of the receivables were concentrated in Nordrhein-Westfalen [●]%, Baden-Württemberg [●]%, and Bayern [●]%, respectively. No other German State (*Bundesland*) represented more than [●]%, of the borrowers as a percentage of the aggregate net present value of the receivables. Economic conditions or other factors affecting these German States (*Bundesländer*) in particular could adversely impact the delinquency, credit loss or repossession experience of the issuer and could result in delays in payments or losses on your notes.

*For more details about delinquency and credit loss experience for the German portfolio of retail loan agreements of the Ford Credit Group in Europe, you should read "Seller and Servicer — Delinquency and Credit Loss Information".*

**Ford Bank's operational systems and security systems could be affected by cyber incidents and other disruptions that may result in losses on your notes**

Ford Bank as the servicer relies on information technology networks and systems, including mobile devices, some of which are managed by suppliers, to process, transmit, and store electronic information that is important to the servicing of the receivables. Despite security measures, Ford Bank is at risk for interruptions, outages, and compromises of operational systems (including business, financial, accounting, product development, consumer receivables or data processing), whether caused by a cyber attack, security breach, or other reasons, e.g., a natural disaster, fire, or overburdened infrastructure system. Such incidents could materially disrupt Ford Bank's operational systems. Moreover, Ford Bank has been the target of cyber attacks in the past, and such attacks will continue and evolve in the future, which may cause cyber incidents to be more difficult to detect for periods of time. Ford Bank's networks could also be impacted by the negligence or misconduct of insiders or third parties who have access to Ford Bank's networks and systems. Ford Bank employs capabilities, processes, and other security measures designed to reduce and mitigate the risk of cyber attacks; however, such preventative measures cannot provide absolute security and may not be sufficient in all circumstances or mitigate all potential risks. If Ford Bank experiences any interruptions or losses in its information processing capabilities, its ability to service the receivables may be materially and adversely affected, which may result in delayed payments or losses on your notes.

**Risks resulting from consumer protection laws**

German consumer protection laws regulate consumer credit contracts, including the receivables. If any receivable does not comply with these laws, the servicer may be prevented from or delayed in collecting amounts due on the receivable. Where a consumer credit contract provides the funding for the relevant goods such as moveable equipment (including vehicles) and services such as related insurances, any defences the consumer might have against the supplier of such goods or services may, under certain circumstances, also be raised against Ford Bank and, accordingly,

may also be raised against the issuer's claim for payment under the receivable.

In addition, some borrowers may be employees of Ford Bank. Consequently, employment laws may have an impact on some receivables.

Where a payment protection policy has been taken out on a loan agreement and the insurers providing such payment protection policy becomes insolvent, a German court could allow a borrower to raise claims he may have against the insolvency estate of the insurers regarding his obligations under the receivables.

In such circumstances, payments on your notes could be reduced or delayed.

*You should read "Some Important Legal Considerations" for further details on these risks.*

**Interests of other persons in the receivables or the related financed vehicles could reduce funds available to pay your notes**

If another person acquires an interest in a receivable or a related financed vehicle that is superior to the issuer's interest, the collections on that receivable or the proceeds from the sale of that financed vehicle may not be available to make payments on your notes. If the issuer does not have a perfected security interest in a receivable or a financed vehicle, its ability to repossess and sell the financed vehicle securing a defaulted receivable may be adversely affected. Another person could acquire an interest in a receivable or a financed vehicle that is superior to the issuer's interest if:

- the issuer does not have a perfected interest or security interest in the receivable or the financed vehicle because the seller's interest or security interest in the receivable or in the financed vehicle was not properly perfected,
- the issuer has difficulties providing evidence for its security interest in the financed vehicle because the servicer will not amend the vehicle registration documents to identify the issuer as the new secured party, or
- the issuer's security interest in the receivable or the financed vehicle is impaired because holders of some types of liens, such as tax liens or mechanics' liens (*Werkunternehmer-pfandrecht*), may have priority over the issuer's security interest, or a financed vehicle may be confiscated by a government agency.

This could reduce funds available to pay your notes.

**Right to financed vehicles and reliance on residual value; balloon payment receivables may result in higher losses and declines in the resale value of the financed vehicles may adversely affect the performance of the receivables and your notes**

The issuer will acquire from Ford Bank interests in the receivables, including rights to receive certain payments from borrowers under the loan agreements, the financed vehicle proceeds and other ancillary rights under the loan agreements including security (*Sicherungseigentum*) over the financed vehicles.

It may be difficult to repossess any financed vehicle. In addition, proceeds of sale of a financed vehicle may be less than the amount owed under the related loan agreement and any financed vehicle may be subject to an existing lien (for example, mechanics' liens). Action to recover outstanding amounts may not be pursued if to do so would be uneconomic.

If Ford Bank or Ford were to become insolvent or suffer sustained financial difficulties, the residual value of the financed vehicles could be adversely affected. This could also have an adverse effect on dealers that have entered into buy-back arrangements with borrowers under TCM contracts and could cause disruption or delay in the vehicle return process for TCM contracts.

Each loan agreement requires the borrower to take out comprehensive motor insurance and to assign to the seller the proceeds of a claim for the loss, theft or damage beyond repair of the financed vehicle, and to pay such proceeds over to the seller in part settlement of the relevant loan agreement. Because Ford Bank does not track that insurance is maintained on the financed vehicle, it is not certain whether such insurance is in place or that it is effectively assigned by way of security to the issuer or that Ford Bank will receive any moneys from such insurance.

A loan agreement may be structured as a balloon loan with a substantial portion of the original principal amount under the loan required to be repaid in a single instalment at maturity. By deferring the repayment of a substantial portion of the principal amount of the loan until its final maturity date, the impact of non-payment of the balloon payment under a balloon loan will be greater than under an amortising loan, assuming both loans have the same term. This could result in delays in payments or losses on your notes.

The risk described above is mitigated by the entry of the borrower under a TCM contract into a vehicle buy-back agreement with the dealer that provides the borrower the right to sell the financed vehicle to the dealer at the end of the loan term for a purchase price not to exceed the balloon payment under the loan agreement. If the borrower sells the financed vehicle to the dealer under the buy-back agreement, the dealer will remit the purchase price to Ford Bank on behalf of the borrower. However, if the dealer fails to remit the purchase price or the amount remitted by the dealer is less than the balloon payment as a result of assessments or otherwise, the borrower remains obligated to pay Ford Bank any shortfall between the amount remitted by the dealer and the balloon payment. If the borrower does not sell the financed vehicle to the dealer under the buy-back agreement, the borrower must pay the balloon payment or may refinance the balloon payment under a new loan agreement.

*For more details, you should read "Receivables", "Seller and Servicer" and "Some Important Legal Considerations".*

Vehicles that are repossessed or returned by borrowers are typically sold at auctions as used vehicles. The pricing of used vehicles is affected by supply and demand for new and used vehicles, which is influenced by many factors, including overall auto industry production and sales, the volume of returned lease vehicles and other vehicles at auction such as those from fleet or vehicle rental companies, consumer tastes, economic conditions, the cost or availability of financing for borrowers and dealers, fuel costs, the introduction and pricing of new vehicle models, a change in (or a change in consumer perception of) the quality, safety, reliability or performance of Ford vehicles, government or regulatory investigations or other actions relating to safety, emissions or fuel efficiency, constraints in production and supply chain factors (including shortages or price increases of key components needed

to build new vehicles or repair and maintain used vehicles), the impact of vehicle recalls and the discontinuation of vehicle models or brands. Strong auto industry sales and higher volumes of returned lease vehicles generally increase the supply of used vehicles in the market, which may adversely affect auction prices for used vehicles. In addition, decisions by Ford about new vehicle production, pricing and incentives may affect used vehicle prices, particularly those for the same or similar models. Any adverse impact on the resale value for repossessed vehicles could result in increased losses on the receivables and losses on your notes.

These impacts may be more pronounced if they relate to vehicle models or vehicle types that represent a high percentage of the financed vehicles in the pool of receivables.

*For more information about the distribution by model and vehicle type of the receivables, you should read "Receivables — Composition of the Receivables — Distribution by Make and Model".*

**You may suffer losses on your notes because the servicer may commingle collections with its own funds**

The servicer will be required to deposit all collections on the receivables into the issuer's distribution account within two business days of applying such amounts to the borrower's account or on a monthly basis, depending on the servicer's credit ratings. Before remittance, the servicer may use collections at its own risk and for its own benefit and may commingle collections on the receivables with its own funds. If the servicer does not deposit these amounts to the issuer's distribution account by the next payment date (which could occur if the servicer becomes subject to an insolvency proceeding), payments on your notes could be reduced or delayed.

*For more information about the servicer's credit ratings, you should read "Seller and Servicer — Ratings of the Seller and Servicer".*

**No independent investigation and breach of warranties**

No investigations, searches or other steps to establish the creditworthiness or suitability of a borrower or to verify the details of a borrower, loan agreement, financed vehicle, protected payments plan, historical performance data or the Ford Bank origination and servicing procedures have been or will be performed by the issuer, the collateral agent, the security trustee, the trustee or the joint arrangers and joint lead managers, each of whom will rely solely on warranties given by Ford Bank about the receivables and the borrowers. The benefit of all such representations and warranties is assigned by the issuer to the collateral agent under the collateral agency agreement.

If Ford Bank is in breach of a representation or warranty relating to the receivables, the only remedy of the issuer or the collateral agent will be either to require Ford Bank to remedy the matter giving rise to such breach, indemnify the issuer or to repurchase the affected receivables. In such circumstances, the issuer (and therefore the noteholders) will be dependent on Ford Bank's ability to fulfil its obligations to repurchase the relevant receivables or indemnify the issuer. If Ford Bank fails to repurchase or indemnify, you may experience losses or delays in payments on your notes. Where a representation or warranty by Ford Bank about a receivable was given only with Ford Bank's knowledge as at the closing date and the risk regarding such representation or warranty later materialises, Ford Bank will not be required to remedy the matter or to repurchase

the affected receivable or indemnify the issuer. Instead, the issuer (and therefore the noteholders) will bear the corresponding risk.

### **Conflicts of interest**

Ford Bank is acting in a number of capacities in connection with this securitisation transaction. Ford Bank will have only those obligations and responsibilities expressly agreed to by it in the documents evidencing the transaction to which it is a party and will not, by virtue of its or its affiliates acting in any other capacity, be deemed to have other obligations or responsibilities or be deemed to be held to a standard of care other than as expressly set out in such documents. Ford Bank, in its various capacities in connection with this securitisation transaction, may enter into business dealings from which it may derive revenues and profits without a duty to account therefore in connection with the transaction.

Ford Bank may hold and/or service claims against the borrowers other than the receivables or may enter into other contractual relationships with the borrowers. The interests or obligations of Ford Bank for these claims or contractual relationships may conflict with the interests of the noteholders.

The transaction parties may engage in commercial relationships, in particular, as lenders providing investment banking and other financial services to the borrowers and other transaction parties. In these relationships the transaction parties are not obliged to take into account the interests of the noteholders. Accordingly, conflicts of interest may occur and it is not certain whether the noteholders will be adversely affected by these conflicts of interest.

### **2.3 Risks related to taxation (including under FATCA)**

#### **German tax**

There is no specific German tax law or regulation relating to the tax treatment of securitisation transactions. Therefore, any German transaction has to rely on the application of general principles of German tax law and consequently there is uncertainty as to the German tax treatment of a receivables purchaser.

The issuer will derive income from the receivables. The income derived by the issuer will only be subject to German tax if the issuer has its place of effective management in Germany or control or maintains a permanent establishment in Germany, to which the receivables are allocable for tax purposes, or appoints a permanent representative for its business in Germany. It is expected that the issuer will not be considered to be tax-resident or maintaining a permanent establishment in Germany. However, the German tax authorities still have not published results of discussions whether the foreign special purpose entity in an asset-backed securities structure should be considered as a tax resident in the Federal Republic of Germany or as having at least a tax presence in the Federal Republic of Germany.

As a result it cannot be completely ruled out that German tax authorities and German tax courts may seek to hold the issuer liable for German taxes which may adversely affect the ability of the issuer to make payments under the notes.

*For more details about the application of German tax law on the notes and the issuer, you should read "Taxation".*

**Withholding tax (including FATCA)**

The notes will not provide for gross-up of payments if payments on the notes become subject to withholding taxes.

All payments to be made by the seller, the servicer and/or the cash manager will be made without withholding or deduction from or on account of taxes, unless required by law (or under FATCA), in which case they will be made net of required withholding or deduction and in this case you may suffer a loss as the issuer may not have sufficient funds to make payments of interest and/or principal on the notes.

All payments to be made by the borrowers under the receivables will be made without withholding or deduction for taxes, unless required by law (or under FATCA), in which case, payments made by the borrowers will be made net of required withholding or deduction and consequently, payments on your notes could be reduced or delayed.

All payments to be made by the swap counterparty under the interest rate swap agreement will be made without withholding or deduction for taxes, unless required by law (or under FATCA), in which case they will be made net of required withholding or deduction. In this case payments on your notes could be reduced or delayed.

*For more details about the tax status of the notes and FATCA, you should read "Taxation".*

**2.4 Risks related to regulatory changes****Increased regulation**

In Germany, the European Union, the UK, the U.S., and elsewhere, recent developments in the global markets have led to an increase in the involvement of various governmental and regulatory authorities in the financial sector and there is heightened political and regulatory scrutiny of the banking industry and operation of institutions in the financial sector, with increased requests from regulators to perform wide-ranging reviews and investigations.

Ford Bank is a bank authorised by the German Federal Financial Supervisory Authority, or the "BaFin", to carry on a range of regulated activities within Germany. As a regulated banking institution, Ford Bank is required to comply with the supervisory and regulatory rules of the jurisdictions in which it operates, particularly in the areas of funding, liquidity and capital adequacy.

The German Government, the UK Government, the BaFin, the European Central Bank, or the "ECB", the Prudential Regulation Authority or the "PRA", the Financial Conduct Authority or the "FCA" and other regulators in the UK, the U.S., the European Union and elsewhere may intervene further to strengthen the liquidity and capital standards in the global banking system and in relation to areas of industry risk identified. It is not certain whether the more rigorous regulatory climate will impact financial institutions, and other European Union regulated investors such as certain types of investment fund managers, insurance and reinsurance undertakings, or the notes.

Certain governmental authorities could enact laws, regulations, emergency measures or other guidance that allow deferral of payments by borrowers, require modifications to the receivables,

preclude creditors from exercising certain rights or taking certain actions with respect to collateral, including repossession or liquidation of the financed vehicles or mandate limited operations or temporary closures of the servicer's vendors or otherwise. The potential impact of measures that are yet to be announced on financial institutions and other nonbank financial companies, such as Ford Bank, or consumers, such as the borrowers under the receivables, is unknown. Compliance may impose costs on, or create operational constraints for, Ford Bank and may have an adverse impact on the ability of the servicer to effectively service the receivables.

*For more details about the potential impact of Brexit, you should read "—The economic context and consequences of Brexit" above.*

The circumstances described in the above paragraphs may adversely affect the ability of the issuer to make payments under your notes, the market value of your notes and/or your ability to resell your notes.

#### **Changes of law**

The structure and the ratings of the notes are based on English law, German law and Dutch law and various regulatory, accounting and administrative practices in effect as at the date of this prospectus. The structure of the transaction and the ratings of the notes are also based on the tax law in effect and the published practice of the tax authorities of the United Kingdom, Germany and The Netherlands as at the date of this prospectus.

It is not certain whether the impact of a possible change to law, or the regulatory, accounting or administrative practice, or their interpretation or administration, or the published practices of the English, German or Dutch tax authorities or tax authorities of any other relevant taxing jurisdiction, or any divergence of English law from EU law over time, after the date of this prospectus could adversely affect the ability of the issuer to make payments under your notes, the market value of your notes and/or your ability to resell your notes and Ford Bank's ability to perform its obligations under the transaction documents.

#### **Changes or uncertainty in respect of EURIBOR 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 guidance and proposals for reform, including Regulation (EU) 2016/1011, or the "Benchmarks Regulation".

Under the Benchmarks Regulation, which came into force from 1 January 2018 in general, new requirements will apply with respect to the provision of a wide range of benchmarks (including EURIBOR), the contribution of input data to a benchmark and the use of a benchmark within the European Union. In particular, the Benchmarks Regulation will, among other things, (i) require 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) prevent 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).

These reforms and other pressures may cause one or more interest rate benchmarks to disappear entirely or to perform differently than in the past (as a result of a change in methodology or otherwise), create disincentives for market participants to continue to administer or participate in certain benchmarks or have other consequences which cannot be predicted. You should be aware that:

- (a) any of these reforms or pressures or any other changes to a relevant interest rate benchmark (including EURIBOR) 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 EURIBOR is discontinued and an amendment as described in paragraph (c) below has not been made, then the rate of interest on the Class A notes and Class B notes will be determined for a period by the fallback provisions provided for in the terms and conditions of the notes,
- (c) while an amendment may be made under the terms and conditions of the notes to change how the interest rate is determined on the Class A notes and the Class B notes by reference to an alternative benchmark rate under certain circumstances and subject to certain conditions, there can be no assurance that any such amendment will be made or, if made, that it (i) will fully or effectively mitigate interest rate risks or result in an equivalent methodology for determining the interest rates on the Class A notes or the Class B notes or (ii) will be made prior to any date on which any of the risks described in this risk factor may become relevant,
- (d) if EURIBOR is discontinued, and (i) an amendment is made as described in paragraph (c) above, the interest rate swap agreement does not provide that the reference to EURIBOR in the interest rate swap agreement will be automatically replaced by the alternative benchmark rate applicable to the Class A notes and the Class B notes and there can be no assurance that any applicable fall-back provisions under the interest rate swap agreement would operate so as to ensure that the base floating interest rate used to determine payments under the interest rate swap agreement is the same as that used to determine interest payments under the Class A notes and the Class B notes. The approval of the swap counterparty is also not a condition precedent to the amendment to the benchmark rate in respect of the Class A notes and the Class B notes. If the reference rate applicable to the Class A notes and the Class B notes is replaced by an alternative reference rate and such alternative reference rate is higher than EURIBOR or any other benchmark used under the interest rate swap agreement at such time, this may result in a mismatch between the floating amount received by the issuer under the interest rate swap agreement and the interest payable by the issuer under the Class A notes and the Class B notes which may affect the ability of the issuer to perform its obligations under the Class A notes and the Class B notes, and (ii) whether or not an amendment is made as described in paragraph (c) above, there can be no assurance that the applicable fall-back provisions under the interest rate swap agreement would



operate so as to ensure that the base floating interest rate used to determine payments under the interest rate swap agreement is the same as that used to determine interest payments under the Class A notes and the Class B notes, or that any such amendment would allow the transaction under the interest rate swap agreement to effectively mitigate interest rate risk on the Class A notes and the Class B notes, and

- (e) if the floating rate used under the interest rate swap agreement is modified pursuant to fall-back provisions referred to in paragraph (d) above, either the issuer or the swap counterparty may be required to make a payment to the other party under the interest rate swap agreement to account for any economic impact that would otherwise arise from such change to the floating rate. Any such payment could be substantial and, if payable by the issuer to the swap counterparty, could mean that the issuer has insufficient funds available to meet its other obligations, including its obligations under the notes.

More generally, any of the above matters (including an amendment described in paragraph (c) or paragraph (d) above) or any other significant change to the setting or existence of EURIBOR 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 could result in adjustment to the terms and conditions of the notes, discretionary valuation by the calculation agent or other consequence in relation to the notes.

No assurance can be provided that relevant changes will not be made to EURIBOR and/or that EURIBOR will continue to exist.

#### **Recovery and resolution proceedings**

As a result of Directive 2014/59/EU on Banking Recovery and Resolution Directive of 15 May 2014, or the "BRRD", as implemented into German law by the German Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz*, or "SAG") which became effective on 1 January 2015, it is possible that a credit institution or investment firm with its head office in an EEA state and/or certain group companies (such institution, investment firm or group company could encompass the seller or the swap counterparty) could be subject to certain resolution actions in order to avoid systemic risks for the financial markets or the necessity of a public bail-out if such entity is in financial difficulties. The BaFin has been given wide powers to support the implementation of the stabilisation measures contemplated by SAG. Any such action may affect the ability of any relevant entity, which may include the seller or the swap counterparty, to satisfy its obligations under the transaction documents which may affect the ability of the issuer to satisfy all or any of its obligations under the notes.

On 27 June 2019, Directive 2019/879/EU amending the BRRD, or the "BRRD II", entered into force. Furthermore, the Directive 2017/2399/EU amending the BRRD, or the "BRRD Amending Directive", as regards the ranking of unsecured debt instruments entered into force on 28 December 2017. At this stage it cannot be predicted when and in which form the remaining parts of the

proposal may be implemented, nor the impact of the BRRD II and/or the BRRD Amending Directive and future amendments on the notes.

*For more details about SAG, the BRRD and the BRRD Amending Directive, you should read "Some Important Legal Considerations — German Recovery and Resolution Act (Sanierungs- und Abwicklungsgesetz) and other restructuring and resolution proceedings".*

**Basel Capital Accord and regulatory requirements**

The regulatory capital framework published by the Basel Committee on Banking Supervision, or the "Basel Committee", in 2006, or the "Basel II framework" has not been fully implemented in all participating countries. The implementation of the framework in relevant jurisdictions may affect the risk-weighting of the notes for investors who are or may become subject to capital adequacy requirements that follow the framework.

The Basel Committee has subsequently approved significant changes and extensions to the Basel II framework (such changes and extensions being commonly referred to as "Basel III"), including new capital and liquidity requirements intended to reinforce capital standards and to establish minimum liquidity standards for credit institutions. On 27 October 2021, the European Commission published legislative proposals in order to implement the updated final Basel III standards.

*For more details about the Basel Capital Accord and the regulatory capital requirements you should read "Some Important Legal Considerations — Basel Capital Accord and regulatory capital requirements".*

The matters described in *"Some Important Legal Considerations — Basel Capital Accord and regulatory capital requirements"* as well as the EU Securitisation Regulation (as described below) and any other changes to the regulation or regulatory treatment of the notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, have a negative impact on the price and liquidity of the notes in the secondary market.

You should take your own advice and/or seek advice from your regulator on compliance with, and the application of, the provisions of such laws and regulations.

**EU Regulation**

**Securitisation**

The EU Securitisation Regulation creates a single set of common rules for European "institutional investors" (as defined in the EU Securitisation Regulation) as regards (i) risk retention, (ii) due diligence, (iii) transparency and (iv) underwriting criteria for loans to be comprised in securitisation pools. In addition, the EU Securitisation Regulation creates a European framework for simple, transparent and standardised securitisations, or "STS securitisations".

The EU Securitisation Regulation applies to the notes. Furthermore, the securitisation transaction described in this prospectus aims to fulfil the requirements of Articles 19 up to and including 22 of the EU Securitisation Regulation in order for the securitisation transaction described in this prospectus to qualify as an STS securitisation. The seller will notify the securitisation transaction described in this

prospectus to ESMA in compliance with Article 27 of the EU Securitisation Regulation on the closing date. No assurance can be provided that the securitisation transaction described in this prospectus does or continues to qualify as an STS securitisation under the EU Securitisation Regulation.

Although the securitisation transaction described in this prospectus has been structured to comply with the requirements for STS securitisations under the EU Securitisation Regulation, and compliance is expected to be verified by SVI on the closing date, no assurance can be given that it has or will continue to have this status throughout its lifetime. Non-compliance with such status may result in higher capital requirements for investors. Furthermore, non-compliance could result in various administrative sanctions and/or remedial measures being imposed on the issuer or the seller which may be payable or reimbursable by the issuer or the seller. As each of the priority of payments do not foresee a reimbursement of the issuer for the payment of any of such administrative sanctions and/or remedial measures, the repayment of the notes may be adversely affected.

The EU Securitisation Regulation STS criteria may change over time or parties on which the issuer relies in order for the notes to continue to meet the EU Securitisation Regulation STS criteria may fail to perform their obligations under the transaction documents. In addition, no assurance can be given on how competent authorities will interpret and apply the EU Securitisation Regulation STS criteria. Furthermore any international or national regulatory guidance may be subject to change over time and related regulations, such as Regulation (EU) 2017/2401 and Commission Delegated Regulation (EU) No 2015/61 are subject to change. Therefore what is or will be required in future to demonstrate compliance with the EU Securitisation Regulation criteria with respect to national regulators remains unclear.

Ford Bank, as originator, is established in Germany and therefore does not satisfy the requirement under Article 18 of the UK Securitisation Regulation that 'the originator and sponsor involved in a securitisation which is not an ABCP programme or an ABCP transaction and is considered STS must be established in the United Kingdom'. However, under the UK Securitisation Regulation, securitisation transactions which have been notified to ESMA prior to 1 January 2025 as meeting the requirements to qualify as an STS transaction under the EU Securitisation Regulation can also qualify as an STS transaction under the UK Securitisation Regulation, provided that the securitisation transaction remains on the ESMA register described above and continues to meet the requirements for STS securitisations under the EU Securitisation Regulation.

The risk retention, transparency, due diligence and underwriting criteria requirements under the EU Securitisation Regulation apply in respect of the notes. Investors should therefore make themselves aware of such requirements (and any corresponding implementing rules made at the national level), where applicable to them, in addition to any other regulatory requirements applicable to them with respect to their investment in the notes. Prospective and relevant investors are required to independently assess and determine the sufficiency of the information described above for the purposes of complying with any relevant requirements and none of the issuer,

the joint lead managers, the trustee, the security trustee, the servicer, the seller or any of the other transaction parties makes any representation that the information described above or otherwise in this prospectus is sufficient in all circumstances for such purposes.

None of the issuer, the seller, the joint arrangers, the joint lead managers or any of the other transaction parties (except, in the case of the issuer and the seller, as required by the EU Securitisation Regulation as described in this prospectus) (i) makes any representation that the information described above or elsewhere in this prospectus or which may otherwise be made available to such investors or to which such investors are entitled (if any) is sufficient for such purposes, (ii) will have any liability to any actual or prospective investor or any other person with respect to the insufficiency of such information or any failure of the transactions contemplated herein to comply with or otherwise satisfy the requirements of Article 5 of the EU Securitisation Regulation or any other applicable legal, regulatory or other requirements; or (iii) will have any obligation (including, but not limited to, the provision of additional information) to enable compliance by investors with the requirements of Article 5 of the EU Securitisation Regulation or any other applicable legal, regulatory or other requirements. UK institutional investors in particular should refer to "*Investor compliance with due diligence requirements under the UK Securitisation Regulation*" below.

**Risks from reliance on verification by SVI**

The seller, as originator, and the issuer, as SSPE (as defined in the EU Securitisation Regulation), have used the services of SVI, a third party authorised pursuant to Article 28 of the EU Securitisation Regulation, to verify whether the securitisation transaction described in this prospectus complies with Articles 19 to 22 of the EU Securitisation Regulation and the compliance with such requirements is expected to be verified by SVI on the closing date. However, none of the issuer, the seller, the servicer, the joint arrangers or the joint lead managers gives any explicit or implied representation or warranty as to (i) inclusion in the list administered by ESMA within the meaning of Article 27 of the EU Securitisation Regulation, (ii) that the securitisation transaction described in this prospectus does or continues to comply with the EU Securitisation Regulation, (iii) that this securitisation transaction does or continues to be recognised or designated as 'STS' or 'simple, transparent and standardised' within the meaning of Article 18 of the EU Securitisation Regulation after or on the date of this prospectus.

If this securitisation transaction is not recognised or designated as 'STS', this will impact on the potential ability of the notes to achieve better or more flexible regulatory treatment in the European Union.

The verification by SVI does not affect the liability of the seller, as originator and the issuer, as SSPE (as defined in the EU Securitisation Regulation), in respect of their legal obligations under the EU Securitisation Regulation. Furthermore, the use of such verification by SVI will not affect the obligations imposed on institutional investors as set out in Article 5 of the EU Securitisation Regulation. Notwithstanding SVI's verification of compliance of a securitisation with Articles 19 to 22 of the EU Securitisation Regulation, such verification by SVI does not ensure the compliance of a securitisation with the general requirements of the EU Securitisation Regulation. A verification does not remove the

obligation placed on investors to assess whether a securitisation labelled as 'STS' or 'simple, transparent and standardised' has actually satisfied the criteria. Investors must not solely or mechanically rely on any STS notification or SVI's verification to this extent. The seller, as originator, will include in its notification pursuant to Article 27(1) of the EU Securitisation Regulation, a statement that compliance of the securitisation described in this prospectus with Articles 19 to 22 of the EU Securitisation Regulation has been verified by SVI. The designation of the securitisation transaction described in this prospectus as an STS securitisation is not a recommendation to buy, sell or hold securities. It is not investment advice whether generally or as defined under MiFID II and it is not a credit rating whether generally or as defined under the CRA3 or Section 3(a) of the United States Securities Exchange Act of 1934 (as amended).

SVI has carried out no other investigations or surveys in respect of the issuer or the notes concerned other than as such set out in SVI's final verification report and disclaims any responsibility for monitoring the issuer's continuing compliance with these standards or any other aspect of the issuer's activities or operations. Furthermore, SVI has not provided any form of advisory, audit or equivalent service to the Issuer. Investors should therefore not evaluate any investment in any notes on the basis of this certification.

By designating the securitisation transaction described in this prospectus as an STS securitisation, no views are expressed about the creditworthiness of the notes or their suitability for any existing or potential investor or as to whether there will be a ready, liquid market for the notes.

**Investor compliance with due diligence requirements under the EU Securitisation Regulation**

Investors should be aware of the due diligence requirements under Article 5 of the EU Securitisation Regulation that apply to institutional investors with an EU nexus (including credit institutions, authorised alternative investment fund managers, investment firms, insurance and reinsurance undertakings, institutions for occupational retirement provision and UCITS funds). Amongst other things, such requirements restrict an institutional investor (other than the originator, sponsor or original lender within the meaning of the EU Securitisation Regulation) from investing in securitisation positions unless, prior to holding the securitisation position:

- (a) that institutional investor has verified that:
  - (i) for certain originators, certain credit-granting standards were met in relation to the origination of the underlying exposures,
  - (ii) the risk retention requirements set out in Article 6 of the EU Securitisation Regulation are being complied with, and
  - (iii) information required by Article 7 of the EU Securitisation Regulation has been made available in accordance with the frequency and modulations provided in that article, and

- (b) that institutional investor has carried out a due diligence assessment which enables it to assess the risks involved, which will include at least (among other things) the risk characteristics of its securitisation position and the underlying exposures of the securitisation, and all the structural features of the transaction that can materially impact the performance of its securitisation position.

In addition, under Article 5(4) of the EU Securitisation Regulation, an institutional investor (other than the originator, sponsor or original lender) holding a securitisation position must at least establish appropriate written procedures that are proportionate to the risk profile of the securitisation position and, where relevant, to the institutional investor's trading and non-trading book, in order to monitor, on an ongoing basis, compliance with its due diligence requirements and the performance of the securitisation position and of the underlying exposures.

Depending on the approach in the relevant Member State of the European Union, failure to comply with one or more of the due diligence requirements may result in penalties including fines, other administrative sanctions and remedial measures. In the case of those institutional investors subject to regulatory capital requirements, penal capital charges may also be imposed on the securitisation position (i.e., notes) acquired by the relevant institutional investor.

The institutional investor due diligence requirements described above apply in respect of the notes. With respect to the commitment of the seller to retain a material net economic interest in the securitisation and with respect to the information to be made available by the issuer, seller or another relevant party, please see "*— EU Risk Retention*" below. Relevant institutional investors are required to independently assess and determine the sufficiency of the information described in this prospectus for the purposes of complying with Article 5 of the EU Securitisation Regulation and any corresponding national measures which may be relevant to investors. UK institutional investors in particular should refer to "*— Investor compliance with due diligence requirements under the UK Securitisation Regulation*" below.

Aspects of the requirements and what is or will be required to demonstrate compliance to national regulators remain unclear and are still evolving. Prospective investors who are uncertain as to the requirements that will need to be complied with in order to avoid the consequences of the non-compliance should seek guidance or feedback from their regulator.

**Investor compliance with due diligence requirements under the UK Securitisation Regulation**

The UK Securitisation Regulation includes due diligence requirements which are applicable to UK institutional investors in a securitisation.

If a UK institutional investor purchases or holds the notes having failed to comply with one or more of the due diligence requirements under the UK Securitisation Regulation, depending on the regulatory requirements applicable to such UK institutional investors, an additional risk weight, regulatory capital charge and/or other regulatory sanction may be applied to the notes and/or imposed on

the UK institutional investor.

In respect of the due diligence requirements under Article 5 of the UK Securitisation Regulation, potential investors should note in particular that:

- in respect of the risk retention requirements set out in Article 6 of the UK Securitisation Regulation, Ford Bank undertakes to retain a material net economic interest with respect to this securitisation transaction in compliance with Article 6 of the EU Securitisation Regulation and the RRTS but gives no undertaking to comply with Article 6 of the UK Securitisation Regulation, and
- in respect of the transparency requirements set out in Article 7 of the UK Securitisation Regulation, Ford Bank will make use of the standardised templates developed by ESMA in respect of the transparency requirements set out in Article 7 of the EU Securitisation Regulation for the purposes of this securitisation transaction and will not make use of the standardised templates adopted by the FCA.

No assurance can be given that the information included in this prospectus or provided by Ford Bank in accordance with the EU Securitisation Regulation will be sufficient for the purposes of assisting such UK institutional investors in complying with their due diligence obligations under Article 5 of the UK Securitisation Regulation.

UK institutional investors should be aware that, whilst at the date of this prospectus the requirements under Article 6 and Article 7 of the EU Securitisation Regulation and Article 6 and Article 7 of the UK Securitisation Regulation are very similar, the requirements under the EU Securitisation Regulation and the UK Securitisation Regulation may diverge in the future. In particular, the currently applicable UK Securitisation Regulation regime will be revoked and replaced in due course with a new recast regime as a result of the ongoing legislative reforms introduced under, *inter alia*, the "Edinburgh Reforms" of UK financial services unveiled on 9 December 2022 and the UK post-Brexit move to "A Smarter Regulatory Framework for financial services" which will result in further divergence from the EU Securitisation Regulation. It is expected that the proposed amendments will be finalised and become applicable in the second quarter of 2024. Such reforms may impact new securitisations closed after the relevant date of application and may also have potential implications for securitisations in-scope of the UK Securitisation Regulation that closed prior to such date, although the exact operation of any transitional or grandfathering provisions is yet to be confirmed. It is also expected that, in the third or fourth quarter of 2024, the UK government, the PRA and the FCA will consult on further changes to the UK Securitisation Regulation framework including, but not limited to, the recast of the transparency and reporting requirements. [As at the date of this prospectus, the timing and all of the details for the implementation of securitisation-specific reforms are not yet fully known and the outcome of ongoing and any new consultations on such reforms will be unfolding in the course of the next two years]. The risk of further divergence between EU and UK regimes cannot

be ruled out in the longer term as it is not known at this stage how the ongoing reforms or any future reforms will be finalised and implemented in the UK.

Relevant UK institutional investors are therefore required to independently assess and determine the sufficiency of the information described in this prospectus for the purposes of complying with Article 5 of the UK Securitisation Regulation, and any corresponding national measures which may be relevant to investors, and no assurance can be given that this is the case. None of the issuer, the joint arrangers, the joint lead managers, the trustee, the security trustee, the collateral agent, the servicer, the seller or any of the other transaction parties makes any representation that any such information described in this prospectus is sufficient in all circumstances for such purposes.

## **EU Risk Retention**

The EU Securitisation Regulation replaced the securitisation risk retention requirements that previously applied to various types of EU institutional investors under other EU directives and regulations by one single provision, Article 6 of the EU Securitisation Regulation, providing for a new direct obligation on originators to retain a net economic interest. Article 5(1)(c) of the EU Securitisation Regulation requires institutional investors as defined in Article 2(12) of the EU Securitisation Regulation to verify that, if established in the European Union, the originator, sponsor or original lender retains on an ongoing basis a material net economic interest in accordance with Article 6 of the EU Securitisation Regulation and the risk retention is disclosed to the institutional investor in accordance with Article 7(1)(e) of the EU Securitisation Regulation.

With respect to the commitment of Ford Bank to retain a material net economic interest with respect to this securitisation transaction, for so long as the listed notes are outstanding, Ford Bank, as the originator, will (i) retain the Class C notes and (ii) provide the subordinated loan to the issuer on the closing date (which will be used to fund the initial reserve amount which will be made up of the liquidity component) which, together, constitute a material net economic interest of not less than 5% of the nominal value of the securitised exposures (measured as at the closing date) in this securitisation transaction in compliance with Article 6(3)(d) of the EU Securitisation Regulation and Article 7 of the RRTS.

It should be noted that there is no certainty that references to the retention obligations of the seller in this prospectus will constitute explicit disclosure (on the part of the seller) or adequate due diligence (on the part of investors) for the purposes of Article 5 of the EU Securitisation Regulation.

Please see "*— Investor compliance with due diligence requirements under the EU Securitisation Regulation*" above in respect of the potential consequences of non-compliance with the institutional investor due diligence requirements which apply to the notes. UK institutional investors in particular should refer to "*—Investor compliance with due diligence requirements under the UK Securitisation Regulation*" above.

## **U.S. Risk Retention**

The U.S. Risk Retention Rules generally require the "securitizer" of a "securitization transaction" to retain at least 5% of the "credit risk"



of "securitized assets", as such terms are defined for purposes of that statute, and generally prohibit a securitizer from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the securitizer is required to retain. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligations.

The securitisation transaction will not involve retention by a securitizer as contemplated by the U.S. Risk Retention Rules, but instead will be made in reliance on an exemption under Section 20 of the U.S. Risk Retention Rules for non-U.S. transactions. To qualify for the "foreign offering" exemption under Section 20 of the U.S. Risk Retention Rules, non-U.S. transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10% of the dollar value (or equivalent amount in the currency in which the securities are issued) of the securities issued in the transaction are sold or transferred to, or for the account or benefit of, U.S. persons (as defined in the U.S. Risk Retention Rules and referred to in this prospectus as "Risk Retention U.S. Persons"); (3) neither the sponsor nor the issuer of the transaction is organised under U.S. law or is a branch located in the United States of a non-U.S. entity; and (4) no more than 25% of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organised or located in the United States.

The notes may not be purchased by Risk Retention U.S. Persons as part of the initial distribution of the notes. Prospective investors should note that, although the definition of "U.S. person" in the U.S. Risk Retention Rules is similar to the definition of "U.S. person" in Regulation S, the definitions are not identical and persons who are not "U.S. persons" under Regulation S may be "U.S. persons" under the U.S. Risk Retention Rules.

Notwithstanding the foregoing, the issuer can, with the consent of, and in reliance on, the seller, sell a limited portion of the notes to, or for the account or benefit of, Risk Retention U.S. Persons under the "foreign offering" exemption under Section 20 of the U.S. Risk Retention Rules.

It is not certain whether the "foreign offering" exemption under Section 20 of the U.S. Risk Retention Rules will be available. Failure of the offering to comply with the U.S. Risk Retention Rules (regardless of the reason for the failure to comply) could give rise to regulatory action which may adversely affect the notes. Furthermore, the impact of the U.S. Risk Retention Rules on the securitisation market generally is uncertain, and a failure by a transaction to comply with the U.S. Risk Retention Rules could negatively affect the market value and secondary market liquidity of the notes.

## SELLER AND SERVICER

### General

Ford Bank was incorporated in Cologne, Germany, on 25 April 2017 as Ford Financial GmbH (in foundation). Ford Bank changed its name to Ford Bank GmbH on 6 April 2018, following the receipt of a banking license on 29 March 2018. Ford Bank is registered with the commercial register of the local court of Cologne under registration number HRB 91249 as a limited liability company with its registered office at Henry-Ford-Strasse 1, 50735 Cologne, Germany. Ford Bank's Legal Entity Identifier is 549300BZZFFS0SOWR325.

Ford Bank is authorised as a deposit taking business, a credit business under German banking law (*Kreditwesengesetz*) and an insurance intermediary (*Versicherungsvermittler*) licensed under the German trade regulation code (*Gewerbeordnung*). Ford Bank is authorised by the ECB and the BaFin with regard to banking business and the local chamber of commerce (*Industrie- & Handelskammer Cologne*) with regard to insurance mediation and is regulated by each of these authorities, in particular the BaFin and Deutsche Bundesbank. Ford Bank is a credit institution as defined in points (1) and (2) of Article 4(1) of Regulation (EU) No 575/2013.

Ford Bank is a wholly owned subsidiary of FCE Bank plc, or "FCE", and Ford Bank and FCE are each an indirect wholly owned subsidiary of Ford Motor Company, or "Ford", a company incorporated under the laws of the State of Delaware, United States of America.

In the light of the current political and macro-economic environment, the Ford group continues to monitor the regulatory landscape and work with regulators to identify opportunities to optimise its operating model to reduce complexity and cost which may lead to further Ford group reorganisation, including the potential transfer of Ford Bank, to FCE's parent, Ford ECO GmbH, pending regulatory approvals.

Pursuant to a business transfer agreement dated 28 June 2018 and effective 1 July 2018, FCE transferred all of its right, title and interest in loan agreements entered into between FCE acting through its German branch, or "FCE Germany", and borrowers (prior to and including 28 June 2018) to Ford Bank, together with the related receivables and ancillary rights. Following the transfer, Ford Bank is the party to all the loan agreements and the lender of record under all the loan agreements. The notes in this securitisation transaction however, will be backed by a pool of retail auto loan receivables originated solely by Ford Bank.

Ford Bank provides a variety of retail, leasing and wholesale finance plans in Germany. Retail financing is provided predominantly through a number of title retention plans. Operating and finance leases are provided to corporate and other institutional customers and private customers, covering single vehicles as well as large and small fleets. Operating leases are also provided by business partners to whom Ford Bank has outsourced certain functions while retaining responsibility for marketing and sales in return for fee income. Ford Bank provides a variety of vehicle wholesale plans to dealers.

Ford Bank will be the servicer of the receivables for the issuer. Ford Bank will be responsible for all servicing functions except that the principal paying agent will be responsible for making payments to the noteholders based on information and calculations provided by the servicer and cash manager. Ford Bank will be responsible for paying the costs of forming the issuer, legal fees of certain transaction parties, rating agency fees for rating the notes and other transaction costs.

### Ratings of the Seller and Servicer

As at the date of this prospectus, Ford Bank's issuer credit ratings are:

			<u>Moody's</u>	<u>S&amp;P</u>
Short-term	debt	ratings	[P-2]	[-]
Long-term	debt	ratings	[Baa1]	[BBB-]
Outlook			[Stable]	[Stable]

[As at the date of this prospectus, Ford Bank is not rated by Fitch.]

The credit rating agencies periodically review Ford Bank's debt ratings and may raise, downgrade or withdraw, or change the outlook, of the ratings at any time.

Ford Bank, as servicer, will be required to deposit collections on the receivables to the issuer's distribution account within two business days after the receipt and/or application of such collections from the borrowers' accounts.

If (i) Ford Bank's long-term issuer default rating by Fitch is at least "A" or its short-term issuer default rating by Fitch is at least "F1" and (ii) Ford Bank's long-term unsecured debt is rated at least "A" by S&P and its short-term unsecured debt is rated at least "A-1" by S&P, Ford Bank, as servicer, may remit collections to the distribution account on the business day before each payment date.

*For more information, you should read "Seller and Servicer — Servicing Experience".*

### **Securitisation Experience**

Ford Bank and FCE Germany, or "Ford Credit Group in Germany", and FCE have been securitising their assets, including assets of a similar nature to those securitised under this securitisation transaction, since 1997. The securitisation programmes of the Ford Credit Group in Germany are diversified among asset classes and markets. The Ford Credit Group in Germany securitises retail loan receivables, retail lease receivables and dealer floorplan receivables using the Globaldrive brand. FCE participates in the securitisation markets in the United Kingdom and Italy and the Ford Credit Group in Germany participates in the securitisation markets in Germany.

FCE and the Ford Credit Group in Germany meet a significant portion of their funding requirements through securitisations because the market for securitisation of financial assets usually provides a lower cost source of funding, diversifies funding among different markets and investors, and provides additional liquidity.

FCE and the Ford Credit Group in Germany have been active in the securitisation market and have issued notes backed by its retail auto loan receivables and lease receivables in more than 30 securitisation transactions. More than 25 of these securitisations were public offerings, most recently in July 2023 in relation to Ford Bank.

### **Ford Bank's German Retail Automotive Finance Business**

**General.** Ford Bank is conducting all underwriting activities at its central office in Cologne, Germany (that also houses its customer service centre for servicing its retail financing portfolio). The purchasing (administrative process) is in the process of being outsourced to Ford Romania Services SRL (trading as Ford Business Services).

Ford Bank offers financing and leasing products to consumer and commercial retail borrowers and major daily rental companies as well as Ford dealers. Ford Bank also mediates certain insurance products for retail borrowers. The receivables being securitised were originated in the ordinary course of business by Ford Bank.

For more details on the pool of receivables, you should read "*Receivables — Composition of the Receivables*".

### **Origination, Underwriting and Purchasing**

**General.** Ford Bank finances new, ex-demonstration and used cars and light commercial vehicles in accordance with its bank working procedures. New vehicles have not been registered with the relevant motor vehicle authority and have only minimal mileage related to transportation of the vehicle to the dealer. Ex-demonstration vehicles have either been registered by the dealers for use as showroom demonstration vehicles, or are vehicles registered in the name of the dealer. These vehicles may qualify for marketing incentives for new vehicles. Used vehicles consist of vehicles that have been previously registered and are not subject to maximum mileage but to a maximum age and term combination of 10 years.

Ford Bank provides financing to retail borrowers through amortising, standard balloon and TCM contracts entered into between Ford Bank, and an eligible borrower. Ford Bank finances the vehicle purchase price (which includes value added tax, factory and dealer fitted options, the transportation fee and the extended warranty payment, if any) less any down-payment (which may consist of a cash deposit and/or any allowance from a part-exchange vehicle). Ford Bank does not charge administration fees on new loans.

**Origination.** When a borrower purchases a vehicle from a dealer, the borrower and the dealer negotiate the purchase price of the vehicle and the acquisition of any insurance, warranty or other products. The borrower and the dealer also negotiate whether the loan will be a standard amortising or balloon loan, the loan amount, term, payment terms and interest rate to be charged on the loan agreement.

Each borrower will complete and confirm a credit information form and in the case of individual consumers (including sole traders), a consent form authorising the information to be sent to a credit bureau. Dealers typically submit borrower information combined with proposed loan terms electronically to Ford Bank.

According to the current processes, if the proposed borrower and the terms are accepted, the dealer will inform the borrower and complete a loan application for the borrower to sign. The dealer will submit the loan application to Ford Bank. Ford Bank reviews it to verify the accuracy of the accepted loan terms. If the loan application contains a material error it is returned to the dealer for correction and a new loan application is completed.

From mid-May 2023, the origination of financing to retail borrowers changed to a time-limited binding finance offer of Ford Bank to borrowers based on a loan request once a positive credit decision is made by Ford Bank. Such change was connected with a launch of e-commerce, i.e. (a) a paperless on point-of-sale origination with a qualified electronic signature which would be for a transition period, in parallel to the currently existing paper-based origination and (b) at a later date, a full-online origination with qualified electronic signatures for borrowers using the online process.

**Credit Applications/Requests and Scoring Models.** The loan application/request of the prospective borrower, or the "applicant", is processed using an origination scoring model. The type of model used will depend on whether the applicant is an individual or business entity, the applicant's credit profile and whether the vehicle being financed is new or used. Ford Bank's proprietary origination scoring models assess the creditworthiness of the applicant and affordability of the vehicle using the information in the applicant's credit application, the proposed terms of the loan, the applicant's credit bureau data and other information obtained by Ford Bank.

The origination scoring models are statistical tools used to differentiate credit applicants based on their probability of paying the amounts due under their contracts. The origination scoring models assign a proprietary risk score for each applicant, which is then used in Ford Bank's evaluation process. The origination scoring models update the applicant's risk score in real time throughout the evaluation and purchasing process, if any of the inputs to the risk score change. However, using origination scoring models does not eliminate credit risk.

Ford Bank's origination scoring models were developed jointly with FCE, based on Ford Bank's borrower portfolio. The borrower portfolio database contains both originations and receivables information for consumer, commercial and commercial line borrowers. The application, contract, credit bureau, and performance data for contracts originated over many years is being used to identify key variables to predict an applicant's probability of paying the amount due under the loan. Ford Bank regularly reviews its origination scoring models to confirm the continued business significance and statistical predictability of the variables, including comparing actual and predicted performance of its borrower portfolio.

Ford Bank's origination scoring models redevelopment is subjected to a regular cycle plan.

**Underwriting and Credit Evaluation.** Acceptance of proposals is based on this proprietary scoring model and Ford Bank's underwriting standards. Ford Bank's underwriting standards emphasise the borrower's ability to pay and creditworthiness and the creditworthiness of any guarantor. For

individual consumers Ford Bank generally obtains, *inter alia*, data on applicants from the credit reference bureau, SCHUFA Holding AG or "SCHUFA". The credit bureau data includes any negative payment history and the borrower's credit score which is generated using statistical models created by SCHUFA. A borrower's credit bureau score is a relevant factor in Ford Bank's scoring models. Ford Bank also considers data about the vehicle, including the model, the purchase price, and date of first registration for used vehicles when measuring its own proprietary scoring model.

The majority of loan applications/requests are evaluated using an electronic decisioning process, through which applications/requests are either electronically approved or referred to an underwriting analyst for review. Approval is based on risk as determined by the scoring models. Low risk proposals are generally approved automatically while higher risk loan agreements will generally require approval from a credit analyst or more senior personnel. Ford Bank regularly reviews its electronic decisioning process and makes adjustments in response to market conditions, regulatory requirements, financing terms and the performance of its portfolio, which can lead to an increase or decrease in the percentage of applications/requests that are electronically approved.

If the application/request is not electronically approved, a credit analyst will underwrite the proposal in accordance with Ford Bank's policies and strict underwriting guidance. These characteristics are evaluated manually and are not part of the scoring model. For applications/requests not electronically approved, Ford Bank is typically able to determine whether or not to underwrite a loan agreement within 30 minutes of receipt of an application/request. Higher risk applicants may require additional investigation.

The percentage of loan applications/requests that are electronically approved has generally increased to accelerate the underwriting process and increase dealer and borrower satisfaction. From 1 January 2024 to the date of this prospectus, [44.1]% of overall loan applications/requests for FCE Germany were automatically approved.

Ford Bank's lending decisions are made independently of Ford and Ford cannot require Ford Bank to underwrite contracts that do not satisfy Ford Bank's underwriting standards. Dealers do not have the authority to underwrite or approve an application/request without referring it to Ford Bank.

**Commercial Accounts.** A significant majority of retail loan agreements underwritten by Ford Bank are entered into with individual consumers. The remaining retail loan agreements underwritten by Ford Bank are for commercial borrowers, including sole traders, partnerships and limited companies. Sole traders are evaluated using the same credit bureau enquiry process (SCHUFA) used for individual customers, as well as other additional sources for checking creditworthiness, such as additional credit bureau data (Creditreform), bank references and financial data. Partnerships and limited companies go through a very similar underwriting process but in addition, their credit standing may be evaluated using annual reports, interim financial statements and tax statements. Similar to personal individual contracts, underwriting decisions regarding commercial contracts focus on the applicant's ability to pay and creditworthiness, but they also recognise that commercial vehicles may have specialty bodies or equipment added and are often put through more demanding usage, which may reduce the resale value of the financed vehicle.

**Contract completion** Once a loan application/request is approved, it is accepted by Ford Bank either issuing a separate, electronically signed acceptance document in the case of consumer borrowers, or signing when the vehicles are purchased in the case of commercial borrowers.

Ford Bank engages third party service providers to retain the original paper loan agreement and to image the loan agreement and related documents for electronic storage. Once imaged, the documents may be viewed on a computer screen for servicing, but cannot be altered or deleted. Additional documents obtained during servicing are also added to the imaged file.

**Internal Controls.** A designated auditing group within Ford Bank performs regular operating audits to monitor compliance with purchasing guidelines, policies and procedures and legal requirements. Ford Bank regularly reviews and analyses its portfolio of receivables to evaluate the effectiveness of its underwriting guidelines, scoring models and purchasing criteria. If external economic factors, credit loss or delinquency experience, market conditions or other factors change,

Ford Bank may adjust its underwriting guidelines, scoring models and purchasing criteria in order to change the quality of its portfolio or to achieve other goals and objectives.

**Fraud Protection.** Ford Bank provides regular fraud awareness training for employees in the customer service centre and suspicious loan applications/requests are referred to a fraud specialist to check for fraudulent information and conduct further investigation.

**Dealer Insolvency.** In the event of a dealer insolvency at the time of origination of a TCM contract, Ford Bank offers the borrower the option to withdraw their loan application/request before the contract is originated. If the borrower decides to enter into a loan contract, the borrower will be asked to sign a confirmation letter to acknowledge the possible non-enforceability of the put option against the insolvent dealer. As the dealers are German entities, German insolvency law would apply in the event of a dealer's insolvency, meaning that the dealer's obligation to make payment of the buy-back amount under the put option may not be enforceable against the insolvency administrator of such dealer.

If a dealer becomes insolvent at any time after having entered into a buy-back agreement with a borrower, this is entirely at the borrower's risk and the borrower will remain liable for the full amount of the balloon payment regardless of whether the dealer buys back the financed vehicle.

**Insurance.** The loan agreements require that the borrowers maintain third party liability insurance and vehicle insurance. The vehicle insurance required is usually comprehensive vehicle insurance (*Teilkasko*) but in certain circumstances Ford Bank may require the borrower to obtain a more comprehensive vehicle insurance policy that includes additional coverage for own fault risk and vandalism (*Vollkasko*). Since borrowers may choose their own insurers to provide the required coverage, the specific terms and conditions of their policies will vary. Ford Bank does not monitor the maintenance of insurance on financed vehicles.

Although currently it is not the case, individual retail borrowers may in the future, based on revised plans, be offered payment protection insurance that covers the risk of non-payment by the borrower in the case of death or inability to work due to illness, injury or disability. If a borrower chooses to have payment protection insurance, the total amount financed will include the premium for such insurance and Ford Bank will pay the premium to the insurance company, less commission. Payment protection insurance may be terminated by the borrower at any time. The insurers will remit to Ford Bank the surrender value of such terminated payment protection plan and the surrender value amount will be applied to reduce the amount of any final instalment (including any balloon payment).

**Originations Characteristics.** The following table contains information about the auto loan portfolio of FCE Germany and Ford Bank originated in each of the periods indicated.

## Auto Loan Originations

	Three Months Ended 31 March		Year Ended 31 December				
	2024	2023	2023	2022	2021	2020	2019
Number of receivables originated	5,729	3,791	14,969	18,905	27,367	46,326	69,993
Aggregate original principal balance (in millions) <sup>(1)</sup>	€153	€94	€377	€481	€680	€1,066	€1,525
New (vs. used) vehicles <sup>(2)</sup>	76.41%	89.66%	82.59%	93.19%	91.56%	89.45%	92.89%
TCM (vs. standard) loan agreements <sup>(2)</sup>	64.16%	63.75%	62.10%	70.96%	80.18%	87.48%	87.74%

<sup>(1)</sup> The original principal balance is the original amount financed under the loan excluding fees and interest.

<sup>(2)</sup> Percentage of aggregate principal balance of the receivables originated in the period.

### Material Changes to Origination, Underwriting and Purchase Policies and Procedures.

Ford Bank's origination and underwriting policies and procedures may change over time in order to further develop and improve its origination and underwriting practices. Ford Bank's origination policies are focused on supporting the sale of new Ford vehicles. A substantial percentage of the loans originated by Ford Bank are originated under Ford-sponsored vehicle marketing incentive programmes. As a result, changes in origination volumes and the types of loans originated are caused primarily by changes in sales of Ford vehicles and changes in Ford-sponsored marketing programmes. The relative cost and availability of funding sources also impacts Ford Bank's willingness to originate certain retail loans and Ford Bank may limit the origination of certain types of loans for risk management purposes.

The current scoring model requirements for automatic acceptance of loan applications/requests have been in place during the periods covered in the table above.

In the period shown in the table above, Ford in Germany has succeeded in increasing its market share year over year, both in the commercial vehicle sector and in the passenger vehicle sector. In particular, the continuously increasing share in the private retail business, mainly driven through various successful product launches, has led to an increase in the number of loan agreements for Ford Bank.

To effectively support Ford and the sale of new vehicles, Ford Bank has been working on marketing programs that combine an attractive interest rate offering with elements that reduce customers' concerns in relation to purchasing a vehicle, and further increase customer loyalty through additional incentives in case of renewals. Given the potential to support future vehicle sales, these marketing programmes have been more heavily focused on the TCM product, contributing to its growth over the period.

Other than as described above, there have been no material changes to Ford Bank's origination and underwriting policies and procedures in the last five years.

*For more information, you should read "Risk Factors— Economic volatility and global financial market disruptions resulting from a significant global or regional event could result in losses on your notes and/or limit your ability to resell your notes", "Risk Factors— Global economic and political conditions may adversely affect the performance of the receivables, which could result in losses on your notes", "Risk Factors— Performance of the receivables is uncertain and depends on many factors and may worsen in an economic downturn," and "Risk Factors— A decline in the financial condition or*

*business prospects of Ford, Ford Bank or other interdependent market participants could result in losses on your notes".*

## **Servicing Experience**

Ford Bank will be the servicer of the receivables for this securitisation transaction. Ford Bank will service the receivables from a centralised customer service centre in Cologne.

Ford Bank and the Ford Credit Group in Germany have been servicing automotive retail loan receivables of a similar nature to those securitised under this securitisation transaction since 1997 in accordance with its bank working procedures. Ford Bank's comprehensive bank working procedures include web-based servicing policies and procedures, and ensure that common servicing practices and procedures are used for all receivables. They broadly include:

- criteria for the granting of credit and the process for approving, amending, renewing and re-financing credits
- systems in place to administer and monitor the various credit-risk bearing portfolios and exposures,
- diversification of credit portfolios given Ford Bank's target market and overall credit strategy, and
- policies and procedures in relation to risk mitigation techniques.

For the purpose of compliance with the requirements stemming from Article 21(9) of the EU Securitisation Regulation, remedies and actions relating to delinquency and default of debtors, debt restructuring, debt forgiveness, forbearance, losses, charge offs, recoveries, payment holidays and other asset performance remedies are applied, (if applicable), in accordance with Ford Bank's bank working procedures.

In the servicing agreement, Ford Bank will agree with the issuer, the security trustee and the collateral agent that it will comply with its bank working procedures and, in particular:

- (i) unless required by law (or any reasonable interpretation of such law) or deemed necessary by the servicer on reasonable grounds to comply with the requirements of any regulatory authority with whose requirements it is customary to comply, will not agree to any material amendment to or variation of any loan agreement except in accordance with its bank working procedures, and
- (ii) in relation to any default by a borrower under or in connection with a loan agreement, may exercise discretion in applying its bank working procedures in accordance with the servicing agreement.

Customer service centre personnel do not have access to information that a receivable they are servicing has been sold into a securitisation transaction or otherwise.

## **Servicing and Collections**

**General.** Ford Bank's servicing and collections systems maintain records for all receivables, applications of payments, relevant information on borrowers and account status. The systems also capture communications with borrowers and allow management to review collection activities. Ford Bank adopts largely similar servicing and collections processes and procedures for all retail customers (private individuals and smaller commercial customers).

Ford Bank engages third party service providers to perform a number of its administrative servicing processes including processing direct debits, imaging borrower documents, storing loan agreements (in paper and electronic format), printing and sending borrower letters and storing vehicle registration documents. Ford Bank also contracts with a network of external contractors to repossess vehicles and to assess any damages and the value of the repossessed vehicles.



**Payments and application of payments.** Almost all of Ford Bank's borrowers make payments electronically. Approximately 99% of retail borrowers make their regular monthly payments through direct debit payment systems and the remainder use standing order or other electronic remittances. All payments are paid into collection accounts maintained with independent third party banks in the name of Ford Bank. All direct debit payments are matched to a borrower's account, and if they were received at a collection account prior to the designated processing time on a business day, the payments are applied to the borrower's account on the same day. Non-direct debit payments are applied to the borrower's account on the following business day.

**Behavioural scoring models.** Ford Bank uses behavioural scoring models to assess the probability of payment default for each receivable and implements collection efforts based on its determination of the credit risk of the borrower on the payment due date. These models assess a number of variables including origination characteristics, borrower account history, payment patterns, expected loss or severity and periodically updated credit bureau information. Ford Bank develops new behavioural scoring models on a regular cycle plan and regularly reviews the models to confirm the continued business significance and statistical predictability of the variables. Ford Bank may make adjustments jointly with FCE to improve the performance of the behavioural scoring models between development cycles by uniformly changing the overall scores or modifying the weighting of selected variables.

**Delinquency, default of customers, forbearance.** Most borrowers pay without any additional servicing or collection efforts. If a delinquency occurs, a collection representative will attempt to contact the delinquent borrower to determine the reason for the delinquency and identify the borrower's plan to resolve the delinquency.

If the borrower cannot pay the past due payments in full, Ford Bank may allow the borrower to continue to make the normal monthly payments, provided that the borrower promises to pay all past due amounts typically within three months. This type of payment arrangement, or "promise-to-pay arrangement" defers a delinquent payment for one or more months but does not change the final scheduled due date for the loan. To approve a promise-to-pay arrangement Ford Bank will generally require the collection representative to determine whether the borrower's payment problem is temporary, whether the borrower has an income source for making the next payment, and whether the borrower has made at least one payment since the start of the contract.

Reminder fees are not permitted. Default interest can be calculated in case of late payment. Default interest is calculated on a daily basis in the event of late payment on the overdue principal amount.

All delinquent accounts are worked and continuously monitored using a debt collection and recoveries system that assesses the risk of default of a delinquent borrower. The measures taken with respect to servicing delinquent accounts depends on the situation of each borrower, the amount of the delinquent payment and how long overdue the loan is. Based on data from the behavioural scoring models and assessments from the collection system, loans are grouped by risk category for collection. These categories determine how soon a borrower will be contacted after a payment becomes delinquent, how often the borrower will be contacted during the delinquency and how long the account will remain in early stage collections before it is transferred to late stage collections.

In certain circumstances Ford Bank may rewrite a loan if the borrower anticipates that they will be unable to make future payments and therefore requests reduced monthly instalments. A loan agreement that is rewritten is a refinancing of the borrower's outstanding balance, typically with a longer loan term and sometimes a different interest rate.

**Payment holidays and payment extensions.** A borrower's payment schedule may be changed if the borrower requests a different due date for instalments under the loan agreement, if the borrower prepays an amount (in which case the term of the loan may be reduced), or if the borrower applies for a payment holiday. Payment holidays are available to delinquent and non-delinquent borrowers and each request will be processed in compliance with Ford Bank's procedures. A borrower may defer up to three instalments under each payment holiday requested. Each deferred instalment may be spread over three future instalments but the deferral does not change the original term of the loan. Payment holidays are only allowed for regular monthly instalments and do not apply to balloon payments. Payment holidays are only accepted following a review of the borrower's future ability to pay.

Payment extensions are available to delinquent and non-delinquent borrowers under standard loans and each request will be processed in compliance with Ford Bank's procedures. A borrower may request to extend the original term of the loan by a maximum of four instalments, so long as the extended term does not exceed Ford Bank's maximum financing term of 72 months. Extensions on TCM contracts will not be granted if the TCM contract is delinquent.

Ford Bank's processes for granting payment extensions generally require the servicing or collection representative to determine whether or not: (i) the borrower's payment problem is temporary, (ii) the borrower has an income source for making the next payment, (iii) the borrower has made at least one payment since the start of the loan agreement, and (iv) the borrower has made a minimum number of payments between extensions. Ford Bank usually collects a statutorily defined rate of interest on the delinquent amount under the loan agreement. Extensions must be approved by more senior personnel to confirm that all changes to be made are in line with Ford Bank's collection procedures.

Ford Bank conducts periodic supervisor reviews on delinquencies, extensions and other measurements as well as operating audits to maintain control over the use of collection actions.

**Termination and Repossession.** Ford Bank makes reasonable efforts to collect on delinquent loan agreements and to keep borrowers' loan agreements from becoming delinquent e.g. by offering payment holidays. Repossession is considered only after other collection efforts have failed. In accordance with German law, Ford Bank may terminate delinquent loan agreements in order to exercise its rights under the loan agreement.

Where Ford Bank determines that repossession is the most efficient way to collect a terminated loan, the borrower will be asked to return the vehicle and in most cases will do so voluntarily. In some cases, when a borrower's loan agreement is terminated the borrower will pay their debt in full without repossession.

In the remaining cases, an independent contractor is used to take possession of the vehicle. If a borrower does not voluntarily return the vehicle or allow repossession, Ford Bank will seek to repossess the vehicle through legal proceedings. The return of the vehicle by the borrower or the external agency is made to a local Ford dealer in the region, who temporarily takes over the possession and storage of the vehicle for Ford Bank until it is sold. On average, Ford Bank repossesses the vehicle within around 20 days after termination of the loan agreement. On average, Ford Bank generally expects to receive vehicle sale proceeds from the sale of repossessed vehicles within 67 days after the loan agreement was terminated and repossessing and selling activities has started.

In some cases, however, if Ford Bank determines that repossession of the vehicle is likely to result in a loss (i.e. that the effort and costs would be higher than the expected vehicle sale proceeds), Ford Bank will not repossess the vehicle and instead agree with the relevant borrower a repayment schedule for the outstanding amount.

The vast majority of repossessed vehicles are sold directly to dealers through an online auction process used by approximately 310 dealers in Germany of which approximately 258 are Ford dealers. When the auction is initiated, Ford Bank asks for bids over a 17-day auction period. The dealer who has custody of the vehicle for Ford Bank will be granted a right of first refusal in the auction. The net auction proceeds are applied to the outstanding balance of the loan agreement which leads to a corresponding reduction in the open balance. In certain circumstances vehicles are sold through telephone bid processes. A small number of repossessed vehicles are also sold through other means. For example, heavily damaged vehicles may be sold for salvage or scrap.

**Losses and written off receivables.** After standard collection efforts are exhausted and all collections, including sale proceeds, auction proceeds and insurance claims, are applied, Ford Bank writes off any remaining balance owed by the borrower and, if applicable, may sell the contract to an external collection agent as a final effort to realise value. In return, Ford Bank receives sales proceeds as agreed in the framework agreement. In a limited number of cases, where a borrower or a financed vehicle cannot be located after skip tracing, the account is written-off as a skip account.

For loans that remain in own processing and are not subject to sale, collection activities are generally continued (by a more experienced customer service representative in the area of litigation and

recovery) until the loan is paid or settled in full, the loan is determined to be uncollectible due to bankruptcy of the borrower or for other reasons, the borrower dies without a collectible estate or the applicable statute of limitations expires. In respect of litigation, accounts could be assigned to the court to start inhouse court proceedings and involve bailiffs to collect money from the borrower or accounts could be assigned to external lawyers directly, who are authorised by frame agreements to start court proceedings or to take legal action. In limited circumstances, Ford Bank may release its security interest in the vehicle to an insurer to receive proceeds from insurance covering the vehicle or to a borrower to allow them to pursue insurance claims. In all such cases, the borrower will remain liable to pay Ford Bank all amounts outstanding under the loan agreement, including the proceeds received from the insurance company to the extent these are required to satisfy the outstanding amounts due under the loan agreement.

**Bankrupt and Insolvent Accounts.** In respect of bankruptcy, Ford Bank's procedures and processes treat private individuals and smaller business customers in a largely similar manner, with any differences mainly being driven by regulatory or legal requirements. When Ford Bank is notified that a borrower has filed for bankruptcy or insolvency, the account is moved to its specialised team for bankrupt and insolvent accounts within the customer service centre.

The adjudication of bankruptcy typically involves a simplified proceeding in which a trustee is nominated by the German courts to administer the individual's bankruptcy estate. In these simplified proceedings, the trustee is not empowered to dispose of vehicles which serve as collateral under the loan agreements. Most borrowers are required to reaffirm their obligations, redeem the vehicle for a lump sum or return the vehicle. In practice, most borrowers are required to return their vehicle after termination of the loan agreement. If a loan agreement is reaffirmed by the borrower, it will be returned to normal servicing. If a plan of reorganisation is agreed and completed, the borrower will receive a discharge from liability for any remaining balance under the loan agreement after a period set by law, generally, of six years.

In the case of commercial borrowers, restrictions under German insolvency laws prohibit the servicer from taking any collection action against the borrower or the financed vehicle without court approval. An insolvency practitioner is empowered to take possession of the borrower's estate, to administer and liquidate the estate and finally, to distribute the proceeds to the creditors of the insolvent borrower. Under the loan agreement related to the receivables, legal title to the vehicles is transferred from the borrower to Ford Bank by way of security and Ford Bank is given a preferential right ("*Absonderungsrecht*") in the proceeds from the sale of the vehicle to satisfy amounts outstanding under the loan agreement. An insolvency practitioner has the right to sell the vehicle; however, the insolvency practitioner will be obliged to remit the sales proceeds to Ford Bank less any value added tax and fees associated with the sale (usually 9% of the sale proceeds or higher plus value added tax).

**Delinquency and Credit Loss Information.** The tables below show the loss and delinquency experience for the retail auto loan portfolio of FCE Germany and Ford Bank. The tables include receivables sold in securitisations and other transactions that Ford Bank continues to service. Loss and delinquency experience may be influenced by a variety of economic, social, geographic and other factors beyond the control of Ford Bank. They may also be influenced by changes in the origination and servicing policies of FCE Germany and Ford Bank. It is not certain whether the loss and delinquency experience of a particular pool of receivables will be similar to the historical experience shown below or that any trends shown in the tables will continue for any period. It is also not certain that the historical delinquency, repossession and credit loss information included in the tables below will accurately predict the performance of Ford Bank's portfolio of retail auto loan contracts or particular pools of retail auto loan contracts in the near future.

Losses and delinquencies are shown as a percentage of the retail auto loan portfolio of FCE Germany and Ford Bank. Over the period shown, the portfolio size increases as new loan agreements/loans are originated and decreases as existing loan agreements/loans are paid down or liquidated. The loss and delinquency experience for a particular pool of retail auto loans originated in any period would differ from the portfolio experience shown in the following tables.

For the purposes of the tables below, losses on a loan are calculated by deducting net vehicle sale proceeds, if any, and any other collections from the outstanding loan balance at the time of write-off (referred to in the table below as "vehicle recoveries"). In this context, outstanding loan balance means

the loan balance at the time of write-off which consists of outstanding principal, interest accrued and unpaid and any fees charged to the borrower. Losses will be further reduced after write-off by any net recoveries received from or on behalf of the borrower, including insurance proceeds. These are referred to in the table below as "ancillary recoveries".

Delinquencies are calculated based on the outstanding balance of the receivables that are delinquent at the end of any month expressed as a percentage of the aggregate outstanding balance of the retail auto loan portfolio as at the end of such month. For this purpose, the outstanding balance of a receivable (whether delinquent or not) means the loan balance at the end of the month (including outstanding principal, interest accrued and unpaid and any fees charged to the borrower) plus interest that would have accrued if the loan were paid to maturity in compliance with its terms. The period of delinquency is the number of days that more than €1 of a scheduled payment is past due.

## Delinquency and Credit Loss Information

	Three Months Ended 31 March		Year Ended 31 December				
	2024	2023	2023	2022	2021	2020	2019
Average number of contracts outstanding	81,175	123,634	106,015	150,636	190,541	216,625	227,080
Average portfolio outstanding (in millions) <sup>(1)</sup>	€1,380	€1,971	€1,708	€2,379	€3,028	€3,377	€3,367
<b>Delinquencies</b>							
Average number of delinquencies							
31-60 days	182	232	208	258	292	393	510
61-90 days	75	80	69	93	112	145	163
91-120 days	54	68	54	73	98	117	99
Average number of delinquencies as a percentage of average number of contracts outstanding							
31-60 days	0.22%	0.19%	0.20%	0.17%	0.15%	0.18%	0.22%
61-90 days	0.09%	0.06%	0.07%	0.06%	0.06%	0.07%	0.07%
91-120 days	0.07%	0.05%	0.05%	0.05%	0.05%	0.05%	0.04%
Aggregate principal balance of delinquent contracts as a percentage of portfolio outstanding <sup>(2)</sup>							
31-60 days	0.17%	0.19%	0.16%	0.18%	0.16%	0.15%	0.21%
61-90 days	0.08%	0.07%	0.08%	0.07%	0.06%	0.07%	0.07%
91-120 days	0.07%	0.05%	0.06%	0.05%	0.05%	0.06%	0.05%
<b>Credit Losses</b>							
Aggregate losses after vehicle recoveries (in millions) <sup>(3)</sup>	€1	€1	€3	€3	€4	€6	€7
Losses after vehicle recoveries as a percentage of average portfolio outstanding <sup>(3)(6)</sup>	0.24%	0.18%	0.19%	0.11%	0.12%	0.18%	0.20%
Aggregate losses after vehicle recoveries and ancillary recoveries (in millions) <sup>(4)</sup>	€1	€1	€3	€2	€2	€4	€5
Losses after vehicle recoveries and ancillary recoveries as a percentage of average portfolio outstanding <sup>(4)(5)(6)</sup>	0.19%	0.11%	0.15%	0.08%	0.07%	0.12%	0.15%

<sup>(1)</sup> Average of the aggregate principal balance of total retail loans (standard and TCM) contracts outstanding at the end of each month in the period.

<sup>(2)</sup> Aggregate principal balance at the end of the period over the aggregate principal balance of all contracts outstanding at the end of the period.

<sup>(3)</sup> Losses represent the outstanding loan balance at the time of write-off which consists of outstanding principal, late interest accrued and unpaid and any fees charged to the borrower less vehicle sales proceeds.

<sup>(4)</sup> Losses represent the outstanding loan balance written off less vehicle sale proceeds and ancillary recoveries.

<sup>(5)</sup> Losses for a receivable in the servicing report for this securitisation transaction will generally be equal to the net present value of the receivables at the beginning of the month in which it is written-off, as adjusted by net vehicle sale proceeds from the sale of the financed vehicle. This figure will not include accrued interest or fees charged to the borrower. Losses for any given receivable as calculated in the transaction servicing reports may therefore be lower than the corresponding loss included in the above table.

<sup>(6)</sup> For the non-annual periods, the percentages are annualised.

## Portfolio Delinquency Experience

### Total Loans<sup>(1)</sup>

As at month ending	31-60 Days <sup>(2)</sup> (%)	61-90 Days <sup>(3)</sup> (%)	91 + Days <sup>(4)</sup> (%)
31 December 2018 .....	0.19	0.08	0.04
31 March 2019 .....	0.20	0.06	0.04
30 June 2019 .....	0.19	0.07	0.05
30 September 2019 .....	0.23	0.07	0.05
31 December 2019 .....	0.21	0.07	0.05
31 March 2020 .....	0.22	0.09	0.08
30 June 2020 .....	0.16	0.06	0.07
30 September 2020 .....	0.19	0.07	0.06
31 December 2020 .....	0.15	0.07	0.06
31 March 2021 .....	0.15	0.07	0.06
30 June 2021 .....	0.16	0.06	0.06
30 September 2021 .....	0.15	0.05	0.07
31 December 2021 .....	0.16	0.06	0.05
31 March 2022 .....	0.17	0.06	0.05
30 June 2022 .....	0.18	0.06	0.05
30 September 2022 .....	0.18	0.07	0.06
31 December 2022 .....	0.18	0.07	0.05
31 March 2023 .....	0.19	0.07	0.05
30 June 2023 .....	0.20	0.05	0.05
30 September 2023 .....	0.16	0.06	0.05
31 December 2023 .....	0.16	0.08	0.06
31 March 2024 .....	0.17	0.08	0.07

<sup>(1)</sup> Delinquencies are calculated based on the outstanding balances of the receivables that are delinquent at the end of any month expressed as a percentage of the aggregate outstanding balance of the retail auto loan portfolio as at the end of such month. For this purpose, the outstanding balance of a receivable (whether delinquent or not) means the loan balance at the end of the month (including outstanding principal, interest accrued and unpaid and any fees charged to the borrower) plus interest that would have accrued if the loan were paid to maturity in accordance with its terms.

<sup>(2)</sup> Receivables flagged with two payments past their due date in the receivables system.

<sup>(3)</sup> Receivables flagged with three payments past their due date in the receivables system.

<sup>(4)</sup> Receivables flagged with four payments past their due date in the receivables system.

### Standard Loans<sup>(1)</sup>

As at month ending	31-60 Days <sup>(2)</sup> (%)	61-90 Days <sup>(3)</sup> (%)	91 + Days <sup>(4)</sup> (%)
31 December 2018 .....	0.40	0.12	0.06
31 March 2019 .....	0.35	0.08	0.06
30 June 2019 .....	0.34	0.11	0.04
30 September 2019 .....	0.39	0.14	0.03
31 December 2019 .....	0.36	0.13	0.07
31 March 2020 .....	0.41	0.12	0.09
30 June 2020 .....	0.25	0.10	0.07
30 September 2020 .....	0.34	0.11	0.07
31 December 2020 .....	0.25	0.15	0.05
31 March 2021 .....	0.25	0.09	0.07
30 June 2021 .....	0.24	0.13	0.08
30 September 2021 .....	0.30	0.10	0.07
31 December 2021 .....	0.27	0.10	0.08
31 March 2022 .....	0.35	0.10	0.04
30 June 2022 .....	0.34	0.08	0.06
30 September 2022 .....	0.24	0.18	0.07
31 December 2022 .....	0.30	0.15	0.05
31 March 2023 .....	0.37	0.16	0.09
30 June 2023 .....	0.37	0.04	0.05
30 September 2023 .....	0.31	0.09	0.06
31 December 2023 .....	0.27	0.14	0.12
31 March 2024 .....	0.34	0.11	0.07

<sup>(1)</sup> Delinquencies are calculated based on the outstanding balances of the receivables that are delinquent at the end of any month expressed as a percentage of the aggregate outstanding balance of the retail auto loan portfolio as at the end of such month. For this purpose, the outstanding balance of a receivable (whether delinquent or not) means the loan balance at the end of the month (including outstanding principal, interest accrued and unpaid and any fees charged to the borrower) plus interest that would have accrued if the loan were paid to maturity in accordance with its terms.

<sup>(2)</sup> Receivables flagged with two payments past their due date in the receivables system.

<sup>(3)</sup> Receivables flagged with three payments past their due date in the receivables system.

<sup>(4)</sup> Receivables flagged with four payments past their due date in the receivables system.

## TCM Contracts<sup>(1)</sup>

As at month ending	31-60 Days <sup>(2)</sup> (%)	61-90 Days <sup>(3)</sup> (%)	91 + Days <sup>(4)</sup> (%)
31 December 2018.....	0.14	0.07	0.04
31 March 2019.....	0.16	0.05	0.04
30 June 2019.....	0.15	0.07	0.05
30 September 2019.....	0.20	0.06	0.05
31 December 2019.....	0.18	0.06	0.04
31 March 2020.....	0.18	0.08	0.07
30 June 2020.....	0.15	0.05	0.07
30 September 2020.....	0.17	0.06	0.06
31 December 2020.....	0.14	0.06	0.06
31 March 2021.....	0.14	0.07	0.05
30 June 2021.....	0.15	0.04	0.06
30 September 2021.....	0.13	0.05	0.07
31 December 2021.....	0.14	0.06	0.05
31 March 2022.....	0.14	0.05	0.06
30 June 2022.....	0.15	0.06	0.05
30 September 2022.....	0.17	0.05	0.06
31 December 2022.....	0.16	0.05	0.05
31 March 2023.....	0.15	0.05	0.05
30 June 2023.....	0.16	0.05	0.05
30 September 2023.....	0.12	0.05	0.05
31 December 2023.....	0.12	0.07	0.04
31 March 2024.....	0.11	0.07	0.07

<sup>(1)</sup> Delinquencies are calculated based on the outstanding balances of the receivables that are delinquent at the end of any month expressed as a percentage of the aggregate outstanding balance of the retail auto loan portfolio as at the end of such month. For this purpose, the outstanding balance of a receivable (whether delinquent or not) means the loan balance at the end of the month (including outstanding principal, interest accrued and unpaid and any fees charged to the borrower) plus interest that would have accrued if the loan were paid to maturity in accordance with its terms.

<sup>(2)</sup> Receivables flagged with two payments past their due date in the receivables system.

<sup>(3)</sup> Receivables flagged with three payments past their due date in the receivables system.

<sup>(4)</sup> Receivables flagged with four payments past their due date in the receivables system.

**Material Changes to Servicing Policies and Procedures.** Ford Bank's servicing policies and practices may change over time. Ford Bank regularly tests new servicing practices on controlled portions of its receivables to develop and refine its servicing practices. Some areas tested include timing and frequency of collection calls and when is it more effective for the collections team to handle contact with a borrower. If a test finds that an existing practice could be improved, the new servicing and collection practice is applied to the entire portfolio.

The COVID-19 pandemic created a global public-health crisis that resulted in widespread deterioration in household, business and economic conditions and significant dislocations and volatility in global financial market conditions. In response, Ford Bank modified its servicing policies and procedures to support its borrowers and altered its repossession, vehicle liquidation and charge off activity. As of April 2022, Ford Bank also adopted a hybrid working model, with employees working from home and from the office in an agreed combination, depending on their role and the business need. Those employees continue to be aided by the standard quality and efficiency tools to ensure process discipline and consistency of decision making.

Other than the changes mentioned above, there have been no material changes to Ford Bank's servicing of its German retail auto loan portfolio for the last five years.

*For more information, you should read "Risk Factors— Economic volatility and global financial market disruptions resulting from a significant global or regional event could result in losses on your notes and/or limit your ability to resell your notes", "Risk Factors— Global economic and political conditions may adversely affect the performance of the receivables, which could result in losses on your notes", "Risk Factors— Performance of the receivables is uncertain and depends on many factors and may worsen in an economic downturn," and "Risk Factors— A decline in the financial condition or business prospects of Ford, Ford Bank or other interdependent market participants could result in losses on your notes".*

### Static Pool Information — Prior Securitised Pools

Annex B contains static pool information about prior pools of retail auto loans securitised by FCE Germany and Ford Bank. The information in Annex B consists of cumulative credit losses, delinquency and prepayment data for prior securitised retail auto loan pools and summary information about the original characteristics of such pools. No assurance can be made that the cumulative credit losses,

delinquency and prepayment experience of a particular pool of receivables will be similar to the information shown in Annex B for prior securitised retail auto loan pools.

### **Vintage Originations**

Annex C contains information about retail auto loans that were originated by FCE Germany and Ford Bank in prior years. The information in Annex C consists of cumulative losses for the retail auto loans originated by FCE Germany and Ford Bank during the period and summary information on the original characteristics of such loans. It is not certain whether the loss experience of a particular pool of receivables will be similar to the information shown in Annex C for retail auto loans originated during a particular period because the FCE Germany and Ford Bank portfolio of retail auto loans, from which the securitised pools are selected, changes over time. Despite these differences, the prior securitised pools are generally comparable to the receivables in this securitisation transaction because these changes have not been significant and the origination, underwriting and purchasing policies and servicing policies of FCE Germany and Ford Bank have been generally consistent over time. The origination, underwriting and purchasing policies and servicing policies of Ford Bank mirror those of FCE Germany.

### **Retained Interest**

For so long as the listed notes are outstanding, Ford Bank, as the originator, will (i) retain the Class C notes and (ii) provide the subordinated loan to the issuer on the closing date (which will be used to fund the initial reserve amount which will be made up of the liquidity component) which equal, together, as at the closing date, a material net economic interest of not less than 5% of the nominal amount of the securitised exposures in this securitisation transaction in compliance with Article 6(3)(d) of the EU Securitisation Regulation and Article 7 of the RRTS. The Class C notes and the subordinated loan, together, represent [●]% of the nominal amount of the securitised exposures as at the closing date.

Information about Ford Bank's retained interest will be included in the monthly reports in compliance with Article 6 of the EU Securitisation Regulation.



## RECEIVABLES

The receivables that will be sold to the issuer by the seller consist of a pool of rights to amounts payable under German law governed retail auto loan agreements secured by new, ex-demonstration and used cars and light commercial vehicles originated by Ford Bank.

Pursuant to a business transfer agreement dated 28 June 2018 and effective 1 July 2018, FCE transferred all of its right, title and interest in loan agreements entered into between FCE acting through its German branch and borrowers (prior to and including 28 June 2018) to Ford Bank, together with the related receivables and ancillary rights. Following the transfer, Ford Bank is the party to all the loan agreements and the lender of record under all the loan agreements. The notes in this securitisation transaction however, will be backed by a pool of retail auto loan receivables originated solely by Ford Bank.

On the closing date, Ford Bank will sell the receivables randomly selected by Ford Bank from its portfolio of retail loan agreements which Ford Bank determines to comply with the eligibility criteria, and other ancillary rights, to the issuer in compliance with the receivables sale agreement described in "*Principal Transaction Documents — Receivables Sale Agreement*".

The issuer's assets will be:

- the receivables and collections on the receivables applied after the cut-off date,
- proceeds of sale of the financed vehicles,
- rights under the loan agreements,
- any security or guarantees granted on the loan agreements,
- proceeds from claims on insurance policies covering the financed vehicles or the borrowers,
- rights in the issuer's distribution, reserve and counterparty downgrade collateral accounts,
- rights under the transaction documents,
- rights under the interest rate swap agreement, and
- all proceeds of the above.

### Retail Auto Loan Receivables

**General.** The receivables originate from fixed interest rate loans secured by security title (*Sicherungseigentum*) or in the form of expectancy rights over new, ex-demonstration and used cars and light commercial vehicles. The receivables are categorised into two types: (i) "standard loans" which are either standard amortising loans or standard balloon loans; and (ii) trade cycle management, or "TCM contracts". All of the loan agreements, except for loan agreements with a zero annual percentage rate, or "APR", provide for regular monthly payments of interest and principal that amortise the amount financed under the loan agreement over the term of the loan in generally equal monthly payments. In the case of standard balloon loans and TCM contracts, or together "balloon loans", the borrower must make a series of equal payments followed by a larger final payment or "balloon payment" at the end of the loan term. Generally, the borrower may satisfy its obligation to pay the balloon payment under the balloon loan by paying the balloon payment or by refinancing the balloon payment with a new loan agreement (secured by the now used vehicle) with Ford Bank or any other financial services provider, in which case the borrower will satisfy the balloon payment with funds from the new loan agreement. In the case of TCM contracts, the borrower may sell the vehicle to the dealer under the terms of a buy-back agreement using the sale price to satisfy the final balloon payment due to Ford Bank. However, if the dealer fails to remit the purchase price or the amount remitted by the dealer is less than the balloon payment as a result of assessments or otherwise, the borrower remains obligated to pay Ford Bank any shortfall between the amount remitted by the dealer and the balloon payment. For the purposes of Article

20(13) of the EU Securitisation Regulation, this securitisation transaction is therefore not predominantly dependent on the sale of the financed vehicles securing the receivables.

*For more details about TCM contracts, you should read "— TCM Contracts".*

The loan agreements are generally entered into with "retail" customers that include private individuals and smaller commercial business customers but do not include large fleet customers, daily rental car companies, or certain other commercial businesses. Ford Bank's procedures and processes treat private individuals and smaller business customers in a largely identical manner, with any differences mainly being driven by regulatory requirements and therefore Ford Bank classifies all such customers as "retail".

**Interest Characteristics.** The loan agreements amortise the amount financed over a series of instalment payments. Each instalment payment, except for loan agreements with a zero APR, consists of interest and a portion of the principal. Payments under the loan agreements are applied first to interest accrued to the date of payment and then to reduce the principal balance. For receivables where the instalment payment is credited to the relevant account on the due date, the interest amount of any instalment payment is calculated by multiplying the unpaid principal balance of the receivable by its APR and by the period which has passed (as a fraction of a calendar year) since the previous instalment payment was paid.

If the borrower pays an instalment payment before its scheduled due date, the portion of the instalment payment allocable to interest will be less than it would have been had the payment been made as scheduled because less interest will have accrued, and the portion of the payment applied to reduce the unpaid principal balance will be correspondingly greater. If the borrower pays an instalment payment after its scheduled due date Ford Bank may charge the borrower an additional rate of interest in accordance with German law. This additional interest will not be added to the portion of the payment applied to reduce the principal balance of the loan but will be applied to the next monthly instalment.

The borrower may make a partial prepayment, in which case the prepayment amount is applied first to reduce the balloon instalment and then the number of instalments due (reducing from last instalment to current instalment). If a partial prepayment is made, the borrower is still required to pay the next originally scheduled instalment payment on the loan until paid in full, however, as result of the prepayment, interest otherwise due on each remaining instalment is reduced.

If the borrower makes a prepayment that fully repays the loan, Ford Bank may charge the borrower additional interest for the termination notice period, which may reduce the interest adjustment made as a result of the prepayment. Following changes to consumer credit legislation in June 2010, borrowers who are consumers may prepay their loans in whole or in part at any time. It is, however, Ford Bank's business practice not to charge any break cost in such case. Commercial borrowers do not have the right to repay early and, if they do so, may be charged.

**Amortisation Characteristics.** Generally, the borrower pays a monthly instalment until the final maturity date of the loan. The amount of the final instalment payment is increased or decreased as necessary to repay the then unpaid principal balance of the loan due to timing of payments made over the term of the agreement, payment extensions or partial prepayments. A balloon loan amortises the amount financed on the basis of a specified amortisation term and requires a balloon payment of all outstanding principal and interest as the final payment under the specified term. In the case of balloon loans, the monthly instalments are typically less than what they would otherwise be under a loan without a balloon payment because of the larger amount paid as the balloon payment. For balloon loans generally, the balloon payment is determined on the basis of the term selected by the borrower and will generally be larger if the term is shorter and smaller if the term is longer. The balloon payment for standard balloon loans is generally lower than for TCM contracts, described below, because the term of standard balloon loans is generally longer than for TCM contracts. However, as for all balloon loans, the balloon payments for standard balloon loans may be higher if a borrower with a high credit rating chooses a standard balloon loan with a shorter term.

**TCM Contracts.** In the case of TCM contracts, the balloon payment is typically calculated 5% to 8% below the estimated minimum future value of the borrower's vehicle, taking into account the borrower's desired term (between 12 and 48 months) and mileage. The minimum future value of financed vehicles

is reviewed periodically on the basis of a number of factors derived internally and from third party sources and is set to create limited equity in the financed vehicle at the time the balloon payment is due. The estimated minimum future value is set below the expected resale value of the financed vehicle so that, at the end of the loan term, the financed vehicle is likely to have a higher value than the balloon payment.

The borrower under a TCM contract enters into a vehicle buy-back agreement with the dealer that provides the borrower the right to sell the financed vehicle to the dealer at the end of the loan term for a purchase price not to exceed the balloon payment under the loan agreement. The purchase price may be adjusted if amounts are assessed against the borrower for excess wear and tear to the financed vehicle and excess mileage or if the financed vehicle has less than the maximum mileage established under the buy-back agreement.

If the borrower sells the financed vehicle to the dealer under the buy-back agreement, the dealer will remit the purchase price to Ford Bank on behalf of the borrower. However, if the dealer fails to remit the purchase price or the amount remitted by the dealer is less than the balloon payment as a result of assessments or otherwise, the borrower remains obligated to pay Ford Bank any shortfall between the amount remitted by the dealer and the balloon payment. If the borrower does not sell the financed vehicle to the dealer under the buy-back agreement, the borrower must pay the balloon payment or may refinance the balloon payment under a new loan agreement.

### **Selection of Receivables**

The receivables will be randomly selected by Ford Bank from its German portfolio of retail auto loan agreements which Ford Bank determines to comply with the eligibility criteria. The eligibility criteria are as follows:

As at the cut-off date, each receivable,

- is payable in Euros,
- has a positive net present value,
- is evidenced by a loan agreement entered into to finance the purchase of a new, ex-demonstration or used car or light commercial vehicle,
- has had at least one full payment applied,
- is not more than 30 days delinquent (Ford Bank considers a receivable delinquent if more than €1 of a scheduled payment is overdue),
- has no more than 71 monthly payments remaining,
- arises from a loan agreement that has been entered into with a retail borrower who was domiciled in Germany at the point of sale, and
- arises from a loan agreement for the repayment of a loan which bears interest at a fixed rate.

### **Homogeneity**

As at the cut-off date, for the purposes of Article 20(8) of the EU Securitisation Regulation and the Commission Delegated Regulation (EU) 2019/1851 of 28 May 2019 supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards on the homogeneity of the underlying exposures in securitisation, the receivables:

- have all been underwritten according to Ford Bank's bank working procedures,
- are all serviced according to Ford Bank's bank working procedures,
- all fall within the same asset type for the purposes of the EU Securitisation Regulation, being auto loans, and

- all arise from loan agreements that have been entered into with retail borrowers who were domiciled in Germany at the point of sale.

### **Portfolio Management**

For the duration of the securitisation transaction, there will be no active portfolio management by Ford Bank of the receivables on a discretionary basis.

### **Composition of the Receivables**

The following tables show the characteristics and distributions of some pool characteristics of the pool of receivables on the cut-off date. The percentages in the following tables may not sum to 100% due to rounding.

**The data presented in this preliminary prospectus is based on a preliminary pool extracted at a preliminary cut-off date of 31 May 2024. The data for the pool of receivables held by the issuer as of the actual cut-off date of 30 June 2024 will differ from the data presented in this preliminary prospectus because some amortisation of the receivables will have occurred since 31 May 2024, some receivables may be determined not to meet the eligibility requirements regarding receivables and therefore will be removed from the pool, and some additional receivables may be added to the pool. As a result, the data for the pool of receivables held by the issuer as of the cut-off date of 30 June 2024 will vary from the data presented in this preliminary prospectus. The receivables to be sold to the issuer on the closing date will be randomly selected by Ford Bank from its portfolio of retail loan agreements which Ford Bank determines to comply with the eligibility criteria.**

Article 22(2) of the EU Securitisation Regulation requires that: "A sample of the underlying exposures shall be subject to external verification prior to issuance of the securities resulting from the securitisation by an appropriate and independent party, including verification that the data disclosed in respect of the underlying exposures is accurate." On 20 April 2018 the European Banking Authority issued draft guidance on the STS criteria for non-ABCP securitisation stating that, for the purposes of Article 22(2) of the EU Securitisation Regulation, confirmation that this verification has occurred should be included in the offering circular or in the transaction documentation and that the confirmation that the verification has occurred should indicate which parameters have been subject to the verification and the criteria that have been applied for determining the representative sample. Accordingly, an independent third party has performed agreed upon procedures on a statistical sample randomly selected out of Ford Bank's eligible auto loan receivables (in existence on 31 March 2024) for the securitisation transaction. The size of the sample has been determined on the basis of a confidence level of 95% and a maximum error rate of 5% The procedures tested certain eligibility criteria as well as the consistency of data as recorded in the systems of Ford Bank with the data as provided for in the underlying auto loan contracts. The pool agreed-upon procedures includes the review of [59] loan characteristics, which include but were not limited to the account number, contract date, original financed amount, original maturity date, contract APR, number of days delinquent, arrears, new used code, customer type code, signature, product type code, balloon payment, address and remaining payments. This independent third party has also performed agreed-upon procedures in order to re-calculate the stratification tables disclosed in this section. The third party undertaking the review has reported the factual findings to the parties to the engagement letter. Ford Bank has reviewed the reports of such independent third party and has not identified any adverse findings following such verification exercise. The third party undertaking the review only accepts a duty of care to the parties to the engagement letters governing the performance of the agreed upon procedures and to the fullest extent permitted by law shall have no responsibility to anyone else in respect of the work it has performed or the reports it has produced save where terms are expressly agreed.

Ford Bank has caused the verification required under Article 22(2) of the EU Securitisation Regulation to be carried out by an appropriate and independent third party, including verification that the stratification tables in respect of the receivables set out in this section are accurate.

In accordance with Article 243 of the CRR, as of the cut-off date:

- the aggregate net present value of the largest borrower in the pool of receivables does not exceed [2]% of the aggregate net present value of all receivables in the pool, and
- the receivables meet the conditions for being assigned a risk weight under the standardised approach equal to or smaller than [75]% on an individual receivable basis.

## Composition of the Receivables

<b>Number of Receivables</b> .....	18,842
<b>Initial Aggregate Net Present Value</b> .....	€378,296,997.41
<b>Net Present Value:</b>	
Average net present value.....	€20,077.33
Maximum net present value .....	€83,702.45
Minimum net present value .....	€138.09
<b>Original Amount Financed:</b>	
Average .....	€26,198.70
Highest .....	€87,968.70
Lowest .....	€985.00
<b>Standard Balloon Values:</b>	
Average .....	€13,289.08
Highest .....	€46,233.88
Lowest .....	€14.39
<b>TCM Balloon Values:</b>	
Average .....	€14,912.92
Highest .....	€50,122.92
Lowest .....	-
<b>Original Interest Rate:</b>	
Weighted Average <sup>(1)</sup> .....	3.11%
Highest .....	9.99%
Lowest .....	0.00%
<b>Original Term:</b>	
Weighted Average <sup>(1)</sup> .....	47.5 months
Longest .....	72 months
Shortest .....	10 months
<b>Remaining Term:</b>	
Weighted Average <sup>(1)</sup> .....	34.8 months
Longest .....	71 months
Shortest .....	2 months
<b>Scheduled Weighted Average Life<sup>(2)</sup></b> .....	2.90 years
<b>Weighted Average Months After Origination (Seasoning)<sup>(1)</sup></b> .....	12.8 months
<b>Weighted Average<sup>(1)</sup> LTV<sup>(3)</sup> at Origination</b> .....	83.08%
<b>Financed Vehicle - Private Use:</b>	
Aggregate net present value .....	€320,659,391.52
Percentage of initial aggregate net present value.....	84.76%
<b>Financed Vehicle - Commercial Use:</b>	
Aggregate net present value .....	€57,637,605.89
Percentage of initial aggregate net present value.....	15.24%
<b>Financed Vehicle - New:</b>	
Aggregate net present value .....	€313,904,574.35
Percentage of initial aggregate net present value.....	82.98%
<b>Financed Vehicle - Used:</b>	
Aggregate net present value .....	€19,197,489.14
Percentage of initial aggregate net present value.....	5.07%
<b>Financed Vehicle - Ex-Demo:</b>	
Aggregate net present value .....	€45,194,933.92
Percentage of initial aggregate net present value.....	11.95%
<b>Loan Agreement Type - Standard (balloon and non-balloon):</b>	
Aggregate net present value .....	€119,190,596.60
Percentage of initial aggregate net present value.....	31.51%

**Loan Agreement Type - TCM:**

Aggregate net present value .....	€259,106,400.81
Percentage of initial aggregate net present value.....	68.49%
<b>Percentage of Initial Aggregate Net Present Value of 20 Largest Borrowers .....</b>	<b>1.08%</b>
<b>Percentage of Initial Aggregate Net Present Value of Largest Borrower .....</b>	<b>0.14%</b>

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- (1) Weighted averages are weighted by the principal balance of each receivable on the cut-off date.
- (2) The weighted average life of the receivables is calculated by (a) multiplying the scheduled principal payments by the number of months from the cut-off date, (b) adding the results, (c) dividing the sum by 12 and (d) dividing the result by the initial pool balance, and based on the assumption that payments are due on the first day of the month, all receivables pay as scheduled, starting one month from the cut-off date, with no delays, defaults or prepayments.
- (3) The LTV for a receivable for purposes of this table is the original amount financed divided by the wholesale value of the vehicle.

### Distribution by Original Term

Number of Scheduled Instalments <sup>(1)</sup>	Number of receivables	Aggregate Net Present Value (€)	Percentage of Aggregate Net Present Value (%)
0 - 24 .....	538	5,152,119.57	1.36
25 - 36 .....	3,387	65,898,525.82	17.42
37 - 48 .....	12,559	267,107,049.47	70.61
49 - 60 .....	836	14,970,786.65	3.96
61 - 72 .....	1,522	25,168,515.90	6.65
<b>Total .....</b>	<b>18,842</b>	<b>378,296,997.41</b>	<b>100.00</b>

(1) In the case of TCM contracts, excluding the final balloon payment.

### Distribution by LTV of Receivables<sup>(1)</sup>

LTV Range	Number of receivables	Aggregate Net Present Value (€)	Percentage of Aggregate Net Present Value (%)
Less than 70% .....	3,803	60,595,222.09	16.02
70% to 84.99% .....	6,786	€153,543,897.31	40.59
85% to 99.99% .....	3,829	84,374,227.77	22.30
Equal to or greater than 100%...	4,424	€79,783,650.24	21.09
<b>Total .....</b>	<b>18,842</b>	<b>378,296,997.41</b>	<b>100.00</b>

(1) The LTV for a receivable for purposes of this table is the original amount financed divided by the wholesale value of the vehicle.

### Distribution by Original Interest Rate

Borrower Rate Range (%)	Number of receivables	Aggregate Net Present Value (€)	Percentage of Aggregate Net Present Value (%)
0.00% - 0.99% .....	8,020	153,393,942.13	40.55
1.00% - 1.99% .....	2,895	53,002,907.53	14.01
2.00% - 2.99% .....	1,094	22,392,830.72	5.92
3.00% - 3.99% .....	990	21,040,964.91	5.56
4.00% - 4.99% .....	1,834	40,894,051.97	10.81
5.00% - 5.99% .....	1,119	25,904,703.42	6.85
6.00% - 6.99% .....	2,000	42,785,857.66	11.31
7.00% - 7.99% .....	826	17,463,553.02	4.62
8.00% - 8.99% .....	56	1,271,028.76	0.34
9.00% - 9.99% .....	8	147,157.29	0.04
10.00% - 18.99% .....	-	-	0.00
<b>Total .....</b>	<b>18,842</b>	<b>378,296,997.41</b>	<b>100.00</b>



### Distribution by Geographic Location

Region Where Borrower Resides	Number of receivables	Aggregate Net Present Value (€)	Percentage of Aggregate Net Present Value (%)
Nordrhein-Westfalen .....	6,189	122,166,797.86	32.29
Baden-Württemberg .....	2,311	47,528,433.69	12.56
Bayern .....	2,011	42,388,609.51	11.21
Niedersachsen .....	1,585	31,570,114.58	8.35
Hessen .....	1,384	28,542,703.76	7.55
Schleswig Holstein .....	1,174	24,073,360.63	6.36
Rheinland-Pfalz .....	871	17,432,138.49	4.61
Sachsen .....	835	15,547,514.31	4.11
Brandenburg .....	615	12,714,555.30	3.36
Saarland .....	552	10,733,264.53	2.84
Thüringen .....	392	7,554,992.79	2.00
Mecklenburg-Vorpomme .....	403	7,458,244.74	1.97
Sachsen-Anhalt .....	282	5,401,632.20	1.43
Bremen .....	177	3,843,721.30	1.02
Hamburg .....	32	715,418.17	0.19
Berlin .....	29	625,495.55	0.17
<b>Total .....</b>	<b>18,842</b>	<b>378,296,997.41</b>	<b>100.00</b>

### Distribution by Standard Balloon Percentage

Standard Balloon Percentage (%)	Balloon % of Original Principal Balance <sup>(1)</sup>			Balloon % of Sales Price <sup>(2)</sup>		
	Number of receivables	Aggregate Net Present Value (€)	Percentage of Aggregate Net Present Value (%)	Number of receivables	Aggregate Net Present Value (€)	Percentage of Aggregate Net Present Value (%)
Non-balloon loans	15,701	306,249,090.88	80.95	15,701	306,249,090.88	80.95
0.00% - 4.99%	7	67,749.23	0.02	9	75,344.45	0.02
5.00% - 9.99%	4	13,566.03	0.00	7	108,584.52	0.03
10.00% - 14.99%	44	984,254.51	0.26	295	4,333,686.36	1.15
15.00% - 19.99%	154	3,186,959.62	0.84	299	5,992,583.15	1.58
20.00% - 24.99%	229	4,680,951.66	1.24	291	5,895,858.14	1.56
25.00% - 29.99%	282	5,480,120.77	1.45	339	7,193,099.75	1.90
30.00% - 34.99%	253	5,064,782.19	1.34	334	7,302,412.83	1.93
35.00% - 39.99%	283	6,233,858.14	1.65	262	6,230,101.18	1.65
40.00% - 44.99%	271	5,831,740.47	1.54	317	7,504,980.27	1.98
45.00% - 49.99%	249	6,026,127.95	1.59	321	8,740,897.36	2.31
50.00% - 54.99%	352	8,241,077.35	2.18	311	8,215,417.68	2.17
55.00% - 59.99%	307	7,952,573.11	2.10	171	5,075,633.11	1.34
60.00% - 64.99%	245	6,313,720.33	1.67	112	3,458,145.20	0.91
65.00% - 69.99%	179	4,728,170.02	1.25	42	1,300,449.98	0.34
70.00% - 74.99%	116	3,059,965.29	0.81	10	266,304.66	0.07
75.00% - 79.99%	81	2,049,221.78	0.54	6	104,244.26	0.03
80.00% - 84.99%	47	1,134,607.05	0.30	11	182,244.40	0.05
85.00% - 89.99%	25	679,622.07	0.18	4	67,919.23	0.02
90.00% - 94.99%	7	193,698.68	0.05	-	-	0.00
95.00% - 99.99%	6	125,140.28	0.03	-	-	0.00
<b>Total .....</b>	<b>18,842</b>	<b>378,296,997.41</b>	<b>100.00</b>	<b>18,842</b>	<b>378,296,997.41</b>	<b>100.00</b>

<sup>(1)</sup> Where Balloon percentage is calculated as the amount of the balloon payment of a Standard receivable over the original principal balance of that receivable, expressed as a percentage.

<sup>(2)</sup> Where Balloon percentage is calculated as the amount of the balloon payment of a Standard receivable over the original amount financed plus any down payment, expressed as a percentage.

### Distribution by TCM Balloon Percentage<sup>(1)</sup>

TCM Balloon Percentage (%)	Balloon% of Original Principal Balance <sup>(1)</sup>			Balloon% of Sales Price <sup>(2)</sup>		
	Number of receivables	Aggregate Net Present Value (€)	Percentage of Aggregate Net Present Value (%)	Number of receivables	Aggregate Net Present Value (€)	Percentage of Aggregate Net Present Value (%)
Non-TCM contracts	6,638	119,190,596.60	31.51	6,638	119,190,596.60	31.51
0.00% - 4.99%.....	16	46,393.29	0.01	17	49,554.71	0.01
5.00% - 9.99%.....	5	32,108.84	0.01	14	151,600.73	0.04
10.00% - 14.99%.....	62	1,145,864.79	0.30	541	6,658,761.24	1.76
15.00% - 19.99%.....	133	2,053,459.28	0.54	249	3,593,974.34	0.95
20.00% - 24.99%.....	182	3,149,551.90	0.83	324	5,359,290.09	1.42
25.00% - 29.99%.....	256	4,086,474.86	1.08	422	8,165,873.73	2.16
30.00% - 34.99%.....	359	6,411,368.73	1.69	633	13,071,012.67	3.46
35.00% - 39.99%.....	562	11,091,445.56	2.93	1,098	22,768,607.41	6.02
40.00% - 44.99%.....	947	19,498,692.29	5.15	2,043	43,534,144.67	11.51
45.00% - 49.99%.....	1,556	33,492,647.92	8.85	2,668	58,434,457.16	15.45
50.00% - 54.99%.....	2,018	43,234,127.56	11.43	1,928	43,123,964.37	11.40
55.00% - 59.99%.....	1,775	37,904,934.33	10.02	1,007	23,918,922.59	6.32
60.00% - 64.99%.....	1,503	33,292,369.75	8.80	682	16,287,316.12	4.31
65.00% - 69.99%.....	1,180	26,947,719.16	7.12	529	12,653,988.98	3.34
70.00% - 74.99%.....	747	17,281,264.01	4.57	45	1,212,629.21	0.32
75.00% - 79.99%.....	438	9,594,894.24	2.54	1	40,557.61	0.01
80.00% - 84.99%.....	228	4,859,999.94	1.28	2	61,289.57	0.02
85.00% - 89.99%.....	119	2,571,848.01	0.68	1	20,455.61	0.01
90.00% - 94.99%.....	75	1,643,392.06	0.43	-	-	0.00
95.00% - 99.99%.....	43	767,844.29	0.20	-	-	0.00
<b>Total.....</b>	<b>18,842</b>	<b>378,296,997.41</b>	<b>100.00</b>	<b>18,842</b>	<b>€ 378,296,997.41</b>	<b>100.00</b>

(1) Where Balloon percentage is calculated as the amount of the balloon payment of a TCM receivable over the original principal balance of that receivable, expressed as a percentage.

(2) Where Balloon percentage is calculated as the amount of the balloon payment of a TCM receivable over the original amount finance plus any down payment, expressed as a percentage.

### Distribution by Make and Model

Make	Model	Number of receivables	Aggregate Net Present Value (€)	Percentage of Aggregate Net Present Value (%)
Ford	Puma	4,069	76,212,903.26	20.15
Ford	Kuga	3,092	71,595,148.96	18.93
Ford	Transit	3,186	67,901,307.30	17.95
Ford	Focus	2,537	49,454,538.58	13.07
Ford	Ranger	841	28,280,221.44	7.48
Ford	Fiesta	1,833	21,742,218.59	5.75
Ford	Tourneo	562	13,635,148.00	3.60
Ford	Mustang	264	9,335,294.46	2.47
Ford	Tourneo Connect	371	7,531,983.75	1.99
Ford	EcoSport	622	7,168,536.09	1.89
Ford	Mustang Mach-E	151	5,202,198.84	1.38
Ford	Transit Connect	398	5,148,595.05	1.36
Ford	S-Max	158	3,205,836.01	0.85
Ford	Transit Courier	259	2,911,773.79	0.77
Ford	Explorer	67	2,850,151.80	0.75
Ford	Tourneo Courier	108	1,707,133.42	0.45
Ford	Galaxy	82	1,672,066.44	0.44
Ford	Edge	42	734,487.34	0.19
Ford	Mondeo	64	708,751.71	0.19
Ford	Bronco	12	642,689.70	0.17
Ford	C-Max	62	402,942.27	0.11
Ford	Ka+	49	192,036.11	0.05
Ford	B-Max	8	26,658.24	0.01
Ford	F-150	1	25,898.60	0.01
Ford	Ka	2	634.28	0.00
Non-Ford	Other	2	7,843.38	0.00
<b>Grand Total.....</b>		<b>18,842</b>	<b>378,296,997.41</b>	<b>100.00</b>

### Distribution by Fuel Type

	Number of receivables	Aggregate Net Present Value (€)	Percentage of Aggregate Net Present Value (%)
Diesel.....	5,781	125,163,197.99	33.09
Mild Hybrid.....	5,405	102,035,075.00	26.97
Petrol .....	5,272	87,533,752.69	23.14
Hybrid (PHEV & FHEV) .....	2,203	56,979,585.04	15.06
Electric .....	181	6,585,386.69	1.74
<b>Total .....</b>	<b>18,842</b>	<b>378,296,997.41</b>	<b>100.00</b>

### Distribution by CO2 Emissions

CO2 Emissions	Number of receivables	Aggregate Net Present Value (€)	Percentage of Aggregate Net Present Value (%)
0.....	180	6,549,333.73	1.73
>0 <=50.....	1,506	37,724,931.58	9.97
>=51 <=100.....	70	2,927,896.89	0.77
>=101 <=150.....	9,251	162,579,841.91	42.98
>=151 <=200.....	3,503	67,197,945.35	17.76
>=201 <=250.....	2,485	59,499,698.45	15.73
>=251 <=300.....	920	29,780,285.54	7.87
>=301 <=350.....	167	6,879,197.14	1.82
Unidentified.....	760	5,157,866.82	1.36
<b>Total .....</b>	<b>18,842</b>	<b>378,296,997.41</b>	<b>100.00</b>

### Distribution by Emissions Standard

	Number of receivables	Aggregate Net Present Value (€)	Percentage of Aggregate Net Present Value (%)
Euro Stage IV .....	4	34,489.60	0.01
Euro Stage V .....	3	29,357.17	0.01
Euro Stage VI.....	18,835	378,233,150.64	99.98
N/A.....	-	-	0.00
<b>Total.....</b>	<b>18,842</b>	<b>378,296,997.41</b>	<b>100.00</b>

As at the cut-off date, the 20 borrowers with the largest value of loans did not exceed approximately [●]% of the aggregate net present value of the receivables, and no single borrower exceeded approximately [●]% of the aggregate net present value of the receivables as at the cut-off date.

### Loan-to-value

As at the cut-off date, the receivables had a weighted average original loan-to-value ratio of approximately [●]%. The loan-to-value for a receivable is calculated by dividing the original principal balance of the receivable by the wholesale value of the vehicle. This resulting amount is then weighted by the net present value of the receivable as at the cut-off date and averaged.

## **TRUSTEE, SECURITY TRUSTEE AND COLLATERAL AGENT**

Deutsche Trustee Company Limited will serve as the trustee, the security trustee and the collateral agent for this securitisation transaction.

Deutsche Trustee Company Limited is a limited company registered in England and Wales having the registration number 00338230 and a registered address of 21 Moorfields, London EC2Y 9DB, England.

## **ACCOUNT BANK**

BNP Paribas, Niederlassung Deutschland is a *société anonyme* incorporated under the laws of France, registered with the *Registre du Commerce et des Sociétés* of Paris under number 662 042 449, whose registered office is at 16, Boulevard des Italiens, 75009 Paris, France, acting through its branch Niederlassung Deutschland located at Senckenberganlage 19, D-60325 Frankfurt am Main.

BNP Paribas S.A. Niederlassung Deutschland will serve as the account bank for this securitisation transaction. The account bank will open the accounts of the issuer on its books. The issuer will pay the account bank a fee on each payment date as remuneration for its services under the bank account operation agreement, subject to and in accordance with the interest priority of payments.

## **CASH MANAGER**

Deutsche Bank AG, London Branch will serve as the cash manager for this securitisation transaction. The cash manager is responsible for managing the issuer's accounts and arranging for payment to be made on behalf of the issuer from such accounts on the basis of information in the monthly report provided to it by the servicer. The issuer will pay the cash manager a fee on each payment date as remuneration for its services under the cash management agreement, subject to and in accordance with the applicable priority of payments.

Deutsche Bank AG is a banking institution and a stock corporation incorporated under the laws of Germany under registration number HRB 30 000, with its registered office in Frankfurt am Main, Germany, and its head office at Taunusanlage 12, 60325 Frankfurt am Main, Germany. Deutsche Bank AG operates in the UK under branch registration number BR000005, acting through its London Branch at 21 Moorfields, London EC2Y 9DB, England. Deutsche Bank AG is the parent company of a group consisting of banks, capital market companies, fund management companies, property finance companies, installment financing companies, research and consultancy companies and other domestic and foreign companies.

## **SWAP COUNTERPARTY**

Bank of America Europe DAC will act as the swap counterparty for this securitisation transaction.

Bank of America Europe DAC is incorporated under the laws of Ireland (Registered Number 229165) with its registered office at Two Park Place, Hatch Street, Dublin 2, Ireland.

Bank of America Europe DAC is a wholly owned subsidiary of Bank of America, N.A., or "BANA", within the Bank of America Corporation, or "BAC", group forming part of BAC's Global Banking and Markets operations in the EMEA region. Accordingly, Bank of America Europe DAC provides a range of financial services to corporate clients currently domiciled in the European Economic Area, United Kingdom and Central and Eastern Europe, Middle East and Africa region and institutional clients predominately domiciled in Europe.

Bank of America Europe DAC is authorised by the Central Bank of Ireland (Firm Reference Number: C27125) and is also supervised as a significant institution under the European Central Bank's Single Supervisory Mechanism. BANA is a United States national banking association authorised and regulated by the Office of the Comptroller of the Currency while the Federal Reserve Bank supervises BAC.

Additional information on Bank of America Europe DAC and BAC, is available from Investor Relations: Equity Investor Relations: Tel: +1 704 386 5681 Email: [i\\_r@bofa.com](mailto:i_r@bofa.com); Fixed Income Investor Relations: Tel: +1 212 449 6795 Email: [fixedincomeir@bofa.com](mailto:fixedincomeir@bofa.com).

## ISSUER

### General

The issuer, Globaldrive Auto Receivables 2024-A B.V. was incorporated as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of The Netherlands on 19 April 2024. The issuer operates under the laws of The Netherlands, including, in particular, Book 2 of the Dutch civil code. The issuer is wholly owned by Stichting Globaldrive Auto Receivables 2024-A, a foundation (*stichting*) incorporated under the laws of The Netherlands on 19 April 2024. The issuer has an issued share capital of €1.00 consisting of one share of €1.00.

The issuer is a SSPE (as defined in the EU Securitisation Regulation) and its centre of main interests is in The Netherlands.

The Legal Entity Identifier (LEI) of the issuer is: 724500LY8X2F1URCWT84.

### Registered Office

The issuer's registered office is situated at Jupiter Building, Herikerbergweg 88, 1101 CM Amsterdam, The Netherlands; its corporate seat (*statutaire zetel*) is in Amsterdam and its correspondence address is its registered office. The issuer is registered with the Trade Register (*Handelsregister*) of The Netherlands Chamber of Commerce (*Kamer van Koophandel*) under number 93653832. Its telephone number is +31 885609950.

### Objects

The principal objects of the issuer are to serve as a special purpose entity for the Globaldrive Auto Receivables 2024-A B.V. transaction. In particular, in compliance with these objects, the issuer will acquire from Ford Bank retail auto loan receivables and borrow funds through the issue of notes to finance such acquisition. Additionally, the objects of the issuer are to dispose of those receivables and to exercise all rights in connection therewith. The objects of the issuer are also (i) to grant security in connection with the foregoing and (ii) to limit interest risk, currency risk and other financial risk by, amongst other things, entering into derivative transactions, including the interest rate swap agreement.

The issuer will not:

- actively manage the acquired assets for earnings purposes, nor will it instruct third parties to do so,
- conduct any business requiring permission under the German Banking Act,
- acquire any real estate property,
- manage, found, buy or acquire a stake in another company, or
- enter into any control or profit transfer agreements or any other business agreements.

### Managing Director

Vistra Capital Markets (Netherlands) N.V. has been appointed as the managing director of the issuer and is responsible for the management and administration of the issuer under an issuer corporate services agreement dated as of the closing date. Its business address is Jupiter Building, Herikerbergweg 88, 1101 CM Amsterdam, The Netherlands, and its principal activities are the provision of corporate management, secretarial and administrative services.

### Management and Activities

The issuer has been established as a special purpose entity to issue the notes. Its activities will be limited, as described above, to the issue of the notes, the acquisition of interests in the receivables under the receivables sale agreement and the exercise of related rights and powers and other activities reasonably incidental to those activities.



*For more details about the limitations on the issuer's activities, you should read "Annex A: Terms and Conditions of the Notes — Covenants".*

Under the servicing agreement, Ford Bank will agree to act as the servicer of the assigned receivables, the proceeds (including the vehicle proceeds) and all other amounts due under the loan agreements and contracts for the sale of repossessed or redelivered vehicles relating to such receivables.

*For further information on the servicer you should read "Seller and Servicer".*

The issuer corporate services provider will provide corporate services to the issuer under an issuer corporate services agreement.

The issuer has not engaged, since its incorporation, in activities other than the authorisation of the issue of the notes, the purchase of interests in receivables and the entry into the other documents referred to in this prospectus to which it is or will be a party.

As far as the issuer and its directors are aware, there are no arrangements in place, the operation of which at a later date may effect a change in control over the issuer.

As at the date of this prospectus, there are no conflicts or potential conflicts between the directors' personal interests and their obligations to the issuer.

#### **Audit Committee**

The issuer has not instituted an audit committee because it benefits from an exemption as stated in Article 3 paragraph d of the Dutch Decree of 26 July 2008 implementing Article 41 of Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006, as amended by Directive 2014/56/EU, on statutory audits of financial statements and consolidated financial statements. There is no reason to institute such a committee because the issuer believes that the noteholders, being the only material creditors of the issuer, will be adequately informed in respect of their risks through the mechanisms set out in this prospectus.

#### **Financial Statements**

The issuer prepares annually an audited balance sheet and profit and loss account in compliance with legal requirements in The Netherlands, with explanatory notes. The financial year end of the issuer is 31 December (it being noted that its first financial year will end on 31 December 2025). On or before the closing date, PricewaterhouseCoopers Accountants N.V. will be retained to audit the annual accounts of the issuer. The accounts for the issuer will be available for inspection during usual business hours on any weekday (except public holidays) at the office of the principal paying agent and will be deposited with the Trade Register (*Handelsregister*) of The Netherlands Chamber of Commerce (*Kamer van Koophandel*).

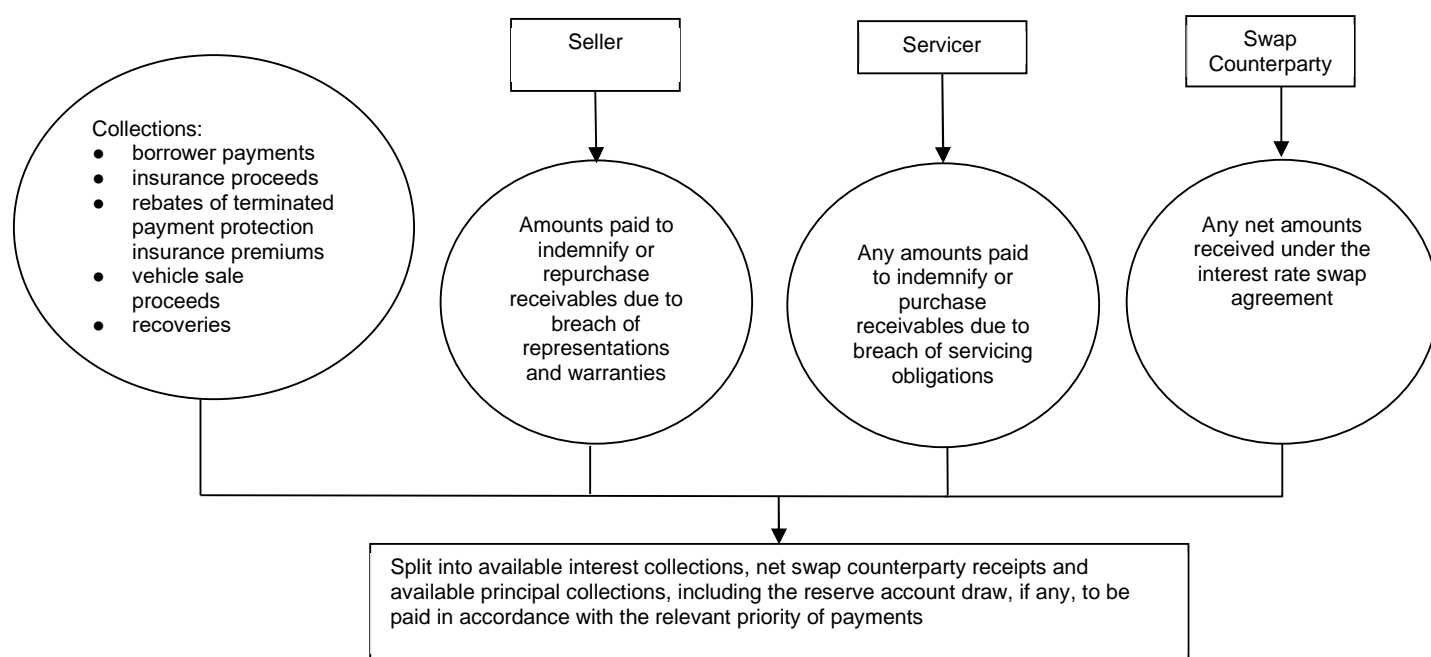
## DESCRIPTION OF THE NOTES

The following overview is intended only to be an overview and is qualified in its entirety by reference to "Annex A: Terms and Conditions of the Notes" in Annex A to this prospectus and to the detailed terms of the trust deed between the issuer and the trustee by which the notes are constituted.

### Available Funds for Payment

The issuer will issue the notes constituted under a trust deed between the issuer and the trustee. The notes do not represent obligations of Ford Bank or any other party other than the issuer.

The following diagram shows the sources of funds available to make payments on each payment date.



### Form and Denomination

The issue in the aggregate nominal amount of €[378,296,997.41] consists of registered Class A notes, Class B notes and Class C notes with Class A notes and Class B notes of €200,000 and integral multiples of €1,000 in excess of €200,000. Except in limited circumstances, definitive notes will not be available. It is possible that the notes may be traded in amounts in excess of €200,000 (or its equivalent) that are not integral multiples of €200,000 (or its equivalent). In such a case a noteholder who, as a result of trading such amounts, holds a principal amount of less than €200,000 may not receive a definitive note representing such holding (should definitive notes be printed) and would need to purchase a principal amount of notes such that its holding amounts to €200,000. For so long as Ford Bank is the sole registered holder of the Class C notes, notwithstanding the terms and conditions of such, there will be one single Class C note represented by one single definitive note in the denomination of €[15,296,997.41].

### Global Notes

Interests in each of the Class A notes and Class B notes will be represented by a global note without interest coupons attached. The global note representing the Class A notes will be deposited on the closing date with a nominee for one of Euroclear or Clearstream, Luxembourg which will act as common safekeeper for the Class A notes. The global note representing the Class B notes will be deposited on or around the closing date with, and registered in the name of, a nominee of a common depositary for Clearstream, Luxembourg and Euroclear.

The Class A global note will be issued under the new safekeeping structure applicable to debt securities in global registered form recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations since 1 October 2010, or "NSS". The common safekeeper will hold the Class A notes in custody for Euroclear and Clearstream, Luxembourg. The Class A notes are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Class A notes are intended on issue to be deposited with a common safekeeper, which, in the case of the Class A notes, will either be Euroclear or Clearstream, Luxembourg. It does not mean that the Class A notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either on issue or at any or all times during their life. Such recognition will depend on satisfaction of the Eurosystem eligibility criteria. The Class B notes will be issued under the classic safekeeping structure and are not intended to be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem.

The interests in the Class A notes and Class B notes are transferable according to applicable rules and regulations of Clearstream, Luxembourg and Euroclear. The global notes will not be exchangeable for definitive notes except in the following circumstances:

- the closure of one of the clearing systems,
- an event of default, or
- adverse tax consequences to the issuer as a result of the notes being in global form.

So long as the Class A notes and the Class B notes are represented by a global note and the relevant clearing systems so permit, such notes will be tradable only in the minimum authorised denomination of €200,000 and higher integral multiples of €1,000, under the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional eurobonds.

In addition, the global notes will contain terms that modify the conditions of the Class A notes and Class B notes as they apply to the global notes. The following is an overview of certain of those terms:

- Payments on each global note will be made and, in the case of payment of principal in full with all interest accrued on such note, through Clearstream, Luxembourg and/or Euroclear and such payments will be effective to satisfy and discharge the corresponding liabilities of the issuer of the notes.
- Payments of interest, principal or other amounts on a global note will be made through Clearstream, Luxembourg and/or Euroclear without any requirement for certification.
- For so long as any of the Class A notes or Class B notes is represented by a global note and such note(s) is/are held on behalf of Clearstream, Luxembourg or Euroclear, each person (other than Clearstream, Luxembourg or Euroclear) who is for the time being shown in the records of Clearstream, Luxembourg or Euroclear as the holder of a particular nominal amount of notes (each an "acountholder") will be treated as the holder of that nominal amount for all purposes (including but not limited to for the purposes of quorum requirements of, or the right to demand a poll or, meetings of the noteholders and giving notice to the issuer under condition 10 (*Events of Default*)) other than regarding payment of principal and interest on the notes, the right to which will be vested, as against the issuer, solely in the registered holder of such global note under and subject to its terms. Each acountholder must look solely to Clearstream, Luxembourg or Euroclear for its share of each payment made to the registered holder of such global note.
- While the Class A notes and the Class B notes are represented by global note and the global note is deposited with a common safekeeper, in case of the Class A notes, or the common depositary, in case of the Class B notes, for Clearstream, Luxembourg and Euroclear, notices to noteholders may be given by delivery of the relevant notice through Clearstream, Luxembourg and Euroclear and such notices will be deemed to have been given to the noteholders in compliance with condition 15 (*Notices*) on the seventh day after the date of delivery to Clearstream, Luxembourg and Euroclear. However, for so long as the Class A

notes and the Class B notes are listed on Euronext Dublin and its rules so require, all notices concerning such notes will be published on the website of Euronext Dublin (<https://live.euronext.com/>). This website does not form part of this prospectus.

In accordance with the rules and procedures for the time being of Euroclear or, as the case may be, Clearstream, Luxembourg, after receipt of any payment from the principal paying agent to the order of the common depositary, or the common safekeeper (as applicable), the respective systems will promptly credit their participants' accounts with payments in amounts proportionate to their respective ownership of book-entry interests as shown in the records of Euroclear or Clearstream, Luxembourg. On each record date, being one clearing system business day prior to the relevant payment date (where "clearing system business day" means a day on which each clearing system for which the notes are being held is open for business), Euroclear and Clearstream, Luxembourg will determine the identity of the noteholders for the purposes of making payments to the noteholders.

Although the above sets out the procedures of Clearstream, Luxembourg and Euroclear in order to facilitate the transfers of interests in the notes among participants of Clearstream, Luxembourg and Euroclear, none of Clearstream, Luxembourg or Euroclear is under an obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the issuer, the trustee, the joint arrangers, the joint lead managers, the cash manager, the account bank, the principal paying agent, the trustee, the security trustee and the collateral agent or any of the other transaction parties, or an affiliate of any of the above, or a person by whom any of the above is controlled for the purposes of the Securities Act, will have any responsibility for the performance by Clearstream, Luxembourg and Euroclear or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described above.

## Status and Security

**Status.** The notes are secured, limited recourse obligations of the issuer, ranking, as between each class of notes, *pro rata* and *pari passu* without preference among themselves (subject as described in the "*Annex A: Terms and Conditions of the Notes*").

**Relationship between the notes.** The Class A notes will rank in priority to the Class B notes and the Class C notes. The Class B notes will rank in priority to the Class C notes. Each class of notes will rank equally among themselves.

**Notes held by Ford Bank.** Notes held by Ford Bank or its affiliates will not be included for purposes of determining whether a required percentage of a class of noteholders have taken action under any transaction document if Ford Bank or its affiliates hold only some (but not all) of the relevant class of notes.

**Security.** As security for the notes and other secured obligations of the issuer, the issuer has entered into (i) the deed of charge which creates security over certain assets of the issuer, including the issuer's rights under the English law governed transaction documents, in favour of the security trustee, as applicable, for itself and on trust for the noteholders and (ii) the collateral agency agreement which creates security over certain of the issuer's German law assets, including the receivables and all ancillary rights and the issuer's accounts, in favour of the collateral agent as a parallel obligation and for the benefit of the secured parties.

**Enforcement of the security.** If the trustee serves an enforcement notice on the issuer with a copy to, among others, the security trustee and the collateral agent, and the security becomes enforceable, the trustee may at its discretion direct the security trustee and/or the collateral agent to take action to enforce the security, and will direct the security trustee and/or the collateral agent to take such action to enforce the security as directed by the controlling class acting by way of a written resolution or by way of an extraordinary resolution, subject to the trustee, the security trustee and/or the collateral agent having been indemnified and/or secured and/or prefunded to their satisfaction. The collateral agent will act in consultation with the security trustee in realising the security constituted by the collateral agency agreement.

Following the service of an enforcement notice, the security trustee and the collateral agent are not automatically required to liquidate the receivables at market value.

To the extent that the trustee acts in compliance with such directions of the controlling class acting by way of a written resolution or by way of an extraordinary resolution, it will have no obligation to take the interests of any other party into account or to follow a direction given by any other party. Only the trustee, the security trustee and the collateral agent may enforce the rights of the noteholders against the issuer, whether the same arise under general law, the terms and conditions of the notes, a transaction document or otherwise. None of the noteholders will have the right to proceed against the issuer unless the trustee, the security trustee or the collateral agent, having become bound so to do, fails to take action against the issuer or to enforce any of the security within a reasonable time and such failure is continuing.

### **Available Funds**

Payments on the notes will be made from available interest collections, net swap counterparty receipts and available principal collections or "available funds".

For each collection period:

- available interest collections are (a) the interest portion of the total loan collections received from borrowers under the receivables, (b) the net recoveries collected by the servicer under receivables that have been written-off, (c) the interest portion of receivables that have been repurchased or indemnified by Ford Bank in its capacity as seller or servicer of the receivables, (d) any additional principal payments resulting from discrepancies in the allocation of interest and principal of a given instalment of a receivable, (e) interest earned on the issuer's accounts (in the case of the reserve account, only to the extent not required to be retained in the reserve account) and (f) any reserve amount allocated to available interest collections, and
- available principal collections are (a) the principal collections received from borrowers under the receivables, (b) the net auction proceeds from the sale of any repossessed vehicle, (c) reimbursed losses and principal deficiencies, (d) the principal portion of receivables that have been repurchased or indemnified by Ford Bank in its capacity as seller or servicer of the receivables and (e) any reserve amount allocated to available principal collections.

In addition, payments on the Class A notes and the Class B notes on each payment date will be made from any net amount received under the interest rate swap agreement.

*For more details about the available interest collections and available principal collections, you should read "Annex A: Terms and Conditions of the Notes".*

### **Payments of Interest**

Interest will accrue on the notes at the *per annum* interest rate for each class specified on the cover of this prospectus and will be due to the noteholders on each payment date. The issuer will make interest payments on each payment date to the noteholders of record on the day before the payment date.

The Class A notes and the Class B notes will accrue interest on an "actual/360" basis from the prior payment date (or from the closing date, for the first interest period) to the following payment date and the Class C notes will accrue interest on a "30/360" basis provided that, from the closing date, for the first interest period, to the first payment date, the Class C notes will accrue interest on an "actual/360" basis.

The Class A notes will bear interest determined by reference to the European Inter-Bank Offering Rate or "EURIBOR" for one month euro deposits, plus [●]%, provided that if EURIBOR plus the margin for the Class A notes is less than zero, the interest rate will be zero. The Class B notes will bear interest determined by reference to EURIBOR for one month euro deposits, plus [●]% provided that if EURIBOR plus the margin for the Class B notes is less than zero, the interest rate will be zero. The Class C notes will bear interest at a fixed rate of [●]% *per annum*. The calculation agent, will calculate the interest rate on the Class A notes and the Class B notes. All determinations of interest by the calculation agent, in

the absence of manifest or proven error, will be conclusive for all purposes and binding on the noteholders.

All interest due but not paid on any payment date will be due on the next payment date, together with interest on the unpaid amount at the applicable interest rate. Failure to pay interest that is due on the controlling class of notes that continues for five business days after its due date will be an event of default. Failure to pay interest that is due on a class of notes that is not part of the controlling class will not be an event of default.

The issuer will pay interest payments on the notes on each payment date from available interest collections and any applicable net swap counterparty receipts. Interest payments will not be made on the Class A notes until all issuer expenses up to €250,000 *per annum*, the servicer's fee and the net swap payment (if any) are paid in full. Interest payments will not be made on a junior ranking class of notes until all issuer expenses, the servicer's fee, all interest due on the Class A notes, any payments due to the swap counterparty that are not subordinated and, in respect of the Class C notes only, all interest due on the Class B notes, amounts necessary to maintain the reserve account, payments of reimbursed losses and principal deficiencies, any payments due to the swap counterparty that are subordinated and any issuer expenses not already paid under the priority of payments, are paid in full.

If the amount of available interest collections and any applicable net swap counterparty receipts is insufficient to pay all interest due on a class of notes on a payment date, each holder of notes of that class will receive its *pro rata* share of the funds that are available.

*For more details about the priority of payments made from available funds on each payment date, including priority payments of principal of senior classes of notes, you should read "— Priority of Payments" below.*

Following the service of an enforcement notice, the notes are accelerated and interest due on the Class A notes will not be paid until all issuer expenses, the servicer's fee and any swap payments that are not subordinated are paid in full. Interest due on the subordinated classes of notes will then not be paid until both interest on and principal of more senior classes are paid in full. For instance, interest due on the Class B notes will not be paid until interest on and principal of the Class A notes is paid in full.

*For more details about the payment priorities following an acceleration of the notes, you should read "— Accelerated priority of payments" below.*

## **Payments of Principal**

The issuer will pay principal on the notes on each payment date in the amounts described in the "*Annex A: Terms and Conditions of the Notes*". Principal payments will be made sequentially to each class in order of seniority, starting with the Class A notes. The issuer will not pay principal on a class of notes until the principal amounts of all more senior classes are paid in full. The principal amount of each class of notes is expected to be repaid by that class's final legal maturity date. On the final legal maturity date for each class of notes, no interest will be paid on the subordinate class of notes until both interest and principal on the maturing class of notes are paid in full. If the principal amount of a class of notes is not repaid in full by its final legal maturity date an event of default will occur and the principal amount of all classes of notes may be declared immediately due and payable.

Following the service of an enforcement notice, the notes are accelerated and principal due on the Class A notes will not be paid until all issuer expenses, the servicer's fee, the net swap payment (if any) and interest on the Class A notes are paid in full. Principal and interest due on junior classes of notes will then not be paid until both interest and principal on all classes of notes ranking senior to such junior notes are paid in full.

## **Priority of Payments**

**General rule.** On each payment date, the cash manager will instruct the paying agent to apply available funds from the prior month to make payments in the priority of payments listed below.

**Interest priority of payments.** On each payment date before the service of an enforcement notice, the available interest collections and any net swap counterparty receipts (excluding any permitted exceptions) will be applied in the order of priority listed below:

- (i) payment of arrears of the issuer expenses due and payable on a previous interest payment date and remaining unpaid on such interest payment date within the limit set out in item (ii) below,
- (ii) payment of the issuer expenses up to maximum amount of €250,000 *per annum*,
- (iii) to the servicer, payment of arrears of servicing fee from the previous interest payment dates and remaining unpaid on such interest payment date,
- (iv) to the servicer, payment of the servicing fee,
- (v) to the swap counterparty, net amounts due to the swap counterparty under the interest rate swap agreement, other than any swap subordinated amounts,
- (vi) to the Class A noteholders, payment of any Class A interest shortfall (to be paid to each Class A noteholder), on a *pro rata* and *pari passu* basis,
- (vii) to the Class A noteholders, payment of the Class A interest amount (to be paid to each Class A noteholder), on a *pro rata* and *pari passu* basis,
- (viii) to the Class B noteholders, payment of any Class B interest shortfall (to be paid to each Class B noteholder), on a *pro rata* and *pari passu* basis,
- (ix) to the Class B noteholders, payment of the Class B interest amount (to be paid to each Class B noteholder), on a *pro rata* and *pari passu* basis,
- (x) to the reserve account, amounts necessary to maintain the reserve account at its required reserve amount,
- (xi) as available principal collections, payment of reimbursed losses and principal deficiencies,
- (xii) to the swap counterparty, amounts due to the swap counterparty for any swap subordinated amounts,
- (xiii) payment of issuer expenses to the extent that such issuer expenses have not been paid under item (i) or item (ii) above,
- (xiv) to the Class C noteholders, payment of any Class C interest shortfall (to be paid to each Class C noteholder), on a *pro rata* and *pari passu* basis,
- (xv) to the Class C noteholders, payment of the Class C interest amount (to be paid to each Class C noteholder), on a *pro rata* and *pari passu* basis, and
- (xvi) to the seller, payment of any amount remaining as part of the deferred purchase price component.

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

If there is a shortfall, the liquidity component of the reserve account referred to in "*Credit Enhancement — Reserve Account*" will be used to pay items (i) through (ix) above.

**Principal priority of payments.** On each payment date before the service of an enforcement notice, the available principal collections (excluding any permitted exceptions) will be applied to make the following payments in the following order of priority:

- (i) to the Class A noteholders, payment of principal on a *pro rata* and *pari passu* basis until all the Class A notes have been redeemed in full,

- (ii) to the Class B noteholders, payment of principal on a pro rata and pari passu basis until all the Class B notes have been redeemed in full,
- (iii) to the Class C noteholders, payment of principal on a pro rata and pari passu basis until all the Class C notes have been redeemed in full,
- (iv) to the seller, repayment of the subordinated loan in full, and
- (v) to the seller, all remaining available principal collections in the form of the deferred purchase price component,

in each case only to the extent that all payments and provisions of a higher priority to be paid or provided for on such interest payment date have been made in full.

The issuer will not pay principal on a class of notes until the principal amount of all classes of notes senior in priority to that class are paid in full.

If and during such time period that a monthly report is not provided to the cash manager, the cash manager will determine the amounts payable under the interest priority of payments and the principal priority of payments to the noteholders and the other transaction parties in compliance with the cash management agreement.

**Accelerated priority of payments.** Following the service of an enforcement notice, the notes are accelerated and the security trustee will apply (or direct the cash manager to apply) amounts available for distribution (excluding any permitted exceptions) on each accelerated payment date, to the extent permitted by applicable law, to the satisfaction of the amounts and in the order of priority set out below:

- (i) payment of arrears of the issuer expenses due and payable on a previous payment date and remaining unpaid on such accelerated payment date,
- (ii) payment of the issuer expenses,
- (iii) to the servicer, payment of arrears of servicing fee on the previous payment dates and remaining unpaid on such accelerated payment date,
- (iv) to the servicer, payment of the servicing fee,
- (v) to the swap counterparty, net amounts due to the swap counterparty, other than any swap subordinated amounts,
- (vi) to the Class A noteholders, payment of any Class A interest shortfall, on a *pro rata* and *pari passu* basis,
- (vii) to the Class A noteholders, payment of the Class A interest amount, on a *pro rata* and *pari passu* basis,
- (viii) to the Class A noteholders, repayment of the Class A notes on a *pro rata* and *pari passu* basis until all the Class A notes have been paid in full,
- (ix) to the Class B noteholders, payment of any Class B interest shortfall, on a *pro rata* and *pari passu* basis,
- (x) to the Class B noteholders, payment of the Class B interest amount, on a *pro rata* and *pari passu* basis,
- (xi) to the Class B noteholders, repayment of the Class B notes on a *pro rata* and *pari passu* basis until all the Class B notes have been paid in full,
- (xii) to the swap counterparty, amounts due to the swap counterparty for any swap subordinated amounts,



- (xiii) to the Class C noteholders, payment of any Class C interest shortfall, on a *pro rata* and *pari passu* basis,
- (xiv) to the Class C noteholders, payment of the Class C interest amount, on a *pro rata* and *pari passu* basis,
- (xv) to the Class C noteholders, repayment of the Class C notes on a *pro rata* and *pari passu* basis until all the Class C notes have been paid in full,
- (xvi) to the seller, repayment of the subordinated loan in full, and
- (xvii) to the seller, payment of any amount remaining as part of the deferred purchase price component,

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

Any permitted exceptions will be paid in accordance with the relevant transaction documents.

The collateral agent also is required, without double counting, to apply amounts available for distribution in or towards the satisfaction of the amounts and in the order of priority set out in the accelerated priority of payments, in compliance with the collateral agency agreement.

If and during such time period that a monthly report is not provided to the cash manager, the cash manager will determine the amounts payable under the accelerated priority of payments to the noteholders and the other transaction parties in compliance with the cash management agreement.

### **Option to purchase**

The issuer will redeem all of the notes at their aggregate principal amount outstanding, together with interest on a payment date if the seller has exercised its "clean up call" to purchase all of the receivables. For more details you should read "*Principal Transaction Documents — Receivables Sale Agreement — Clean Up Call*". The seller will give notice to the issuer of the exercise of its clean up call at least 10 business days in advance. The seller will exercise its clean up call by paying to the issuer the purchase price for the receivables on the date that the clean up call repurchase agreement is entered into, and the issuer will transfer to the seller without recourse, representation or warranty all of the issuer's right, title and interest in and to such receivables and all documents relating to such receivables.

### **Taxation**

All payments of principal and interest on the notes will be made without withholding or deduction for, or on account of, present or future taxes, duties, assessments or governmental charges of any nature by the issuer or any paying agent unless required by law (or under FATCA), in which case the issuer or that paying agent will make that payment net of such withheld or deducted amounts and will account to the relevant authorities for the amount required to be withheld or deducted. Neither the issuer nor any paying agent will be obliged to make any additional payments to noteholders for such withholding or deduction. If a tax event occurs, it may lead to the early redemption of the notes.

### **Events of Default and Remedies**

Each of the following will be an "event of default" under the notes:

- the issuer fails to pay interest due on notes of the controlling class within five business days of payment becoming due on such notes,
- the issuer fails to pay the principal amount of a class of notes in full on its final legal maturity date,
- the issuer breaches its covenants, not cured within 60 days after being notified of the breach,

- security granted under the transaction documents being terminated or otherwise becoming void or ineffective and not sufficiently replaced or supplemented (if it is possible in the opinion of the trustee to supplement or replace such security) within 30 days of the day on which such security was terminated or otherwise became void or ineffective (other than where such termination of the security or such security becoming void or ineffective is, in the opinion of the trustee, not materially prejudicial to the interests of the controlling class), or
- an insolvency event occurs regarding the issuer.

If an event of default occurs, the trustee at its absolute discretion may, and if so requested by the controlling class acting by way of a written resolution or by way of an extraordinary resolution will (subject to being indemnified and/or secured and/or prefunded to its satisfaction), give an enforcement notice to the issuer with a copy to, among others, the security trustee and the collateral agent, declaring the notes due and each note will accordingly become immediately due at its principal amount outstanding together with accrued interest.

### **Enforcement and Non-Petition**

Only the trustee may pursue the remedies available under the trust deed and, acting as security trustee, the deed of charge, to enforce the rights of the noteholders. The collateral agent may pursue the remedies available under the collateral agency agreement.

None of the secured parties may take action, or have rights, against the issuer to recover any amount still unpaid once the security is enforced and the net proceeds of such enforcement distributed in accordance with the accelerated priority of payments. For more details you should read "*Priority of Payments*" above, and any such liability will be extinguished.

In particular, none of them may, until the expiry of one year and one day after the payment of all sums outstanding under the notes, petition or take any other step for the winding-up of the issuer provided that the trustee, the security trustee and the collateral agent may prove or lodge a claim in the liquidation of the issuer initiated by another party and may take proceedings to obtain a declaration or similar judgment or order as to the obligations and liabilities of the issuer.

### **Amendments and waiver**

Subject to those matters requiring a special quorum resolution, the trustee may without consulting or obtaining the consent of the noteholders (subject to the detailed provisions of the trust deed) at any time and from time to time concur (and direct the security trustee and/or the collateral agent to concur) with the issuer in making modifications to the trust deed, the deed of charge or other transaction documents to which it is a party or (in the case of the security trustee or the collateral agent) for which it holds security if the trustee is of the opinion that, subject to the detailed terms of the trust deed, (i) such modification will not be materially prejudicial to the interests of the noteholders or (ii) such modification is of a formal, minor or technical nature or is made to correct a manifest error or to comply with the mandatory provisions of law. Such modification will then as soon as practicable be notified to the noteholders and will be binding on the noteholders. Other modifications, unless the trustee is instructed by the controlling class, will require the consent of the noteholders, affected by such modifications.

Subject to the detailed terms of the trust deed, the servicer may require the issuer and the trustee to agree and the trustee to direct the security trustee and/or the collateral agent, as applicable, to agree amendments or waivers of the transaction documents or conditions, including amendments or waivers which are materially prejudicial to the interests of the noteholders and the issuer, trustee, security trustee and collateral agent, as applicable, will make such amendments or waivers without the consent of the noteholders if: the amendments are either (i) necessary to implement new credit rating criteria to maintain the credit ratings assigned to the Class A notes and the Class B notes or (ii) necessary to continue to comply with mandatory provisions of applicable law or regulation, as well as the EU Securitisation Regulation and the requirements for simple, transparent and standardised securitisations set out in the EU Securitisation Regulation and in any regulatory technical standards authorised under the EU Securitisation Regulation or official guidance in relation thereto.

Subject to the detailed terms of the trust deed, in certain circumstances, including following the discontinuation of EURIBOR, and subject to certain conditions, the servicer can also request the issuer and the trustee to agree, and the trustee to direct the security trustee and the collateral agent to agree, to amend the benchmark rate used to determine the interest rate of the Class A notes and the Class B notes and to adjust the spread to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one transaction party to another as a result of the application of the new benchmark rate.

### **Substitution and exchange**

So long as the trustee is satisfied that the interests of the controlling class will not be materially prejudiced, the trustee may agree, with the consent of the controlling class and the swap counterparty but without the consent of any of the other secured parties, and subject to the detailed terms of the trust deed, to (i) the substitution of any other company or other entity in place of the issuer as principal debtor under the trust deed and the notes and replacement for it under the deed of charge, the collateral agency agreement and the other transaction documents, provided that the rating agencies confirm that such substitution will not adversely affect the then current rating of each class of listed notes, or (ii) the exchange of the notes for other securities or instruments, provided that the then current rating of each class of listed notes by the rating agencies is assigned to any such new securities or instruments.

### **Entitlement of the Trustee**

Unless acting in accordance with the directions of the controlling class, where the trustee is required to consider the interests of the noteholders in accordance with the trust deed, the trustee will take into account the interests of the noteholders as a class, without prejudice to the generality of the foregoing, and will not take into account the consequences of such exercise for individual noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of any particular territory or any political subdivision of such territory and the trustee will not have the right to require, nor will any noteholder have a right to claim, from the issuer, the trustee or any other person any indemnification or payment related to any tax or other consequence of any such exercise on individual noteholders.

### **Governing Law**

The notes and all non-contractual obligations arising out of or in connection with the notes are governed by, and will be construed in accordance with, English law.

## PRINCIPAL TRANSACTION DOCUMENTS

*The following is intended only to be an overview of the principal transaction documents and is qualified in its entirety by reference to the detailed terms of the relevant agreement which will be available at the office of the paying agents, as described in "General Information".*

### Receivables Sale Agreement

**Sale and Purchase.** Under the receivables sale agreement on the closing date, Ford Bank has agreed to sell, and the issuer has agreed to purchase, receivables, together with the ancillary rights that Ford Bank has represented and warranted satisfy the eligibility criteria with an aggregate net present value of €[●] for an initial purchase price of €[●], being equal to the aggregate closing loan balance of the receivables as at the cut-off date. Ford Bank will also have a right, on each payment date, to receive all remaining available funds in the form of the deferred purchase price component. Such sale will take place with effect from the closing date.

**Eligibility Criteria.** The receivables will be randomly selected by Ford Bank from its portfolio of retail loan agreements which Ford Bank determines to comply with the eligibility criteria. The eligibility criteria are as follows:

As at the cut-off date, each receivable,

- is payable in Euros,
- has a positive net present value,
- is evidenced by a loan agreement entered into to finance the purchase of a new, ex-demonstration or used car or light commercial vehicle,
- has had at least one full payment applied,
- is not more than 30 days delinquent (Ford Bank considers a receivable delinquent if more than €1 of a scheduled payment is overdue),
- has no more than 71 monthly payments remaining,
- arises from a loan agreement that has been entered into with a retail borrower who was domiciled in Germany at the point of sale, and
- arises from a loan agreement for the repayment of a loan which bears interest at a fixed rate.

*For further information on the seller, you should read "Seller and Servicer" and for further information on the receivables, you should read "Receivables".*

**Collateral.** Each assignment of receivables under a loan agreement will include the benefit of the security granted by the relevant borrower to Ford Bank for the relevant loan. Such security consists of:

- the security title (*Sicherungseigentum*) to or, if Ford Bank is not the holder of the security title, the expectancy right (*Anwartschaftsrecht*) to the transfer of ownership of the relevant financed vehicle and Ford Bank's claims against the relevant borrower and against third parties for surrender of such financed vehicle,
- Ford Bank's claims, and claims of borrowers which have been assigned by way of security to Ford Bank, against third parties and/or their third party liability insurance related to damage to such vehicle (*Haftpflichtversicherung*) or comprehensive liability insurance (*Kaskoversicherung*), and
- Ford Bank's claims under any related payment protection policies.

The issuer has agreed to make use of any security transferred to it in connection with the receivables only in compliance with the underlying loan agreements.

**Representations and Warranties of Ford Bank about the Receivables.** Ford Bank will make representations and warranties about the receivables to the issuer on the date of the receivables sale agreement and on the closing date. Generally, these representations and warranties relate to legal standards for origination and transfer of the receivables, terms of the agreements, and the security interest in the receivables and the financed vehicles. Ford Bank will also represent and warrant that the receivables satisfy the criteria described under "*Receivables — Criteria for Selection of the Receivables*".

In addition, Ford Bank will represent that:

**Origination of receivables**

- each receivable (1) was originated in Germany by the seller to finance a vehicle in the ordinary course of the seller's business and (2) was underwritten under the bank working procedures, pursuant to loan granting standards which are no less stringent than those applied to loans which will not be securitised,

**Receivable is a loan**

- each receivable is a loan within the meaning of section 1 of the German Banking Act (*Kreditwesengesetz*),

**Receivables in force**

- each receivable is in existence and no receivable has been terminated or rescinded,

**Random selection; eligibility criteria**

as at the cut-off date:

- the receivables were randomly selected by the seller from its portfolio of retail loan agreements which the seller determined to comply with the eligibility criteria,
- each receivable complies in all respects with the eligibility criteria, and
- where a borrower under a loan agreement has a guarantee from a third party, the eligibility criteria in respect of the borrowers are complied with as if the reference to a borrower was to the guarantor,

**Homogeneity**

- as at the cut-off date, for the purposes of Article 20(8) of the EU Securitisation Regulation and the Commission Delegated Regulation (EU) 2019/1851 of 28 May 2019 supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards on the homogeneity of the underlying exposures in securitisation, the receivables:
  - (1) have all been underwritten according to the bank working procedures,
  - (2) are all serviced according to the bank working procedures,
  - (3) all fall within the same asset type for the purposes of the EU Securitisation Regulation, being auto loans, and
  - (4) all arise from loan agreements that have been entered into with retail borrowers who were domiciled in Germany at the point of sale,

**Compliance with law**

- each loan agreement, and each payment protection policy and the origination of each loan agreement complied in all material respects at the time it was originated and as at the closing

date complied with all requirements of German law, except where failure to do so would not materially prejudice the noteholders,

#### ***Binding obligation***

- each receivable (1) is derived from a loan agreement which was entered into substantially on the terms of a standard form contract and such standard form contract includes rights and remedies allowing the creditor of a receivable to enforce the terms of such loan agreement under which the receivable arises, and (2) constitutes legal, valid, binding and enforceable rights and obligations with full recourse against the borrower and, where applicable, the guarantor,

#### ***Breach of loan agreement***

- to the seller's knowledge, no borrower is in material breach of an obligation under the relevant loan agreement and no steps have been taken by the seller to commence proceedings against a borrower in respect of a material breach of an obligation under a loan agreement,

#### ***Obligation to pay cash***

- regarding any receivable where a borrower may redeliver its vehicle to the dealer from whom such vehicle was purchased, such borrower's obligation to the seller remains an obligation to discharge the final payment under the loan agreement in cash (as opposed to in kind),

#### ***Security interest securing the receivables***

- each receivable is secured by (1) the security title (*Sicherungseigentum*) to or, if the seller is not the holder of the security title, the expectancy right (*Anwartschaftsrecht*) to the transfer of ownership of the relevant vehicle and the seller's claims against the relevant borrower and against third parties for surrender of such vehicle; (2) the seller's claims, and claims of borrowers which have been assigned by way of security to the seller, against third parties and/or their third party liability insurance (*Haftpflichtversicherung*) arising from damage to such vehicle; and (3) the seller's claims under any related payment protection policies,

#### ***No defences***

- to the seller's knowledge, no right of revocation (*Widerruf*), rescission (*Anfechtung oder Rücktritt*), set-off (*Aufrechnung*), claim (*Anspruch*), counterclaim (*Gegenanspruch*) or defence (*Einrede oder Einwendung*) has been asserted or threatened regarding any receivable,

#### ***Good title***

- the seller has not sold, assigned, pledged or granted a security interest in or otherwise transferred any receivable or security interest in the vehicle to any person other than the issuer. Immediately before the assignment and/or transfer under the receivables sale agreement, the seller had good and marketable title to each receivable and security interest in the vehicle free and clear of any charge, encumbrance, other security interest or right of third parties (except for each borrower's right to a return of the collateral upon the discharge of its obligations under the relevant loan agreement) and, immediately after the transfer under the receivables sale agreement, the issuer will have good title to each receivable and a security interest in each vehicle,

#### ***Valid assignment and transfer***

- no receivable has been originated in, or is subject to the laws of, any jurisdiction under which the sale of such receivable under the receivables sale agreement would be unlawful, void or voidable. The receivables are fully and freely assignable and transferable and are not encumbered or otherwise in a condition that can be foreseen to adversely affect the enforceability of the sale, assignment or transfer of such receivables. The seller has not entered into any agreement with any borrower that prohibits, restricts or imposes any

conditions on the sale, assignment or transfer of the receivables by the seller to the issuer, nor is the seller otherwise prohibited from making such sale or transfer. The seller's security interest (*Sicherungseigentum*) or, if the seller is not the holder of the security title, the expectancy right (*Anwartschaftsrecht*) in the vehicles is fully and freely transferable and the seller is not prohibited, restricted or required to impose any conditions by agreement or otherwise to transfer such security interest,

#### **No withholding tax**

- the payments due from the borrower related to a receivable are not subject to any deduction or withholding on account of tax imposed by German law, by the laws of The Netherlands or by the laws of the United Kingdom,

#### **No current account**

- no receivable is subject to any current account (*Kontokorrent*) arrangement under section 355 of the German Commercial Code (*Handelgesetzbuch*), which would prevent such receivable from being freely assignable,

#### **Insurance**

- each loan agreement requires the borrower to obtain physical damage insurance (*Kaskoversicherung*) covering the related vehicle,

#### **Servicing**

- each receivable has been serviced in compliance with all material requirements of German federal and local laws, and in compliance with the bank working procedures,

#### **No material amendments**

- except as required by law (or any reasonable interpretation of such law) or deemed necessary by the servicer on reasonable grounds to comply with the requirements of any regulatory authority with whose requirements it is customary to comply, no material amendments have been made to a loan agreement except according to the bank working procedures,

#### **List of receivables, selection procedure**

- the information in the list of receivables is true and correct in all material respects as at the cut-off date, no selection procedures believed by the seller to be adverse to the noteholders have been utilised in selecting the receivables and each of the receivables offered for sale under the receivables sale agreement and each vehicle relating to such receivables is clearly identified and specified (*bestimmt*) in the list of receivables (or at least identifiable (*bestimmbar*) in relation to receivables and claims for surrender (*Herausgabeansprüche*) relating to the vehicles),

#### **Payment default; borrower credit impairment**

- as at the cut-off date:
  - (1) the seller does not believe that the borrower of the receivables is likely to default on its payment obligations to the seller,
  - (2) the receivables do not relate to a credit-impaired borrower or guarantor, who on the basis of information obtained (i) from the borrowers, (ii) in the course of the seller's servicing of other loan agreements with the relevant borrower, or the seller's risk management procedures or (iii) from a third party:
    - A. has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination or has undergone a debt-restructuring process with

regard to his non-performing exposures within three years prior to the date of assignment of the respective receivable to the issuer,

- B, (i) is explicitly flagged on a public credit registry as having an adverse credit history, or (ii) if the borrower is on a public credit registry of persons with adverse credit history, is on such public credit registry for reasons that cannot be reasonably ignored by the seller for the purposes of its credit risk assessment on the basis of other information obtained by the seller (x) from the relevant borrower, (y) in the course of the seller's servicing of other loan agreements with the relevant borrower, or the seller's risk management procedures or (z) from a third party, or
- C. has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable receivables held by the seller which are not securitised,

#### ***Assessment of borrower creditworthiness***

- the assessment of each borrower's creditworthiness (i) will be performed on the basis of sufficient information, where appropriate obtained from the borrower and, where necessary, on the basis of a consultation of the relevant database, (ii) will be repeated before any significant increase in the total amount is granted after the conclusion of the loan Agreement, in combination with an update of the borrower's financial information and (iii) will meet the requirements set out in Article 8 of Directive 2008/48/EC,

#### ***Credit granting***

- in accordance with Article 9(1) of the EU Securitisation Regulation, the seller has:
  - (1) made each receivable under a loan agreement on the basis of the same sound and well-defined criteria for credit granting which it applies to non-securitised receivables, and has clearly established processes for approving, amending, renewing and financing such receivable and has effective systems in place to apply those criteria and processes to ensure that any such credit granting was based on a thorough assessment of the borrower's creditworthiness, taking appropriate account of factors relevant to verifying the prospect of the borrower meeting its obligations under the contractual documents,
  - (2) applied to each receivable under a loan agreement purported to be sold and assigned by it to the issuer under the receivables sale agreement the same sound and well-defined criteria for credit granting which it applies to non-securitised receivables and has applied the same clearly established processes for approving and, where relevant, amending, renewing and refinancing credits in relation to each receivable under a loan agreement which it applies to other receivables to its other borrowers that are originated by it but are not purported to be sold and assigned by it under the receivables sale agreement, and
  - (3) effective systems in place to apply the criteria and processes referred to in subparagraphs (1) and (2) above in order to ensure that credit granting is based on a thorough assessment of the relevant borrower's creditworthiness taking appropriate account of factors relevant to verifying the prospect of the borrower's meeting its obligations under the contractual documents,

#### ***Termination right***

- the loan agreements do not contain an express contractual right of termination in favour of the related borrower, except that there is a statutory right of termination for consumers which has been extended, by way of contract, to business customers,

#### ***No loan administration fees***

- the loan agreements do not require the borrower to pay any administration fees,



### **Governing law**

- the receivables and the ancillary rights are governed by German law, and

### **Transferable securities**

- none of the receivables or any ancillary rights consist of transferable securities as defined in MiFID II, derivatives or any securitisation positions.

**Selection.** The seller will undertake to select receivables in accordance with Article 6(2) of the EU Securitisation Regulation.

*For more information, you should read "Risk Factors — Risk of defences and set-off rights of borrowers."*

**Obligation to repurchase Receivables or indemnify on breach.** If a representation or warranty made by Ford Bank about a receivable was untrue when made, and has a material adverse effect on such receivable, the issuer's sole remedy will be to require Ford Bank to take one of the following remedial actions by the last day of the collection period in which a responsible person obtains actual knowledge or is notified of such breach (Ford Bank having the option to decide which remedial action to take):

- remedy the matter resulting in the breach if it is capable of remedy or, provided that a remedy within the current collection period is not practicable, Ford Bank will have the option of remedying the breach by the last day of the following collection period, or
- repurchase the relevant receivables and any ancillary right for an amount equal to the outstanding balance of such receivables for the prior collection period before such repurchase plus interest at the applicable rate provided that if it is not practicable to repurchase such receivables within the current collection period, Ford Bank will have the option to repurchase such receivables on the payment date immediately following the last day of the following collection period.

If the relevant receivable does not exist, Ford Bank will indemnify the issuer for an amount equal to the outstanding balance of the receivable, plus interest at the applicable rate. If it is not practicable to repurchase the receivable within the current collection period, Ford Bank will have the option to indemnify the issuer on the payment date immediately following the last day of the following collection period.

If, following any final judgment in its favour, any borrower lawfully exercises any right of set-off against Ford Bank by withholding payment of any amount due by such borrower relating to a receivable (including any insurance proceeds), Ford Bank will pay to the issuer an amount equal to the amount so withheld by such borrower.

**Notification of Assignment of Receivables.** No notification of the assignment and transfer of receivables will be made to the borrower unless Ford Bank's appointment as servicer of the receivables is terminated, an insolvency event occurs regarding Ford Bank or Ford Bank fails to deposit the set-off component into the reserve account (unless such failure is remedied within five business days of a responsible person of the seller becoming aware of such failure). Notification will also be made if it is required for enforcement of the issuer's rights under such receivables in which case, so long as no event of default has occurred, the giving of such notice will require the seller's approval which may not be unreasonably withheld (each such notification event being a "borrower notification event").

Promptly after becoming aware of the occurrence of a borrower notification event, and having received the encrypted information from the issuer corporate services provider on behalf of the issuer and the key from the data agent, the security trustee will give notice to the borrowers of the assignment and transfer of the receivables to the issuer and instruct the borrowers to make payments on the receivables to the issuer's distribution account or such other account in the name of the issuer with the account bank or such other bank which is a qualified institution as the security trustee and the collateral

agent deem appropriate for the purposes of receiving collections before the transfer to the distribution account.

**Clean Up Call.** Ford Bank will have a "clean up call" option to purchase all of the outstanding receivables on a payment date when the aggregate principal amount outstanding of the listed notes is equal to 10% or less of the aggregate net present value of the receivables as at the cut-off date. Ford Bank may exercise its clean up call only if the purchase price for the receivables is sufficient, taking into account any amounts in the distribution account, to pay in full the notes and all items ranking in priority to the notes in accordance with the interest priority of payments and the principal priority of payments.

**Data Protection and Banking Secrecy.** The issuer will agree to administer and use all data, documents and information transferred to it under the receivables sale agreement in compliance with the German principle of banking confidentiality and German and applicable European data protection laws. The personal data of borrowers provided by Ford Bank to the issuer will be encrypted to protect the confidentiality of the identities of the borrowers, and the key to such encrypted data will be kept by Deutsche Bank Luxembourg S.A. as data agent. The encrypted personal data will be delivered to the issuer and the key which decodes such personal data will be delivered to the data agent.

**Reserve Amount and Subordinated Loan.** Ford Bank will fund, by way of the subordinated loan, the initial reserve amount in the amount of €[•] on the closing date, which will be made up of the liquidity component. The liquidity component will equal [•]% of the aggregate original balance of the listed notes or, equivalently, [•]% of the aggregate net present value of the receivables as at the cut-off date. The initial reserve amount will be deposited into the reserve account on the closing date.

The subordinated loan and the Class C notes, together, will represent [•]% of the nominal amount of the securitised exposures as at the closing date in accordance with Article 6 of the EU Securitisation Regulation. The issuer will repay the subordinated loan to the seller in accordance with the applicable priority of payments.

In addition, if any borrower makes any deposit with the seller and:

- (i) the aggregate of the deposits accepted by the seller from all borrowers is greater than 1% of the aggregate closing loan balances of the assigned receivables as of the end of the relevant collection period, and
- (ii) Ford Bank's long-term issuer default rating is lower than (A) "BBB" by Fitch or (B) "BBB" by S&P, or Ford Bank ceases to be the servicer,

Ford Bank will pay into the reserve account an amount equal to the sum of the lesser of (i) the closing loan balance(s) of any assigned receivable(s) arising under any loan agreement(s) with such borrower(s) and (ii) the amount of such deposit(s), for so long as such deposit(s) is outstanding, or the "set-off component".

[As at the date of this prospectus, Ford Bank is not rated by Fitch.]

*For more details about the reserve amount, you should read "Credit Enhancement — Reserve Account".*

## **Servicing Agreement**

**Servicing Obligations.** Under the servicing agreement Ford Bank will agree to manage, service, administer and collect the receivables with reasonable care using that degree of skill and attention that Ford Bank exercises for all comparable receivables that it services for itself and others and according to Ford Bank origination and servicing procedures.

Under the servicing agreement, the servicer's main obligations will be to:

- (i) to collect and apply all payments made on the receivables,
- (ii) process requests for extensions, refunds, rebates and modifications regarding any receivable,
- (iii) send invoices and respond to enquiries from borrowers,
- (iv) investigate and administer payoffs, delinquencies, defaults and late payments,
- (v) terminate defaulted loan agreements, with or without repossession of vehicles,
- (vi) sell repossessed or returned vehicles,
- (vii) maintain accurate and complete accounts and computer systems for servicing the receivables,
- (viii) provide to the issuer copies, or access to, any documents, instruments, notices and correspondence that modify information in the contractual documents,
- (ix) furnish the monthly reports and any other periodic reports required by the transaction documents, and
- (x) to the extent permitted by law, do all or any other acts as are necessary or desirable in the reasonable opinion of the servicer in relation to the receivables as regards compliance with FATCA or any other tax information arrangement, or as are reasonably requested by the issuer to assist it in complying with FATCA or any other tax information arrangement including, but not limited to, conducting diligence as to the nationality or tax residence of the borrowers, providing information about the receivables and the borrowers to any applicable tax authority or to the issuer.

*For further information on the servicer and its servicing procedures you should read "Seller and Servicer".*

The servicer will agree to perform its servicing obligations in compliance with (i) all applicable requirements of the laws, rules and regulations of Germany, (ii) the applicable loan agreements relating to the receivables and (iii) the applicable Ford Bank origination and servicing procedures. The servicer may change the terms of the loan agreements, Ford Bank origination and servicing procedures or its servicing business in any respect, so long as, in the reasonable judgment of the servicer, none of the noteholders will be materially adversely affected except if required by law or deemed necessary by Ford Bank on reasonable grounds to comply with regulatory authority requirements.

**Bank Working Procedures.** For the purposes of compliance with the requirements stemming from Article 21(9) of the EU Securitisation Regulation, remedies and actions relating to delinquency and default of debtors, debt restructuring, debt forgiveness, forbearance, losses, charge offs, recoveries, payment holidays and other asset performance remedies are applied, (if applicable), in accordance with Ford Bank's bank working procedures.

In the servicing agreement, Ford Bank will agree with the issuer, the security trustee and the collateral agent that it will comply with its bank working procedures and, in particular:

- (i) unless required by law (or any reasonable interpretation of such law) or deemed necessary by the servicer on reasonable grounds to comply with the requirements of any regulatory authority with whose requirements it is customary to comply, will not agree to any material amendment to or variation of any loan agreement except in accordance with its bank working procedures, and

- (ii) in relation to any default by a borrower under or in connection with a loan agreement, may exercise discretion in applying its bank working procedures in accordance with the servicing agreement.

**Servicer Modifications.** The servicer will follow its policies and procedures in servicing the receivables. As part of its normal collection efforts, the servicer may waive or modify the terms of a receivable, including granting payment extensions and rewriting, rescheduling or amending a loan agreement or waiving late fees, extension fees or other administrative fees, according to Ford Bank's bank working procedures.

*For more details about the servicer's policies and procedures for servicing the receivables, including extensions and rewrites, you should read "Seller and Servicer — Servicing and Collections".*

**Retail deposits.** If a borrower makes any deposit with the seller, the servicer will include in the monthly report the amount of deposits from borrowers in respect of the assigned receivables.

**Obligation to purchase Receivables.** The servicer generally must maintain perfection of the issuer's ownership in each receivable and the issuer's security interest in the related financed vehicle until the receivable is paid in full or repurchased. For written-off receivables, the servicer may release the security interests in a sale of the written-off receivable and as permitted by the servicer's policies and procedures. If the servicer breaches certain of its servicing obligations in a manner which materially and adversely affects a receivable or determines, in its discretion acting as a reasonable prudent servicer of receivables of this nature that, as a result of a computer systems error or limitation or for any other reason the servicer is unable to service a receivable according to the Ford Bank origination and servicing procedures and the servicer does not correct the failure in all material respects by the end of the second month following the month in which a responsible person of the servicer obtains actual knowledge or was notified of the breach, the servicer must purchase the receivable. The purchase price for a receivable purchased by the servicer generally will be an amount equal to the outstanding balance of such receivable for the prior collection period before such repurchase plus 30 days of interest at the applicable rate.

**Deposit of Collections.** The servicer will deposit all collections on the receivables in the issuer's distribution account within two business days after the receipt and/or application of such collections from the accounts of the borrowers. So long as Ford Bank is the servicer, if (i) Ford Bank's long-term issuer default rating by Fitch is at least "A" or its short-term issuer default rating by Fitch is at least "F1" and (ii) Ford Bank's long-term unsecured debt is rated at least "A" by S&P and its short-term unsecured debt is rated at least "A-1" by S&P, Ford Bank may remit collections to the distribution account on the business day before each payment date. [As at the date of this prospectus, Ford Bank is not rated by Fitch.]

For each month, "collections" will consist of (i) all principal and interest collected on the receivables and applied by the servicer during the month, (ii) all amounts received under insurance policies relating to the financed vehicles or borrowers, (iii) net auction proceeds and the liquidation proceeds from the sale of repossessed vehicles and other amounts received on defaulted accounts, and (iv) net recoveries on written-off accounts.

Until deposited in the issuer's distribution account, collections may be used by the servicer for its own benefit and will not be segregated from its own funds.

**Allocation of Collections.** The servicer will identify and calculate amounts to be allocated to the issuer's distribution account from available funds including:

- On each business day, the servicer will identify amounts received into the issuer's distribution account since the prior business day as available interest collections or available principal collections.
- On each monthly reporting date, the servicer will calculate the available interest collections and the net swap counterparty receipts for the prior month.
- On each payment date, the servicer will allocate available interest collections and the net swap counterparty receipts for the prior collection period to each item in the interest priority of

payments. *For more details about the interest priority of payments you should read "Annex A: Terms and Conditions of the Notes".*

- On each monthly reporting date, the servicer will calculate available principal collections for the prior collection period.
- On each payment date, the servicer will allocate the available principal collections in accordance with the principal priority of payments. *For more details about the principal priority of payments you should read "Annex A: Terms and Conditions of the Notes".*

**Monthly Report.** The servicer will on each monthly reporting date prepare a monthly report, as described in "*Monthly Reports*".

**Loan-level Data.** Under the servicing agreement and subject to applicable German data protection rules, Ford Bank as servicer will, for as long as the Class A notes or, if possible in compliance with the Eurosystem eligibility criteria in force from time to time, any other Class of notes intended to be held in a manner which will allow Eurosystem eligibility, make loan-level data available in such a manner as required to comply with the Eurosystem eligibility criteria as set out in Annex 8 (*Loan-level data reporting requirements for asset-backed securities*) of the Guideline of the European Central Bank of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (recast) (ECB/2014/60) as amended.

**Securitisation Regulation.** The seller and the issuer will designate Ford Bank, the originator, to fulfil the applicable disclosure requirements set out in Article 7(1) of the EU Securitisation Regulation and the related regulatory technical standards adopted by the EU Commission, as well as under any associated ESMA guidelines, or the "EU Securitisation Regulation Disclosure Requirements". *For more details about the servicer's reporting obligations in respect of the EU Securitisation Regulation, you should read "Reporting obligations of the Servicer — Securitisation Regulation".*

**Custodial Obligations of Ford Bank.** The servicer will maintain a record in its computer systems, on a loan agreement by loan agreement basis, of:

- all the amounts paid by each borrower,
- all the amounts due from a borrower,
- the balance payable under a receivable, and
- the list of borrowers.

The servicer will provide such information in encrypted form to the issuer corporate services provider. In addition, the servicer will hold or will ensure that a third party service provider will hold on behalf of the issuer the original registration documents of the financed vehicles. After the occurrence of an event of default, such registration documents will be held by the collateral agent and the security trustee.

**Delegation of Obligations.** As long as a member of the Ford Group is the servicer, the servicer may without notice or consent delegate its obligations under the servicing agreement to Ford or certain affiliates of Ford. The servicer may perform its obligations through sub-contractors. No such delegation or sub-contracting will relieve the servicer of its responsibilities for such obligations and the servicer will remain responsible for such obligations. The servicer will be responsible for the fees of any sub-contractors.

**Limitations on Liability.** The servicer will not be liable for any losses or expenses of the other parties to the servicing agreement or the noteholders as a result of the performance of the servicer's obligations except where such loss or expense is the result of its fraud, wilful misconduct (*Vorsatz*) or negligence (*Fahrlässigkeit*) in the performance of its obligations.

**Servicing Fees.** The servicer will receive a servicing fee on each payment date equal to 0.02% x 1/12 of the aggregate principal balance of the receivables (including any applicable VAT) as at the first day of the prior month. The servicing fee will be paid by the issuer in accordance with the applicable

priority of payments. In addition, the servicer will retain any late fees, extension fees and other administrative fees received from borrowers. The servicer will have a right to reimbursement for fees and expenses paid to third parties related to the repossession and disposition of financed vehicles as well as for continued collection activities on written-off accounts. The servicer may net these fees and expenses (excluding the servicing fee) from collections remitted to the issuer.

**Resignation and Termination of the Servicer.** The servicer may not resign as servicer unless it is no longer permitted to perform its obligations under law or with the consent of at least the majority of noteholders of each class.

Each of the following events will be a "servicer termination event" under the servicing agreement:

- Ford Bank fails to pay or deposit any proceeds or payment required to be paid or deposited by it under the servicing agreement and that failure continues for five business days after it receives notice of the failure from the trustee, the security trustee or the collateral agent or a responsible person of Ford Bank learns of the failure, unless
  - the failure was caused by an event outside Ford Bank's control and does not continue for more than ten business days, and Ford Bank uses all commercially reasonable efforts to perform its obligations under the servicing agreement and promptly notifies the trustee, the security trustee, the collateral agent, the issuer and the noteholders of the failure and the steps being taken to correct it, or
  - such failure would not reasonably be expected to, or after investigation and quantification does not, result in the failure in paying or depositing an amount greater than 0.05% of the outstanding aggregate amount payable regarding all notes and such failure is remedied (a) if Ford Bank's long-term debt is rated investment grade by both rating agencies, no later than 90 days after a responsible person of Ford Bank learns of such failure or (b) if Ford Bank's long-term debt is not so rated (provided in each case of (a) and (b) above that Ford Bank is the servicer at that time), then no later than 90 days after such failure, or
- Ford Bank fails to observe or perform any other obligations under the servicing agreement and the issuer (prior to the service of an enforcement notice) or the collateral agent (acting as directed by the trustee) (after the service of an enforcement notice) certifies that such default is, in its opinion, materially prejudicial to the interests of the noteholders and (except where, in the opinion of the issuer (prior to the service of an enforcement notice) or the collateral agent (acting as directed by the trustee) (after the service of an enforcement notice), such default is incapable of remedy, when no such continuation and/or notice as is mentioned below will be required) such default continues unremedied for a period of 60 days after the earlier of a responsible person of Ford Bank becoming aware of such default and receipt by Ford Bank of notice from the issuer or the collateral agent (as applicable) requiring the same to be remedied, or
- Ford Bank fails to deposit the set-off component into the reserve account, unless such failure is remedied within five business days of a responsible person of the seller becoming aware of such failure, or
- an insolvency of Ford Bank.

After the occurrence of a servicer termination event, Ford Bank's appointment under the servicing agreement may be terminated by the issuer with the collateral agent's consent or by the collateral agent.

The issuer, after the resignation or termination of the appointment of Ford Bank as servicer, and the security trustee will use their best efforts to search for and appoint a replacement servicer. No resignation or termination of the appointment of the servicer will become effective until a replacement servicer has been appointed.

## Cash Management Agreement

**General.** Deutsche Bank AG, London Branch will act as a cash manager under the cash management agreement. The cash manager will manage the issuer's accounts, including the reserve account, and instruct the account bank to make payments to be made on behalf of the issuer from such accounts on the basis of information in the monthly report in accordance with the relevant priority of payments set out in "*Annex A: Terms and Conditions of the Notes*". If the monthly report is not delivered to the cash manager, the cash manager will not be obliged to instruct the account bank to make payments other than payment of the issuer expenses, the servicing fee and the amounts required under the notes in accordance with the relevant priority of payments set out in "*Annex A: Terms and Conditions of the Notes*".

*For further information on the cash manager you should read "Cash Manager".*

**Resignation and Termination of the Cash Manager.** Deutsche Bank AG, London Branch appointment may be terminated by the security trustee and the collateral agent or by the issuer with the security trustee's and the collateral agent's consent after the occurrence of the following events, each a "cash manager termination event":

- subject to certain cure periods, Deutsche Bank AG, London Branch defaults on a payment to be made by Deutsche Bank AG, London Branch under the cash management agreement,
- subject to certain cure periods, Deutsche Bank AG, London Branch fails to fulfil any other material obligation imposed on it under the cash management agreement and such failure is materially prejudicial to the interests of the noteholders,
- an insolvency of Deutsche Bank AG, London Branch, or
- if Deutsche Bank AG, London Branch is not or ceases to be exempt from any deduction or withholding under FATCA.

If the cash manager's appointment is terminated following a cash manager termination event, the cash manager will assist in a transfer to a substitute cash manager. In no event will the trustee, the security trustee and/or the collateral agent be required to act as cash manager. No termination of the cash manager will become effective until a replacement cash manager has been appointed.

## Bank Account Operation Agreement and Issuer's Bank Accounts

**General.** BNP Paribas S.A. Niederlassung Deutschland will act as the account bank under the bank account operation agreement. The account bank will open and operate certain bank accounts, which will be domiciled in Germany, in compliance with the bank account operation agreement.

The bank accounts described below will be utilised in the transaction and the issuer's interest in such accounts will form part of the security for the notes. Each account was established and will be maintained with BNP Paribas S.A. Niederlassung Deutschland (as account bank), whose registered office is Senckenberganlage 19, Frankfurt am Main, 60325, Germany.

*For further information on the account bank, you should read "Account Bank".*

The issuer's distribution account, reserve account and counterparty downgrade collateral account are required to be maintained at a financial institution that is permitted to accept deposits and (i) whose long-term deposit rating or, if no long-term deposit rating is assigned, long-term issuer default rating by Fitch is at least "A" or whose short-term deposit rating or, if no short-term deposit rating is assigned, short-term issuer default rating by Fitch is at least "F1" and (ii) whose unsecured, unsubordinated and unguaranteed long-term debt obligations are rated at least "A" by S&P, provided such financial institution's unsecured, unsubordinated and unguaranteed short-term debt obligations are rated at least "A-1" by S&P, otherwise the unsecured, unsubordinated and unguaranteed long-term debt obligations of such financial institution must be rated at least "A+" by S&P. If at any time the account bank ceases to be an eligible institution, then, within 30 days of such time, the cash manager will, on the instructions

of the issuer (or the servicer on its behalf), the security trustee or the collateral agent, as applicable, cause the transfer of the relevant accounts to another bank or banks that are eligible institutions.

The issuer may terminate the appointment of the account bank provided that a replacement account bank has been appointed. The account bank may resign by giving the issuer, the cash manager, the security trustee and the collateral agent at least three months' prior notice. However, such resignation will not take effect until a successor account bank is appointed.

**Distribution Account.** All amounts received by Ford Bank on the receivables will be paid within two business days of applying such collections to a borrower's account or on a monthly basis, depending on the servicer's credit ratings, into an interest bearing account of the issuer, being the "distribution account". On the payment date after the end of each calendar month, all amounts deposited in the distribution account during the prior month will be distributed as described in "*Priority of Payments*", "*— Servicing Agreement — Allocation of Collections*" and "*Annex A: Terms and Conditions of the Notes*".

**Reserve Account.** The reserve account will be credited with the reserve amount and debited according to "*Credit Enhancement — Reserve Account*".

**Counterparty Downgrade Collateral Account.** Any collateral posted by the swap counterparty under the credit support annex will be paid into the counterparty downgrade collateral account. The collateral which needs to be returned to the swap counterparty under the credit support annex will be withdrawn from the counterparty downgrade collateral account. *For more details about posting collateral under the interest rate swap agreement, you should read "— Interest Rate Swap Agreement — Swap Collateral"*.

## **Trust Deed**

**General.** The notes will be constituted pursuant to the trust deed between the issuer and the trustee. Deutsche Trustee Company Limited will act as trustee under the trust deed.

*For further information on the trustee, you should read "Trustee, Security Trustee and Collateral Agent"*.

The trust deed contains terms requiring the trustee to consider the interests of the noteholders (unless acting in accordance with the directions of the controlling class), to take into account the interests of the Class A noteholders, the Class B noteholders and the Class C noteholders equally as regards all trusts, rights, powers, authorities or discretions of the trustee (except where expressly provided otherwise), but requiring the trustee (A) to take into account only the interests of the Class A noteholders if, in the opinion of the trustee, there is a conflict between the interests of the Class A noteholders and the Class B noteholders and/or the Class C noteholders and (B) subject to the prevailing rule under item (A) above, to take into account only the interests of the Class B noteholders if, in the opinion of the trustee, there is a conflict between the interests of the Class B noteholders and the Class C noteholders.

The trust deed contains provisions governing the responsibility of the trustee and providing for its indemnification in certain circumstances.

Under the trust deed, the trustee will only be bound to take any action at the direction of the noteholders if it will be indemnified and/or secured and/or prefunded to its satisfaction.

*For more details you should read "Description of the Notes" and "Annex A: Terms and Conditions of the Notes"*.

## **Deed of Charge / Collateral Agency Agreement**

**General.** Deutsche Trustee Company Limited will act as security trustee and collateral agent under the deed of charge and the collateral agency agreement.

*For further information on the security trustee and the collateral agent, you should read "Trustee, Security Trustee and Collateral Agent"*.



**Security.** The notes are secured under and on the terms set out in (i) the deed of charge between the issuer and the security trustee on certain assets of the issuer, including the issuer's rights under the English law governed transaction documents, and (ii) the collateral agency agreement between the issuer, the security trustee and the collateral agent on certain German law governed assets of the issuer, including the receivables and all related ancillary rights, and the issuer's accounts. The collateral agent acts as fiduciary for the benefit of the noteholders and the collateral agency agreement will constitute an agreement for the benefit of the noteholders (*echter Vertrag zugunsten Dritter*).

**Enforcement of the Security.** If the trustee serves an enforcement notice on the issuer with a copy to, among others, the security trustee and the collateral agent, and the security becomes enforceable, the trustee may at its discretion direct the security trustee and/or the collateral agent to take action to enforce the security, and will direct the security trustee and/or the collateral agent, to take such action to enforce the security as directed by the controlling class acting by way of a written resolution or by way of an extraordinary resolution, subject to the trustee, the security trustee and/or the collateral agent, having been indemnified and/or secured and/or prefunded to their satisfaction. The collateral agent will act in consultation with the security trustee in realising the security constituted by the collateral agency agreement.

To the extent that the trustee acts in compliance with such directions of the controlling class, it will have no obligation to take the interests of any other party into account or to follow any direction given by any other party. Only the trustee, the security trustee and the collateral agent may enforce the rights of the noteholders against the issuer, whether the same arise under general law, the terms and conditions of the notes, any transaction document or otherwise. None of the noteholders will have the right to proceed directly against the issuer.

**Application of Proceeds — Accelerated Priority of Payments.** Following the service of an enforcement notice, the security trustee is required to apply (or direct the cash manager to apply) moneys available for distribution to satisfy the amounts owing by the issuer in the accelerated priority of payments set out in "*Annex A: Terms and Conditions of the Notes*". Similarly, on enforcement of the security constituted by the collateral agency agreement, the collateral agent also is required, without double counting, to cause all moneys available for distribution to be applied towards the satisfaction of the amounts and in the order of priority set out in the accelerated priority of payments, in compliance with the collateral agency agreement.

**Shortfall after Application of Proceeds.** If the net proceeds of the security being enforced and liquidated under the deed of charge and the collateral agency agreement are not sufficient to pay the notes after payment of all other claims ranking in priority to the notes, the obligations of the issuer under the notes will be limited to such net proceeds and no other assets of the issuer will be available for any further payments on the notes. The right to receive any further payments will be extinguished.

The deed of charge and the collateral agency agreement do not contain provisions which require automatic liquidation of the receivables at market value.

## **Data Custody Agreement**

The personal data of the borrowers provided by the seller to the issuer will be encrypted to protect the confidentiality of the identity of the borrowers, and the key to such encrypted data will be kept by Deutsche Bank Luxembourg S.A. as data agent under a data custody agreement between Ford Bank, the issuer, the collateral agent, the security trustee and the data agent.

Under the data custody agreement, the data agent will immediately surrender the key transferred to it in the following circumstances: (i) at the request of the issuer (prior to the service of an enforcement notice) or the security trustee or the collateral agent (after the service of an enforcement notice or the occurrence of an insolvency event in respect of the servicer), to a replacement servicer which is either a domestic German credit institution or a credit institution having its seat in the European Economic Area, (ii) at the request of the issuer (prior to the service of an enforcement notice) or the security trustee or the collateral agent (after the service of an enforcement notice or the occurrence of an insolvency event in respect of the servicer), to a replacement servicer (which is not a German credit institution or a credit institution having its seat in the European Economic Area), the issuer (prior to the service of an enforcement notice) or the security trustee or the collateral agent (after the service of an enforcement

notice or the occurrence of an insolvency event in respect of the servicer) upon termination of the servicing agreement, (iii) to the seller or, at the request of the seller, the issuer (prior to the service of an enforcement notice) or the security trustee or the collateral agent (after the service of an enforcement notice or the occurrence of an insolvency event in respect of the servicer), to the replacement data agent upon the termination of the data custody agreement or (iv) to the security trustee or the collateral agent upon notification to the data agent that a borrower notification event has occurred.

### **Interest Rate Swap Agreement**

**General.** The issuer and Bank of America Europe DAC, as swap counterparty, will enter into the interest rate swap agreement to hedge the interest rate risk relating to the Class A notes and the Class B notes. Each month the fixed rate under the interest rate swap agreement will be [•]% and the floating rate under the interest rate swap agreement will be one-month EURIBOR. If the floating rate for any calculation period is less than –[•]%, then the floating rate will be deemed to be –[•]% for such calculation period. The notional amount under the interest rate swap agreement will be equal to the lesser of (a) the principal amount outstanding of the Class A notes and the Class B notes and (b) a predefined amortisation schedule (which is based on the projected amortisation of the Class A notes and the Class B notes assuming the receivables have a 0% default rate and prepay at a constant prepayment rate of 0%).

Subject to the detailed terms of the trust deed, in certain circumstances, including following the discontinuation of EURIBOR, and subject to certain conditions, the servicer can request the issuer and the trustee to agree, and the trustee to direct the security trustee and the collateral agent to agree, to amend the benchmark rate used to determine the interest rate of the Class A notes and the Class B notes. Following such an amendment to the benchmark rate in respect of the Class A notes and the Class B notes, the interest rate swap agreement does not provide that the reference to EURIBOR in the interest rate swap agreement will be automatically replaced by the alternative benchmark rate applicable to the Class A notes and the Class B notes and the approval of the swap counterparty is also not a condition precedent to the amendment to the benchmark rate in respect of the Class A notes and the Class B notes. The issuer and the swap counterparty will use reasonable endeavours to agree modifications to the interest rate swap agreement where commercially appropriate (including any adjustment spread or adjustment payment) so that the interest rate risk on the Class A notes and the Class B notes is effectively mitigated following any amendment to the benchmark rate in respect of the Class A notes and the Class B notes to a similar extent as prior to such amendment and that such modifications will take effect no later than the date on which the amendment to the benchmark rate in respect of the Class A notes and the Class B notes takes effect, it being specified that if the swap counterparty does not agree to such modifications, the alternative reference rate and the adjustment spread or adjustment payment in respect of the interest rate swap agreement will be determined in accordance with the provisions set out in the interest rate swap agreement.

The issuer will represent not to enter into any derivative contracts other than for the purposes of hedging the interest rate risk of the receivables described above.

The interest rate swap agreement will terminate on the final legal maturity date of the Class A notes and the Class B notes or when the notes are paid in full before maturity, unless terminated in whole or in part earlier.

**Early Termination.** If an event of default specified in the interest rate swap agreement occurs, the non-defaulting party may elect to terminate the interest rate swap agreement. These events include failure to make payments due under the interest rate swap agreement and the occurrence of certain insolvency events.

The interest rate swap agreement may also be terminated if a termination event stated in the interest rate swap agreement occurs. These termination events include:

- changes in law resulting in illegality,
- certain tax events,

- subject to certain provisos, the notes become repayable after the service of an enforcement notice under the notes,
- failure of the swap counterparty or, if applicable, its guarantor, to maintain its credit rating at the levels specified in the interest rate swap agreement, unless, within the timeframe set out in the interest rate swap agreement, the swap counterparty:
  - posts an amount of collateral (in the form of cash and/or securities) as calculated in accordance with the credit support annex to the interest rate swap agreement; or
  - obtains a guarantee from an institution with an acceptable rating; or
  - transfers its rights and obligations under the interest rate swap agreement to a successor swap counterparty which fulfils the requirements under the interest rate swap agreement; or
  - takes such other action in order to maintain the respective ratings of the listed notes, or to restore any rating of the listed notes to the level it would have been at immediately prior to such downgrade.

If the interest rate swap agreement is terminated because of an event of default or a termination event, an early termination payment may be due either to the issuer or the swap counterparty depending on market rates or other conditions at the time of termination. The amount of any early termination payment will be determined by the method described in the interest rate swap agreement and could be substantial if market rates or other conditions have changed materially. Any early termination payment payable by the issuer will be payable in the priority described above in "*Description of the Notes – Priority of Payments*". If the swap counterparty is the defaulting party or the sole affected party for a termination event (other than illegality or tax event), the early termination payment due to the swap counterparty will not be payable on a payment date until interest on the listed notes, amounts necessary to maintain the reserve account at its required reserve amount and payments of reimbursed losses and principal deficiencies have been paid.

If the interest rate swap agreement is terminated before repayment in full of the principal on the notes, the issuer will be required to enter into an agreement on similar terms with a new swap counterparty. Any upfront payment to any replacement swap counterparty under the interest rate swap agreement payable by the swap counterparty will be paid directly to the replacement swap counterparty and not in accordance with the priority of payments.

**Swap Collateral.** If the swap counterparty posts collateral, the collateral will be credited to a separate swap collateral account. Any such collateral up to the value of any termination payment payable by the swap counterparty to the issuer under the interest rate swap agreement and to the extent it is not used to purchase any replacement interest rate swap agreement may be used by the issuer to make payments on the notes, in accordance with the priority of payments, if the swap counterparty does not fulfil its payment obligations under the interest rate swap agreement. Any excess swap collateral will be paid directly to the swap counterparty and not in accordance with the priority of payments.

**EMIR.** Regulation 648/2012 of 4 July 2012, known as the European Market Infrastructure Regulation or "EMIR" which took effect on 16 August 2012 provides for mandatory clearing of certain OTC derivative contracts through an authorised central counterparty, the reporting of OTC derivative contracts to a trade repository and certain risk mitigation requirements, including requirements to post collateral, in relation to derivative contracts which are not centrally cleared.

The clearing obligation applies to financial counterparties or "FCs" and certain non-financial counterparties or "NFCs" which have positions in OTC derivative contracts exceeding specified "clearing thresholds" other than those entered into for hedging purposes. Such OTC derivative contracts also need to be sufficiently standardised and of a class of derivative which has been identified by the European Commission (such decision to be prepared by the Securities and Markets Authority or "ESMA") as being subject to the clearing obligation. The issuer will represent that it is an "NFC -" for the purposes of EMIR and that the interest rate swap agreement to be entered into by it is for hedging purposes only.

The Commission Delegated Regulation 2016/2251 supplementing EMIR, or "Regulation 2016/2251", was adopted on 4 October 2016 and provides, amongst other things, that certain counterparties to OTC derivative contracts are now subject to an obligation to post variation margin and initial margin. In compliance with Article 24 of Regulation 2016/2251 however, as an "NFC-", the issuer will not be required to post variation margin or initial margin.

The reporting obligation applies to all types of counterparties and covers the entry into, modification or termination of centrally cleared and non-centrally cleared derivative contracts, including the interest rate swap agreement.

FCs and NFCs which enter into non-centrally cleared derivative contracts must ensure that appropriate procedures and arrangements are in place to measure, monitor and mitigate operational and counterparty credit risk. Such procedures and arrangements include, among other things, the timely confirmation of the terms of a derivative contract, formalised processes to reconcile trade portfolios, identify and resolve disputes and monitor the value of outstanding contracts and collateral management. This also will apply to the interest rate swap agreement.

It should also be noted that further changes have been made to the EMIR framework by Regulation (EU) 2019/834 amending EMIR, or the "EMIR Refit Regulation", which entered into force on 17 June 2019. The EMIR Refit Regulation makes certain changes including introducing a new category of "small financial counterparty", delegated reporting and changes to the NFC+ calculation whereby an NFC+ would only have to clear relevant derivatives contracts in the asset class(es) in which the NFC+ exceeds the specified clearing thresholds. Although the EMIR Refit Regulation has resulted in an expansion of the definition of financial counterparty, the amended financial counterparty definition specifically excludes from its scope securitisation special purpose entities. Further amendments to EMIR are also expected following the announcement of a provisional agreement between the European Parliament and the Council of the EU on 7 February 2024 on the legislative proposals amending EMIR, known as "EMIR 3.0". The proposals are intended to mitigate excessive exposures to country central counterparties and improve the efficiency of EU clearing markets. No assurances can be given that any future changes made to EMIR, including technical standards published under EMIR Refit Regulation or EMIR 3.0, would not lead to more administrative burdens and higher costs for the issuer which may in turn reduce the amounts available to make payments with respect to the notes.

The issuer will grant to the servicer full authority to perform the issuer's EMIR obligations under the interest rate swap agreement on the issuer's behalf. In particular, the servicer will perform trade reporting, give notices and perform and satisfy the issuer's obligations for record-keeping, portfolio reconciliation and dispute resolution. The servicer will have no liability in connection with the issuer's EMIR obligations. The issuer will remain solely and wholly liable for the performance of its EMIR obligations under the interest rate swap agreement.

**Taxation.** All payments by the issuer or the swap counterparty under the interest rate swap agreement will be made without any deduction or withholding for or on account of tax unless such deduction or withholding is required by law (or under FATCA). Neither the issuer nor the swap counterparty will in any circumstances be required to gross up if deductions or withholding taxes are imposed on payments made under the interest rate swap agreement. If the swap counterparty is required to make a withholding or deduction for or on account of tax on payments to be made by it under the interest rate swap agreement, the issuer may request the swap counterparty to transfer its rights and obligations under the interest rate swap agreement to another office or branch or to an affiliate. Failing such remedy, the interest rate swap agreement may be terminated. If the issuer is required to make a withholding or deduction for or on account of tax on payments to be made by it under the interest rate swap agreement, the swap counterparty may request the issuer to transfer its rights and obligations under the interest rate swap agreement to a substitute company.

**Assignment.** Except as stated under "Taxation" above or as expressly permitted in the interest rate swap agreement, neither the issuer nor the swap counterparty is permitted to assign, novate or transfer as a whole or in part its rights, obligations or interests under the interest rate swap agreement. The interest rate swap agreement will provide that (a) the issuer may assign the interest rate swap agreement by way of security in favour of the security trustee under the deed of charge and (b) the swap counterparty may assign its interest rate swap agreement to another swap counterparty with the minimum swap counterparty rating.

*For further discussion of the termination payment under the interest rate swap agreement you should read "Risk Factors — Risks associated with the interest rate swap agreement".*

### **Governing law**

All of the transaction documents and all non-contractual obligations arising out of or in connection with the transaction documents will be governed by German law, except for (i) the trust deed, the deed of charge, the interest rate swap agreement, the cash management agreement, the agency agreement, the senior note purchase agreement and the junior note purchase agreement which will be governed by English law and (ii) the issuer corporate services agreement which will be governed by Dutch law.

## CREDIT ENHANCEMENT

This securitisation transaction is structured to provide credit enhancement that increases the likelihood that the issuer will make timely payment of interest and principal on the Class A notes and the Class B notes and decrease the likelihood that losses on the receivables will impair the issuer's ability to do so. Credit enhancement may not provide protection against all risks of loss and does not guarantee payment of interest and repayment of the entire principal amount of the notes. If losses on receivables exceed the credit enhancement available, noteholders will bear their allocable share of the loss. The noteholders will have no recourse to Ford Bank as a source of payment.

### Reserve Account and Subordinated Loan

The seller will fund, by way of the subordinated loan, the initial reserve amount in the amount of €[•] on the closing date which will be made up of the liquidity component. The liquidity component will equal [•]% of the aggregate original balance of the listed notes or, equivalently, [•]% of the aggregate net present value of the receivables as at the cut-off date. The initial reserve amount will be deposited into the reserve account on the closing date.

The subordinated loan and the Class C notes, together, will represent [•]% of the nominal amount of the securitised exposures as at the closing date in accordance with Article 6 of the EU Securitisation Regulation. The issuer will repay the subordinated loan to the seller in accordance with the applicable priority of payments.

In addition, if any borrower makes any deposit with the seller and:

- (i) the aggregate of the deposits accepted by the seller from all borrowers is greater than 1% of the aggregate closing loan balances of the assigned receivables as of the end of the relevant collection period, and
- (ii) Ford Bank's long-term issuer default rating is lower than (A) "BBB" by Fitch or (B) "BBB" by S&P, or Ford Bank ceases to be the servicer,

Ford Bank will pay into the reserve account an amount equal to the sum of the lesser of (i) the closing loan balance(s) of any assigned receivable(s) arising under any loan agreement(s) with such borrower(s) and (ii) the amount of such deposit(s), for so long as such deposit(s) is outstanding, or the set-off component.

[As at the date of this prospectus, Ford Bank is not rated by Fitch.]

**Liquidity component.** The liquidity component is sized to cover at least [three] months of (i) issuer expenses, (ii) servicing fee, (iii) net payments under the interest rate swap agreement and (iv) interest on the Class A notes and the Class B notes. The issuer will only have the right to use the liquidity component to the extent that collections on the receivables are insufficient to cover the fees and expenses of the issuer (including the servicing fee), interest payments on the listed notes and net payments due to the swap counterparty (other than a swap subordinated amount). The issuer also will withdraw funds from the liquidity component to the extent needed to pay principal on a class of notes on the earlier of (i) the final legal maturity date, (ii) the aggregate principal amount outstanding of the Class A notes and Class B notes being less than the liquidity component and (iii) the aggregate outstanding receivables balance being reduced to zero (excluding written-off receivables).

If amounts relating to the liquidity component are withdrawn from the reserve account before the final legal maturity date, the reserve account will be replenished in accordance with the interest priority of payments to the required level specified in clause 11.4 (*Subordinated Loan and Reserve Amount*) of the receivables sale agreement to the extent there are available funds on future payment dates after all higher priority payments are made.

**Set-off component.** The issuer will only be entitled to use the set-off component to the extent that a borrower exercises any right of set-off between any amount owing by it under any loan agreement from which an assigned receivable derives and any deposit made by it with Ford Bank. On each relevant payment date, the issuer will repay to Ford Bank any excess set-off component required to be standing

to the credit of the reserve account on the previous payment date from the reserve account or the "set-off component repaid amount". Such payment will not form part of the priority of payments.

Any interest not required to maintain the reserve amount will be allocated to available interest collections.

### **Subordination**

This securitisation transaction is structured so that the issuer will pay interest on the Class A notes, and then will pay interest sequentially to the remaining classes of notes in order of seniority. The issuer will not pay interest on the Class B notes or Class C notes until all interest due on the Class A notes is paid in full.

The issuer will pay principal sequentially to each class of notes in order of seniority. The issuer will not pay principal on a class of notes until the principal amounts of all more senior classes of notes are paid in full.

If the notes are accelerated after an event of default, the priority of payments will change, and the issuer will not pay interest or principal on a class of notes that are not part of the controlling class until the notes of the controlling class and all amounts payable to the swap counterparty (except for a swap termination payment due in circumstances where the swap counterparty is the defaulting party or consequent to an additional termination event where the swap counterparty is the sole affected party) are paid in full. These subordination features provide credit enhancement to more senior ranking classes of notes with the Class A notes benefiting the most.

### **Excess Spread**

A substantial number of the receivables have an APR less than the highest interest rate payable on the notes. Since the pool of receivables includes a substantial number of low APR receivables, the pool could generate less collections of interest than the sum of the senior fees and expenses of the issuer, the net swap payments due to the swap counterparty (other than a swap subordinated amount), the interest payments on the notes and any required deposits to the reserve account if the low APR receivables are not adequately offset by high APR receivables in the pool. To compensate for the low APRs on these receivables, this securitisation transaction is structured to provide a certain amount of excess spread.

Excess spread for any payment date will be the amount by which collections of interest on the receivables during the prior month plus any net swap counterparty receipts from the swap counterparty (except any termination payment not available for distribution) exceeds the sum of the trustee, security trustee and collateral agent fees and other senior issuer expenses, the servicing fee, the net swap payments due to the swap counterparty (other than a swap subordinated amount) and the interest payments due on the Class A notes and the Class B notes for that payment date. The amount of excess spread will depend on factors such as the borrower rate on the receivables, the discount rate, interest rates on the notes, prepayments and losses. Any excess interest collections, following the payment of interest on the Class B notes and the replenishment of the reserve account (if required), will be used to cover losses on written-off receivables and deficiency of payments of principal on the receivables.

Accordingly, excess spread provides a source of funds to absorb any losses on the receivables and reduces the likelihood of losses on the notes.

The purchase price paid for the receivables by the issuer to Ford Bank is calculated on a discounted cash flow approach to provide the issuer with interest cash flows in excess of what is available through the regular collections allocated to interest on the receivables. The net present value of each receivable will be calculated by discounting each scheduled remaining monthly instalment on that receivable at the greater of the borrower rate in the loan agreement and [5.8]%. This has the effect of creating additional interest cash flow by reallocating a portion of the principal amount of each monthly instalment of a receivable to interest for the loan agreements whose borrower rate is lower than [5.8]%. The minimum discount rate is set by the issuer to achieve sufficient additional interest to satisfy the issuer expenses and may provide limited additional credit enhancement to absorb losses.

The initial purchase price paid for the receivables transferred to the issuer on the closing date is calculated on the basis of the net present value of the receivables.



## MATURITY AND PREPAYMENT CONSIDERATIONS

### General

The amount of principal payments that will be made on your notes on each payment date is not certain because that amount will depend on the amount of principal payments, including prepayments, received on the receivables during the prior month. The final legal maturity date for each class of notes is listed on the cover of this prospectus. These dates have been calculated for each class of notes assuming all receivables pay as scheduled with no delays, defaults or prepayments and, for the notes, adding 24 months to the calculated date. The issuer expects that the final payment of each class of notes will occur before its final legal maturity date. The final payment of a class of notes could occur significantly earlier (or could occur later) than such class's final legal maturity date.

### Prepayments

"Prepayments" on the receivables will occur in the following circumstances:

- borrowers may prepay their loan agreements in full or in part at any time,
- rebates on terminated payment protection insurance premiums may be received,
- liquidation proceeds on defaulted receivables may be received, and
- proceeds from claims on insurance policies covering the financed vehicles or the borrowers may be received.

In addition:

- the seller may be required to repurchase ineligible receivables from the issuer on the occurrence of breaches of representations and warranties as described under "*Principal Transaction Documents — Receivables Sale Agreement — Obligation to repurchase Receivables or indemnify*" if the seller fails to remedy the breach within the applicable timeframe,
- the servicer, for so long as Ford Bank is servicer, may be required to purchase receivables if the servicer fails to maintain the security interest of the issuer in the financed vehicles or breaches its servicing obligations, as described under "*Principal Transaction Documents — Servicing Agreement — Obligation to purchase Receivables*", and
- the seller will have the option to purchase the receivables from the issuer on a payment date when the aggregate principal amount outstanding of the listed notes is equal to 10% or less of the aggregate net present value of the receivables as at the cut-off date, provided that sufficient funds are available to pay interest and principal on the notes in full.

In Ford Bank's experience, prepayments on loan agreements occur primarily when borrowers decide to purchase new vehicles, defaulted loan agreements are liquidated or insurance proceeds are received. In addition, the short-term nature and smaller principal amount of loan agreements makes the benefit of refinancing smaller. Furthermore, the use of low-rate financing to increase sales of new motor vehicles limits the situations in which a borrower could take advantage of lower rates by refinancing.

Reinvestment risk resulting from a faster or slower rate of prepayment of receivables will be borne entirely by the noteholders. Higher than anticipated rates of prepayment and defaults on the receivables will cause principal to be paid to the noteholders faster than expected. Noteholders will bear the risk of not being able to reinvest the principal repaid faster than expected at a rate of return that is equal to or greater than the rate of return on the notes. Noteholders may also have to wait longer than anticipated to receive principal payments if prepayment rates are slower than assumed, exposing them to reinvestment risk at the time principal is paid or to lost investment opportunities that may arise before receipt of principal from the issuer.

## Weighted Average Life of the Notes

The expression "weighted average life" refers to the average amount of time from the closing date to the date of payment to the noteholder of each euro paid in reduction of the outstanding principal amount outstanding of the notes (assuming no losses). The weighted average life of the notes will be influenced by, among other things, the rate at which principal is paid on the receivables, which may occur through scheduled payments, prepayments or enforcement proceedings.

Prepayments on auto loans are commonly measured relative to a constant prepayment standard or model. The model used in this prospectus for the receivables is constant prepayment rates or "CPR", which represents an assumed rate of prepayments each month relative to the then aggregate outstanding principal balance of the receivables for the life of such receivable.

The results shown in the CPR tables should approximate the results that would be obtained using the actual pool of receivables that will be transferred to the issuer based on the following assumptions:

- the scheduled monthly payments for the receivables have been based on their net present value, discount rate, remaining term to maturity and balloon amount, such that the receivables will amortise in amounts sufficient for their repayment over their remaining term to maturity,
- there are no repurchases of receivables by Ford Bank,
- there are no delinquencies or losses on the receivables, and principal payments on the assigned receivables will be received on a timely basis together with prepayments, if any, at the CPR set out in the table,
- payments on the notes are made on the 20th day of each month (or, if not a business day, the next business day) and the first payment date is 20 August 2024,
- Ford Bank exercises the 10% clean up call on the first payment date that the option is available,
- the notes are issued on [22] July 2024, and
- there are equal monthly instalments except for agreements with balloon payments.

The actual characteristics and performance of the receivables transferred to the issuer will differ from the assumptions used in constructing the CPR tables. The CPR tables only give a general sense of how each class of notes may amortise at different assumed CPR rates with other assumptions held constant. It is unlikely that the receivables will prepay at a constant rate until maturity, that all of the receivables will prepay at the same rate and that there will be no delinquencies or losses on the receivables. Any difference between these assumptions and the actual characteristics and performance of the receivables, or actual prepayment or loss experience, will affect the percentages of the weighted average life and period during which principal is paid on each class of notes.

The data presented in this preliminary prospectus is based on a cut-off date of 31 May 2024.

**Percentage of Initial Principal Amount at various CPR Rates<sup>(1)</sup>**

Date	Class A Notes					Class B Notes				
	0%	5%	8%	10%	15%	0%	5%	8%	10%	15%
Initial Percentage .....	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
August 2024 .....	98.66%	98.21%	97.92%	97.73%	97.23%	100.00%	100.00%	100.00%	100.00%	100.00%
September 2024 .....	96.32%	95.43%	94.88%	94.50%	93.53%	100.00%	100.00%	100.00%	100.00%	100.00%
October 2024 .....	93.93%	92.63%	91.83%	91.28%	89.87%	100.00%	100.00%	100.00%	100.00%	100.00%
November 2024 .....	91.88%	90.19%	89.14%	88.43%	86.61%	100.00%	100.00%	100.00%	100.00%	100.00%
December 2024 .....	89.57%	87.50%	86.23%	85.37%	83.18%	100.00%	100.00%	100.00%	100.00%	100.00%
January 2025 .....	87.52%	85.10%	83.62%	82.62%	80.06%	100.00%	100.00%	100.00%	100.00%	100.00%
February 2025 .....	85.37%	82.62%	80.93%	79.80%	76.92%	100.00%	100.00%	100.00%	100.00%	100.00%
March 2025 .....	83.42%	80.35%	78.47%	77.21%	74.03%	100.00%	100.00%	100.00%	100.00%	100.00%
April 2025 .....	80.75%	77.40%	75.37%	74.00%	70.56%	100.00%	100.00%	100.00%	100.00%	100.00%
May 2025 .....	78.01%	74.41%	72.23%	70.77%	67.10%	100.00%	100.00%	100.00%	100.00%	100.00%
June 2025 .....	75.33%	71.49%	69.19%	67.65%	63.78%	100.00%	100.00%	100.00%	100.00%	100.00%
July 2025 .....	72.88%	68.83%	66.41%	64.79%	60.74%	100.00%	100.00%	100.00%	100.00%	100.00%
August 2025 .....	70.63%	66.37%	63.83%	62.14%	57.92%	100.00%	100.00%	100.00%	100.00%	100.00%
September 2025 .....	68.49%	64.04%	61.39%	59.63%	55.27%	100.00%	100.00%	100.00%	100.00%	100.00%
October 2025 .....	66.53%	61.90%	59.15%	57.32%	52.81%	100.00%	100.00%	100.00%	100.00%	100.00%
November 2025 .....	64.50%	59.70%	56.86%	54.99%	50.36%	100.00%	100.00%	100.00%	100.00%	100.00%
December 2025 .....	62.34%	57.40%	54.49%	52.57%	47.85%	100.00%	100.00%	100.00%	100.00%	100.00%
January 2026 .....	60.42%	55.34%	52.36%	50.40%	45.60%	100.00%	100.00%	100.00%	100.00%	100.00%
February 2026 .....	58.51%	53.31%	50.27%	48.28%	43.40%	100.00%	100.00%	100.00%	100.00%	100.00%
March 2026 .....	56.92%	51.59%	48.48%	46.45%	41.49%	100.00%	100.00%	100.00%	100.00%	100.00%
April 2026 .....	55.33%	49.89%	46.72%	44.65%	39.63%	100.00%	100.00%	100.00%	100.00%	100.00%
May 2026 .....	53.62%	48.08%	44.87%	42.78%	37.72%	100.00%	100.00%	100.00%	100.00%	100.00%
June 2026 .....	52.07%	46.44%	43.18%	41.07%	35.97%	100.00%	100.00%	100.00%	100.00%	100.00%
July 2026 .....	50.48%	44.77%	41.48%	39.35%	34.23%	100.00%	100.00%	100.00%	100.00%	100.00%
August 2026 .....	48.80%	43.04%	39.73%	37.59%	32.46%	100.00%	100.00%	100.00%	100.00%	100.00%
September 2026 .....	47.26%	41.44%	38.11%	35.96%	30.83%	100.00%	100.00%	100.00%	100.00%	100.00%
October 2026 .....	45.64%	39.79%	36.45%	34.30%	29.19%	100.00%	100.00%	100.00%	100.00%	100.00%
November 2026 .....	44.12%	38.23%	34.89%	32.74%	27.65%	100.00%	100.00%	100.00%	100.00%	100.00%
December 2026 .....	42.05%	36.21%	32.90%	30.78%	25.77%	100.00%	100.00%	100.00%	100.00%	100.00%
January 2027 .....	40.06%	34.26%	31.00%	28.91%	23.98%	100.00%	100.00%	100.00%	100.00%	100.00%
February 2027 .....	38.01%	32.29%	29.07%	27.02%	22.20%	100.00%	100.00%	100.00%	100.00%	100.00%
March 2027 .....	35.83%	30.22%	27.08%	25.08%	20.39%	100.00%	100.00%	100.00%	100.00%	100.00%
April 2027 .....	33.70%	28.20%	25.14%	23.19%	18.64%	100.00%	100.00%	100.00%	100.00%	100.00%
May 2027 .....	31.40%	26.06%	23.09%	21.21%	16.83%	100.00%	100.00%	100.00%	100.00%	100.00%
June 2027 .....	29.48%	24.26%	21.37%	19.54%	15.30%	100.00%	100.00%	100.00%	100.00%	100.00%
July 2027 .....	28.62%	23.38%	20.49%	18.67%	14.46%	100.00%	100.00%	100.00%	100.00%	100.00%
August 2027 .....	26.98%	21.85%	19.03%	17.25%	13.16%	100.00%	100.00%	100.00%	100.00%	100.00%
September 2027 .....	25.41%	20.39%	17.64%	15.91%	11.93%	100.00%	100.00%	100.00%	100.00%	100.00%
October 2027 .....	23.81%	18.91%	16.24%	14.56%	10.72%	100.00%	100.00%	100.00%	100.00%	100.00%
November 2027 .....	22.32%	17.54%	14.94%	13.31%	9.60%	100.00%	100.00%	100.00%	100.00%	100.00%
December 2027 .....	19.30%	14.90%	12.51%	11.02%	7.63%	100.00%	100.00%	100.00%	100.00%	100.00%
January 2028 .....	16.05%	12.09%	9.94%	8.61%	5.58%	100.00%	100.00%	100.00%	100.00%	100.00%
February 2028 .....	12.48%	9.03%	7.17%	6.01%	0.00%	100.00%	100.00%	100.00%	100.00%	0.00%
March 2028 .....	8.82%	5.92%	4.36%	0.00%	0.00%	100.00%	100.00%	100.00%	0.00%	0.00%
April 2028 .....	4.35%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%
May 2028 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
June 2028 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
July 2028 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
August 2028 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
September 2028 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
October 2028 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
November 2028 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
December 2028 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
January 2029 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
February 2029 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
March 2029 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
April 2029 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
May 2029 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
June 2029 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
July 2029 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
August 2029 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
September 2029 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
October 2029 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
November 2029 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
December 2029 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
January 2030 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
February 2030 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
March 2030 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
April 2030 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
May 2030 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

June 2030 .....	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Weighted Average Life to Call (Years) <sup>(2)</sup> .....	2.09	1.93	1.83	1.77	1.62	3.89	3.80	3.80	3.71	3.64
Weighted Average Life to Maturity (Years) <sup>(3)</sup> .....	2.09	1.93	1.83	1.77	1.63	3.95	3.93	3.91	3.90	3.86

<sup>(1)</sup> Annualised CPR. Weighted average life computed based on monthly CPR.  
<sup>(2)</sup> The weighted average life of a note is determined by (a) multiplying the amount of each principal payment on a note by the number of years from the date of issuance of the note to the related payment date, (b) adding the results and (c) dividing the sum by the original principal amount of the note.  
<sup>(3)</sup> The weighted average life to maturity of a note is determined as stated in footnote (2) however with the assumption that Ford Bank will not exercise the 10% clean up call.

**The CPR tables were prepared based on the assumptions described above, including the assumptions regarding the characteristics and performance of the receivables that will differ from the actual characteristics and performance of the receivables. You should be sure you understand these assumptions when reading the CPR tables.**

Calculations of the estimated weighted average life of the notes are derived from information provided by Ford Bank.

## **USE OF PROCEEDS**

The net proceeds from the sale of the notes issued (€[•]) will be used by the issuer to purchase the receivables from Ford Bank.

The initial purchase price paid for the receivables transferred to the issuer on the closing date will be calculated on the basis of the net present value of the receivables.

## REPORTING OBLIGATIONS OF THE SERVICER

### Monthly Reports

On or about the 10th day of each month, the servicer will prepare and deliver a monthly report to the issuer, the cash manager, the trustee, the security trustee, the collateral agent, the swap counterparty, the principal paying agent and, if requested, the rating agencies. Each monthly report will contain information about payments to be made on the notes on the payment date, the performance of the receivables during the prior month and the status of any credit enhancement. Ford Bank will publish each monthly report on its investor website (<https://www.ford.com/finance/investor-center/asset-backed-securitization>) as well as on the website of European DataWarehouse (<https://editor.euodw.eu/>) as a securitisation repository in accordance with Article 10 of the EU Securitisation Regulation.

A form of the monthly report is in Annex D. The monthly report will contain the following information for each payment date:

- collections on the receivables allocated by interest and principal,
- fees and expenses payable to the trustee, the security trustee, the collateral agent and certain other transaction parties,
- servicing fee payable to the servicer,
- net swap payment payable to the swap counterparty or net swap counterparty receipts payable to the issuer,
- a swap termination payment, if any, payable to or by the swap counterparty,
- amount of interest and principal payable and paid on each class of notes,
- the principal amount of each class of notes at the beginning of the period and the end of the period and the note factors needed to compute the principal amount of each class of notes giving effect to all payments to be made on the payment date,
- the balance of the reserve account (distinguishing the liquidity component and the set-off component) and the amount of any withdrawals from or deposits to the reserve account to be made on the payment date,
- information on the performance of the receivables for the prior month, including the aggregate outstanding receivables balance, collections and the aggregate amount paid by Ford Bank to indemnify or to repurchase ineligible receivables or servicer impaired receivables and the number of receivables remaining in the pool,
- delinquency and loss information on the receivables for the prior month,
- the amount of available funds paid to the seller as deferred purchase price,
- a description of any material changes to the bank working procedures since the previous monthly reporting date, and
- the amount and method of Ford Bank's retained interest including information on which of the modalities provided for in Article 6(3) of the EU Securitisation Regulation and the RTS has been applied.

In addition, Ford Bank will disclose, in the first monthly report, the amount of notes:

- privately placed with investors which are not the seller or (a) the seller's holding companies, (b) the seller's subsidiaries or (c) any other affiliated company as set out in the published accounts of any such company, but excluding any entities that are in the business of investing in securities and whose investment decisions are taken independently of, and at arm's length from, the seller, or the "seller's group",

- retained by the seller or by a member of the seller's group, and
- publicly placed with investors which are not in the seller's group.

Ford Bank will also disclose (to the extent possible), in relation to any amount initially retained by a member of the seller's group, but subsequently placed with investors which are not in the seller's group, such placement in the next monthly report.

In the event any borrower makes any deposit with Ford Bank, Ford Bank will include in the monthly report the amount of deposits from borrowers in respect of the assigned receivables.

The defined terms used in the monthly report are as detailed in this prospectus.

The cash manager will use the monthly report to instruct the paying agent on payments to be made to the noteholders on each payment date. The paying agent will have no obligation to verify calculations made by the servicer.

The monthly report will include a note factor for each class of notes that you can use to compute the portion of the principal amount outstanding on that class of notes each month. The factor for each class of notes is a seven-digit decimal indicating the remaining outstanding principal amount of that class of notes as at the applicable payment date divided by its original principal amount, after giving effect to payments to be made on the payment date. For each note, the portion of the principal amount outstanding on that class of notes can be determined by multiplying the original denomination of that note by the note factor for that class of notes. The factors for each class of notes will initially be 1.0000000 and will decline as the outstanding principal amount of the class declines.

The servicer may amend or supplement the monthly report to comply with the EU Securitisation Regulation Disclosure Requirements.

### **Loan-level Data**

Under the servicing agreement and subject to applicable data protection rules, the servicer will, for as long as the Class A notes or, if possible in compliance with the Eurosystem eligibility criteria in force from time to time, any other Class of notes intended to be held in a manner which will allow Eurosystem eligibility, make loan-level data available in such a manner as required to comply with the Eurosystem eligibility criteria as set out in Annex 8 (Loan-level data reporting requirements for asset-backed securities) of the Guideline of the European Central Bank of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (recast) (ECB/2014/60) as amended.

### **EU Securitisation Regulation**

Pursuant to Article 22(5) of the EU Securitisation Regulation, Ford Bank, the originator, is responsible for compliance with Article 7 of the EU Securitisation Regulation. Under the receivables sale agreement, the seller and the issuer will designate Ford Bank, the originator, to fulfil the applicable disclosure requirements set out in Article 7(1) of the EU Securitisation Regulation and the related regulatory technical standards adopted by the EU Commission, as well as under any associated ESMA guidelines, or the "EU Securitisation Regulation Disclosure Requirements". Ford Bank's obligations in respect of the EU Securitisation Regulation Disclosure Requirements after the closing date are set out in the servicing agreement and will be performed by Ford Bank in its capacity as servicer.

Under the servicing agreement, Ford Bank in its capacity as servicer will, ensuring such information is complete and consistent pursuant to Article 9 of the Commission Delegated Regulation (EU) 2020/1224 of 16 October 2019 supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards specifying the information and the details of a securitisation to be made available by the originator, sponsor and SSPE, or the "Disclosure RTS":

- (i) publish at least quarterly an investor report as required by and in accordance with Article 7(1)(e) of the EU Securitisation Regulation using the relevant Annex specified in Article 3(1) of the Disclosure RTS applicable to the issuer, the seller and the receivables, and

- (ii) publish at least on a quarterly basis certain loan-by-loan information in relation to the receivables, as required by and in accordance with Article 7(1)(a) of the EU Securitisation Regulation using the relevant Annex specified in Article 2(1) of the Disclosure RTS applicable to the issuer, the seller and the receivables,

which will be published simultaneously on the relevant monthly reporting date, which will be at the latest one month after the relevant payment date,

- publish without delay any information required to be published in accordance with Article 7(1)(f) of the EU Securitisation Regulation,
- publish without delay any significant event including any significant events described in Article 7(1)(g) of the EU Securitisation Regulation, and
- make available, as from the closing date, copies of the relevant transaction documents and this prospectus.

The servicer will publish or make otherwise available the reports and information referred to above as required under Article 7 and Article 22 of the EU Securitisation Regulation on the website of European DataWarehouse (<https://editor.eurodw.eu/>) as a securitisation repository in accordance with Article 10 of the EU Securitisation Regulation.

The servicer will make the information referred to above available to the noteholders, relevant competent authorities referred to in Article 29 of the EU Securitisation Regulation and, upon request, to potential investors in the notes.

Prior to the pricing of the notes, Ford Bank will make available (i) the information required pursuant to Article 7 of the EU Securitisation Regulation, (ii) the information required pursuant to Article 22(1) of the EU Securitisation Regulation set out in Annex C of this prospectus and (iii) a liability cash flow model as referred to in Article 22(3) of the EU Securitisation Regulation to potential investors upon their request.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above for the purposes of complying with Article 5 of the EU Securitisation Regulation and none of the issuer, Ford Bank, the joint arrangers or the joint lead managers makes any representation that the information described above is sufficient in all circumstances for such purposes. UK institutional investors in particular should refer to "*Risk Factors - Investor compliance with due diligence requirements under the UK Securitisation Regulation*".

Under the servicing agreement, the servicer will also undertake to notify the issuer and the trustee, and to cause the issuer to notify the noteholders of any updated information that becomes available related to the environmental performance of the financed vehicles in accordance with Article 22(4) of the EU Securitisation Regulation.

*For more information about the obligations of the servicer, you should read "Principal Transaction Documents — Servicing Agreement".*



## SOME IMPORTANT LEGAL CONSIDERATIONS

The structure of the issue of the notes and the ratings which are to be assigned to them are based on English law, German law and Dutch law as at the date of this prospectus. *For more information, you should read "Risk Factors — Increased regulation and changes of law".*

### Restriction on Assignment

If Ford Bank has agreed or agrees with a borrower on restrictions on the assignment of the receivables, such receivables may not be validly assigned to the issuer under the receivables sale agreement. Any assignment of a receivable which contravenes such restriction on assignment generally will be invalid. Where such loan agreement is entered into with a company, merchant or sale trader as borrower, such assignment would not be invalid, but such borrower may continue to repay the loan to Ford Bank with discharging effect, notwithstanding notice of assignment being given to it. The terms of Ford Bank's standard loan agreements, however, do not prohibit Ford Bank from assigning rights under such standard loan agreements.

### Termination of Loan Agreements

In general, the loan agreements may be terminated by either party during the agreed term of the loan for good cause (*wichtiger Grund*). Termination of contracts with continuing obligations such as loan agreements for good cause is permitted under the German civil code if the non-defaulting party cannot be expected to continue the contract.

Ford Bank is explicitly allowed to terminate the loan agreement for any of the following good causes:

- a loan instalment is 30 days in arrears, unless the loan agreement is with a consumer or founder of a new business (which is likely to be the case for a large portion of the portfolio), in which case termination is allowed after the requirements of paragraph 498 of the German civil code are fulfilled (loan instalments are two or more months in arrears and 10% of the original sum of all gross loan instalments are in arrears or, if the term of the loan agreement is longer than 36 months, 5% of the original sum of all gross loan instalments are in arrears) and the statutory final reminder announcing the forthcoming termination of the loan has been sent to the borrower,
- there is or threatens to be a substantial deterioration in the financial condition of the borrower or in the value of a security given for the loan (e.g. the vehicle) as a result of which the repayment of the loan is jeopardised even on realisation of the security.

Ford Bank's right to terminate the loan agreement is limited in case of insolvency.

*For more details, you should read "Seller and Servicer — Servicing and Collections — Bankrupt and Insolvent Accounts".*

According to the loan terms and conditions, if the borrower is a consumer or founder of a new business such borrower is permitted to terminate the loan agreement at the end of six months after complete disbursement of the loan, observing a notice period of three months, or to prepay the loan in whole or in part at any time. In the case of such early termination or prepayment, the borrower is not required to reimburse Ford Bank for any break cost incurred.

### Consumer protection

In respect of loan agreements entered into with (i) a consumer or (ii) an entrepreneur who enters into the loan contract to take up a trade or self-employed occupation while the net loan amount does not exceed EUR 75,000, sections 491 et seqq. of the German civil code and Article 247 of the Introductory Act to the German civil code (*Einführungsgesetz zum Bürgerlichen Gesetzbuch*), as amended from time to time, would apply and would have, among others, the following consequences.

The lender must provide the borrower with substantial information in respect of the loan prior to the conclusion of the loan agreement (including a standardised information memorandum and reasonable

additional information enabling the borrower to decide on whether to conclude the loan agreement or not) and certain information in the loan agreement itself. As part of its origination standards, Ford Bank procures that the borrowers are provided with such information before applying for a loan. In particular, according to German consumer credit laws, loan agreements must provide for information on termination rights and the procedures for the termination of the loan. The forms of loan agreements used by Ford Bank comply with these requirements. However, such provisions are only relevant when break costs are charged if a loan is prepaid. Since Ford Bank does not charge break costs to borrowers who are consumers, its loan agreements are not impacted by such legislation.

Further, the terms of the loan agreement must permit the consumer in a clear and transparent way to withdraw from the agreement within 14 days after conclusion of the loan agreement and set out the legal consequences of such withdrawal and the address to which the notice of withdrawal has to be sent. If the consumer withdraws from the loan agreement he is also released from his obligation to purchase the vehicle under the purchase contract with the dealer and may return the vehicle. In a recent decision, the court of justice of the European Union held that the sole reference to the relevant section in national law setting out the form and information requirements (for Germany section 492 of the German civil code) is not sufficient information in order for a consumer to be able to calculate the 14 days under Article 10(2)(p) of Directive 2008/48/EG (EuGH, 26.3.2020 – C-66/19). However, the German federal court of justice clarified in recent orders (*Beschlüsse*) that the decision of the court of justice of the European Union does not apply to loan agreements which comply with the information required to be given pursuant to section 6(2) of Article 247 of the German Introductory Act to the German civil code (BGH - XI ZR 372/19 and BGH - XI ZR 198/19). On 15 June 2021, the form of withdrawal notice included in the German Introductory Act to the German civil code was amended by a law aiming to conform the statutory form of withdrawal notice to the requirements of EU consumer law. However, in a further judgment, the court of justice of the European Union held that the mandatory information (*Pflichtangaben*) in consumer loan agreements, *inter alia*, (i) must specify the rate of default interest (*Verzugzinssatz*) applicable at the time of the conclusion of the consumer loan agreement as a specific percentage and the mechanism of adjustment of the default interest (*Verzugzinssatz*) must be described in a comprehensible manner, (ii) must describe the method for calculating the breakage costs (*Vorfälligkeitsentschädigung*) in a specific and easily comprehensible manner, so that an average consumer can determine the amount of the breakage costs on such basis and (iii) must specify the essential information on any out-of-court complaint or redress procedures (*außergerichtlichen Beschwerde-oder Rechtsbehelfsverfahren*) available to the consumer and, where applicable, the costs associated therewith and certain other formalities in respect of which the complaint or redress is subject (court of justice of the European Union ruling in the related matters C-33/20, C-155/20 and C-187/20 dated 9 September 2021 as confirmed by court of justice of the European Union ruling in the related matters C-38/21, C-47/21 and C-232/21 dated 21 December 2023). In the event of absence of such information, the 14 days withdrawal period will not commence and the consumer may withdraw from the loan agreement at any time.

In a recent decision, the German Federal Court of Justice (*Bundesgerichtshof*, judgment dated 27 February 2024 - XI ZR 258/22) ruled that the withdrawal period in the case of incomplete or incorrect information starts to run only if the incompleteness or incorrectness of such information is not likely to affect the consumer's ability to assess the extent of their rights and obligations arising from the loan agreement, or their decision to conclude the contract.

The Federal Court of Justice further ruled, in view of the court of justice of the European Union's ruling of 21 December 2023, that missing, incorrect or invalid information on the calculation method of the claim for early repayment compensation does not prevent the commencement of the 14 days withdrawal period as such incorrect statement regarding the calculation of the early repayment compensation only leads to the exclusion of the claim for early repayment compensation. With regard to out-of-court complaint and redress procedures, the Federal Court of Justice further ruled that missing, incorrect or invalid information on such procedures and their formal requirements will prevent the commencement of the 14 days withdrawal period.

Consumer finance agreements such as the loan agreements used by Ford Bank must be in writing. Under the German civil code, this formal requirement is satisfied if offer and acceptance are declared in writing in separate documents or in one document. Ford Bank uses separate documents. Following the signing by a borrower of a loan application and Ford Bank's approval of such application, the borrower

is provided with a separate acceptance letter from Ford Bank which is signed by the borrower also to confirm receipt.

If a loan agreement does not comply with the relevant form and information requirements under section 492 of the German civil code, the consumer may withdraw from the loan agreement and return the vehicle at any time during the term of the loan without break costs. The information given in most of Ford Bank's standard form loan agreements corresponds with the sample information provided for in section 6 of Article 247 of the German Introductory Act to the German civil code. However, as set out above, German courts have adopted strict standards with regard to the information and the withdrawal instruction to be provided to consumers. Due to the strict standards applied by the courts, it cannot be excluded that a German court might consider the form and content of the loan agreements used by Ford Bank as falling short of the statutory requirements.

An exception to the rule that a loan would be generally invalid if a loan agreement does not comply with the relevant form and information requirements under section 492 of the German civil code is likely to apply when the following conditions have been met (it is arguable whether all conditions must be met at the same time): (i) the borrower has entered into the purchase agreement with the supplier of the financed object, (ii) Ford Bank has paid the purchase price for the vehicle and (iii) the vehicle has been delivered to the borrower (section 494 of the German civil code). If these conditions are met, the loan agreement could become valid, however, depending on which information was missing, with modified terms. Such modifications could affect the enforceability of the corresponding receivables as the case may be, e.g. by a reduction of the payable loan instalments, or with additional rights of the borrower to early terminate the loan agreement as well as with an extension of the withdrawal period with respect to the borrower's right of withdrawal mentioned above.

A borrower is entitled to raise the same objections and defences that it has against Ford Bank under the loan agreement against the issuer in respect of the related property resulting from such loan agreement.

**Right to refuse repayment under connected contracts.** In case of loan agreements granted for the purpose of financing the purchase price owed by the borrower under a purchase contract where the borrower is a consumer, there is a risk that the provisions on connected contracts under paragraphs 358 *et seq.* of the German civil code apply. Under these provisions, the borrower has the right to raise any objections and defences arising under the vehicle purchase agreement and under the connected loan agreement also. Consequently, the borrower may refuse repayment of a loan if the borrower would have the right to refuse payment of the purchase price to the seller under the connected contract (e.g. due to a defect of the purchased good). A borrower may refuse to pay the loan instalments to Ford Bank if a defect in a vehicle is not remedied in due course by the respective dealer.

**Repurchase agreement with dealer.** In connection with TCM contracts, a borrower may enter into a repurchase agreement with its dealer under which the dealer is obliged to buy the vehicle from the borrower at a price equal to the amount of the last loan instalment (a balloon payment) when such instalment falls due. The dealer is instructed by the borrower to pay the purchase price directly to Ford Bank. If payment of the purchase price in an amount equal to the balloon payment is made by the dealer the borrower is released from its obligation to pay such instalment. However, if no payment is made by the dealer or if the amount paid is less than the amount of the balloon payment the borrower remains liable to Ford Bank. A German court has found in a similar case that due to such repurchase agreement, the borrower may be released from payment of the balloon payment by returning the vehicle irrespective of any payment by the dealer to the bank. However, in its decision the court argued that both the loan agreement and the repurchase agreement were printed on the bank's stationery and the two contracts were advertised by the bank as a combined product. Such circumstances are not applicable to Ford Bank as the repurchase agreement is entered into only by the dealers and the advertising of Ford Bank differs substantially from that in the case decided by the court.

**Mandatory credit assessment.** The seller is obliged to conduct a mandatory credit assessment of the borrower and the seller will only be entitled to enter into a loan agreement if the outcome of such credit assessment is that the borrower will be able to perform its duties under such loan agreement. If the seller does not conduct such credit assessment of the borrower the interest rate of the loan agreement will be reduced to the market interest rate (*marktüblicher Zinssatz*) and the borrower has a right to early termination (*vorzeitige Kündigung*), if relevant. Furthermore, if the borrower is unable to

perform its duties under the loan agreement the seller will not be entitled to assert any claims subject to such breach of duty if the seller entered into the loan agreement without conducting a prior credit assessment.

## **Insurance**

Each loan agreement requires the borrower to take out comprehensive motor insurance and to assign to the seller the proceeds of any claim for the loss, theft or damage beyond repair of the financed vehicle, and to pay such proceeds over to the seller in part settlement of the relevant loan agreement.

Because Ford Bank does not track that insurance is maintained on the financed vehicle, it is not certain whether such insurance is in place or that it is effectively assigned by way of security to the issuer or that Ford Bank will receive any moneys from such insurance.

At their option, the borrowers under the loan agreements may take out payment protection insurance to finance repayment of the relevant loan agreement in the event of death or critical illness and to finance their periodic payments under the loan agreement in the event of injury and illness and/or unemployment.

At their option, the borrowers under the loan agreements may also take out GAP insurance to insure against the underlying vehicle suffering a total loss for insurance purposes and the amount recovered under the borrower's vehicle insurance policy being less than the greater of the amount payable under the finance contract and the original purchase price for the vehicle.

Both payment protection insurance and GAP insurance policies name Ford Bank as a beneficiary however, such insurance policies may be terminated by the relevant borrower at any time without payment or penalty.

## **Banking secrecy and data protection**

Restrictions on assignment in respect of the receivables could result from the seller's obligation to comply with banking secrecy (*Bankgeheimnis*) obligations and to keep borrowers' loan information confidential. The Frankfurt Court of Appeal ruled in a judgment of 25 May 2004 that the assignment of consumer loan receivables constitutes a violation of banking secrecy and is void, as it contravenes a contractual prohibition of assignment implied in banking secrecy. However, on 25 November 2004, the District Court Koblenz and on 17 December 2004 the District Court Frankfurt took the opposite view and ruled that German banking secrecy principles will not result in a contractual prohibition to transfer consumer loan receivables.

The German Federal Supreme Court (*Bundesgerichtshof*) held in a judgment of February 2007 that the assignment of loan receivables is valid even if the assigning bank violates either banking secrecy rules or data protection rules. However, the Federal Supreme Court left it open as to whether the debtor could have a claim for damages resulting from the violation of the banking secrecy or the data protection rules. The German Federal Constitutional Court (*Bundesverfassungsgericht*) confirmed this judgment in a decree of July 2007 and held that in the case of the assignment of receivables the related transfer of debtor information does not contravene constitutional rights of the borrower.

In order to mitigate the risk of a possible claim for damages from borrowers for breach of banking secrecy rules and/or data protection rules, the transaction documents provide for the transfer of borrower-related personal data to the issuer and the collateral agent in a manner closely resembling the data protection structure described in the guidelines of the BaFin for asset-backed transactions in BaFin Circular 4/97 (*Rundschreiben 4/97*) and BaFin letter BA 37-FR 1903-2007/0001. This includes the implementation of a data custody structure and the obligation to encrypt borrower related personal data. Under the data custody agreement, the issuer, the seller and the data agent have agreed that the key required to decrypt the required personal data including the identity and address of each borrower and provider of collateral is not to be sent to the issuer on the closing date but only to the data agent. The data agent will safeguard the key and may provide the key to certain other transaction parties only upon the occurrence of certain events (see "*Principal Transaction Documents — Data Custody Agreement*"). Notwithstanding that, according to the German Federal Court of Justice (*Bundesgerichtshof*), the banking secrecy duties and the German Federal Data Protection Act (*Bundesdatenschutzgesetz*) do not create an implied restriction on the assignability of loan receivables.

On 25 May 2018, Regulation (EU) 2015/679 of the European Parliament and of the Council of 27 April 2016, or the "General Data Protection Regulation", came into force and, together with the Data Protection Amendment and Implementation Act (*Datenschutzanpassungs- und Umsetzungsgesetz*), which implements Directive (EU) 2016/680 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data, replaced the German Federal Data Protection Act (*Bundesdatenschutzgesetz*).

Pursuant to the General Data Protection Regulation, the transfer and processing of personal data is permitted only if the relevant data subject has consented to such transfer or if such transfer is necessary (i) for the performance of a contract to which the data subject is party or (ii) for the purposes of the legitimate interests pursued by the controller or by a third party, except where such interests are overridden by the interests or fundamental rights and freedoms of the data subject which require protection of personal data.

However, it should be noted that no final guidance by any statutory or judicial authority exists regarding the manner in which an assignment of loans claims must be made in order to comply with the banking secrecy rules, or supporting the view that compliance with the procedures set out in the BaFin Circular 4/97 and its corresponding publications prevents a violation of the banking secrecy rules and the General Data Protection Regulation. Therefore, at this point there remains some uncertainty to predict the potential impact on this securitisation transaction.

### **Application of English insolvency law to the issuer**

On 31 December 2020, or the "IPCD", Regulation (EU) 2015/848 of 20 May 2015 on insolvency proceedings (recast), or the "Recast Insolvency Regulation", was onshored and amended under the Insolvency (Amendment) (EU Exit) Regulations 2019 (as amended), the "Retained Insolvency Regulation". As a consequence of (a) the United Kingdom ceasing to be a Member State of the European Union and (b) the implementation of the Retained Insolvency Regulation:

- insolvency proceedings commenced in the United Kingdom will no longer be classified as main proceedings, secondary proceedings or territorial proceedings as those terms are defined in the Recast Insolvency Regulation,
- the United Kingdom is no longer subject to the Recast Insolvency Regulation,
- the United Kingdom is not required, under the Retained Insolvency Regulation, to recognise automatically insolvency proceedings started in EU Member States which would, under the Recast Insolvency Regulation, be classified as main, secondary or territorial proceedings, and
- EU Member States are not required to recognise automatically insolvency proceedings started in the United Kingdom that would, prior to the IPCD, have been classified as main, secondary or territorial proceedings.

The issuer is incorporated in, and has covenanted that its centre of main interests, or "COMI", is in, The Netherlands. However, it is possible that the issuer may become subject to insolvency proceedings in England and Wales.

**Administration.** An administrator may be appointed in relation to a company incorporated outside the United Kingdom provided either (a) the company is incorporated in an EEA State; or (b) the company is not incorporated in an EEA State but has its COMI in an EU Member State (other than Denmark) or in the United Kingdom. If the above criteria are met, an administrator could be appointed in relation to the issuer.

**Company voluntary arrangements.** The directors of a company which is incorporated outside the United Kingdom but which is (a) incorporated in an EEA State; or (b) not incorporated in an EEA State but has its COMI in an EU Member State (other than Denmark) or in the United Kingdom, may make a proposal under Part 1 of the Insolvency Act 1986 to the company and to its creditors for a composition in satisfaction of its debts or a scheme of arrangement of its affairs (section 1 of the Insolvency Act

1986). It is therefore possible that the directors of the issuer could propose an English company voluntary arrangement.

**Liquidation.** An overseas company can be wound up by the English courts as an unregistered company under Part V of the Insolvency Act 1986 if (a) the company is dissolved, or has ceased to carry on business, or is carrying on business only for the purpose of winding up its affairs, (b) the company is unable to pay its debts; or (c) the court is of the opinion that it is just and equitable that the company should be wound up. However, the court will not exercise its jurisdiction to wind up an overseas company as an unregistered company unless at the time proceedings are opened:

- the company has a sufficient connection with England and Wales,
- there is a reasonable possibility, if a winding-up order is made, of benefit to those applying for the winding-up order, and
- one or more persons interested in the distribution of assets of the company is a person over whom the court can exercise a jurisdiction.

**Moratorium.** Part A1 of the Insolvency Act 1986 enables an eligible company, in certain circumstances, to obtain a moratorium, giving it various protections from creditors. The provisions apply to companies which are eligible companies. The definition of "company" in section A54 of the Insolvency Act 1986 includes an unregistered company that may be wound up under Part V of the Insolvency Act 1986 (as described in more detail above). *For more details, you should read "Corporate Insolvency and Governance Act 2020 – Moratorium" below.*

Under Article 1 of the Retained Insolvency Regulation, provided the proceedings are opened for the purposes of rescue, adjustment of debt, reorganisation or liquidation, a company can go into administration, be wound up by the court, enter a creditor's voluntary liquidation with confirmation by the court or enter into a company voluntary arrangement if the company either (1) has its COMI (as defined in Article 3(1) of the Retained Insolvency Regulation) in the United Kingdom or (2) has its COMI in an EU Member State and an establishment (as defined in Article 2 of the Retained Insolvency Regulation) in the United Kingdom. Whether or not the issuer has an "establishment" in the United Kingdom will be a question of fact. An "establishment" must be a place where the debtor carries out (or has carried out in the three month period prior to the request to open main insolvency proceedings) non-transitory economic activity with human means and assets. These grounds for jurisdiction to open insolvency proceedings are in addition to any grounds for jurisdiction to open such proceedings which apply in the laws of any part of the United Kingdom.

As the United Kingdom is no longer a Member State of the European Union, EU Member States are not required to recognise insolvency proceedings started in the United Kingdom under the Recast Insolvency Regulation. Where the company which is subject to the insolvency process has assets which are located in an EU Member State, it will be a matter of local law whether the office-holder has the ability to deal with assets located in that jurisdiction as part of the insolvency proceedings.

### **Corporate Insolvency and Governance Act 2020 – Moratorium**

The provisions set out in Part A1 of the Insolvency Act 1986 (inserted by section 1 of the Corporate Insolvency and Governance Act 2020, or the "CIGA") enable an eligible company, in certain circumstances, to obtain a moratorium, giving it various protections from creditors.

Schedule ZA1 to the Insolvency Act 1986 (inserted by Part A2 and Schedule 1 of the CIGA 2020) contain provisions for determining whether a company is eligible for a moratorium. They provide that a company is excluded from being eligible if, among other things, on the date of filing for the moratorium, (a) it is a party to an agreement which is or forms part of a "capital market arrangement"; (b) a party has incurred, or when the agreement was entered into was expected to incur, a debt of at least £10 million under the arrangement; and (c) the arrangement involves the issue of a capital market investment:

- in respect of (a), an arrangement is a "capital market arrangement" if it includes at least one of several specified characteristics, including a grant of security to a trustee for the benefit of a person who holds a capital market investment issued by a party to that arrangement,

- in respect of (b), in order to qualify under the capital market arrangement exclusion, "a debt of at least £10 million" must be incurred or be expected to be incurred. It is not entirely clear whether, in order to qualify for the exclusion, it is necessary for there to be an individual debt of at least £10 million, or whether notes of the same class issued to different holders for an aggregate amount of £10 million or more will satisfy this test. The statutory presumption is that the singular includes the plural unless the contrary appears (section 6 of the Interpretation Act 1978) and it appears very unlikely that the presumption will be displaced in this context, and
- in respect of (c), Paragraph 14 of Schedule ZA1 to the Insolvency Act 1986 provides that an investment is a capital market investment if, among other things it is (a) within article 77 of the Regulated Activities Order (debt instruments) or (b) rated, listed or traded or designed to be rated, listed or traded. Article 77(1) of the Regulated Activities Order includes "bonds... and any other instrument creating or acknowledging indebtedness".

To the extent that the Insolvency Act 1986 applies to the issuer, the issuer is likely, on the basis of the above, not to be eligible to obtain a moratorium as a party to a capital market arrangement.

It should be noted that the Secretary of State may, by secondary legislation, alter circumstances in which a company is "eligible" for the purposes of Part A1. No assurance can be given that any such modification or provision would not affect the interests of the noteholders, but it is unlikely that it would have retrospective effect. The CIGA is new legislation and there is limited case law on the effect of its provisions. If a moratorium were obtained in respect of the issuer notwithstanding the exclusion for capital market arrangements outlined above, this would negatively impact the position of noteholders who would not, for instance, be able to institute, carry out or continue legal proceedings against the issuer (subject to the limited exceptions specified section A21(1)(e) of the Insolvency Act).

### **Recharacterisation of assignment as floating charge**

In order to constitute a legal assignment, an assignment must comply with all of the requirements of section 136 of the Law of Property Act 1925, including not being a conditional assignment. The assignment contained in the deed of charge is likely to be considered to be a conditional assignment, as the notice of assignment to the parties to the relevant contracts instructs them to continue to perform their obligations under such relevant contracts in favour of the issuer, rather than the security trustee. Hence, notwithstanding that the deed of charge purports to create a notified assignment of the relevant contracts, there is a risk that the English courts would recharacterise such assignment as a floating charge, particularly because of its conditional nature and due to an insufficient degree of control being exercised by the security trustee pursuant to the deed of charge.

### **Receiver as Agent**

A receiver of a company would generally be the agent of the company until its liquidation and therefore, while acting within his powers, only incurs liability on behalf of the company. If, however, the receiver's appointer unduly directed or interfered with or influenced the receiver's actions, a court may decide that the receiver was the agent of its appointer and that its appointer should be responsible for the receiver's acts and omissions. Following an event of default, the security trustee may appoint a receiver for the issuer under the deed of charge. Payments to, among others, the security trustee (who each have the right to receive remuneration, reimbursement for its expenses and an indemnity for its potential liabilities) will rank ahead of the interest and principal due under the notes. Accordingly, should a security trustee become liable for the acts of such a receiver, the amount that would otherwise be ultimately available for payment under the notes may be reduced.

### **Validity of Contractual Priority of Payments**

The validity of contractual priority of payments such as those contemplated in this securitisation transaction has previously been challenged in the English and U.S. courts in connection with the insolvency of a secured creditor (namely, the swap counterparty). These proceedings considered whether such payment priorities breached the anti-deprivation principle under English and U.S. insolvency law (referred to as *ipso facto* clauses in the U.S.). These rules prevent a party from enforcing a provision that deprives its counterparty's creditors of an asset (or in the U.S. which also triggers a default) solely as a result of the counterparty's insolvency.

In England, the rule established by the House of Lords in *British Eagle International Airlines Ltd v Compagnie Nationale Air France* [1975] 1 WLR 758 HL was that on bankruptcy or liquidation, the assets of an insolvent debtor are not to be removed from the insolvent estate but are to be available for distribution among the general body of the debtor's creditors.

In *Perpetual Trustee Co Ltd v BNY Corporate Trustee Services Ltd* (2009) EWCA Civ 1160, it was argued that, following the rule in *British Eagle*, the provisions under which a secured creditor had subordinated itself to noteholders on the insolvency of that secured creditor should be void because the secured creditor would as a consequence have deprived its own creditors of the secured asset. The Court of Appeal dismissed this argument and upheld the validity of the priority of payments provisions, stating that the anti-deprivation principle was not breached by such provisions on the facts of the case.

The Supreme Court has since upheld the findings of the Court of Appeal. In *Belmont Park Investments Pty Limited & Others v BNY Corporate Trustee Services Limited and Lehman Brothers Special Financing Inc.* [2011] UKSC 38 the court considered payment priorities which "flipped" the priority position of the swap counterparty on that counterparty defaulting under the interest rate swap agreement. The Supreme Court held that the provisions of the interest rate swap agreement were enforceable. The Supreme Court strongly stated that the anti-deprivation principle should have a "common sense application which prevents its application to *bona fide* commercial transactions which do not have as their predominant purpose, or one of the main purposes, the deprivation of the property of one of the parties on bankruptcy."

While the ruling of the U.S. Bankruptcy Court for the Southern District of New York on this issue was once directly at odds with the judgment of the English Courts, that court distinguished its prior decisions in a recent June 2016 opinion, *Lehman Brothers Special Financing Inc. v Bank of America National Association, et al.* (No. 10-03547 (SCC)) (*In re Lehman Bros. Holdings, Inc.*). In that case, the court found, among other things, that provisions in an interest rate swap agreement that established the priority of distributions to a swap participant at the time an early termination occurred resulting from the filing of a bankruptcy case, were not prohibited *ipso facto* clauses under the U.S. Bankruptcy Code and were enforceable against the debtor. In contrast, in the court's prior decisions, the priorities at issue there were established at the time the swaps were entered into and then later reversed as a result of an early termination caused by the filing of a bankruptcy case. Therefore, the court held in those cases that such provisions were prohibited *ipso facto* clauses. Consistent with its prior rulings, the court also ruled in its June 2016 decision that certain other transactions at issue in that case involving the reversing of pre-determined priorities resulting from the filing of a bankruptcy case also violated the *ipso facto* prohibitions under the U.S. Bankruptcy Code. The June 2016 decision was affirmed on 14 March 2018 by the U.S. District Court for the Southern District of New York, which 2018 decision was further affirmed on 11 August 2020 by the U.S. Court of Appeals for the Second Circuit. The implications of this conflict remain unresolved.

If a creditor of the issuer (such as the swap counterparty) or a related entity becomes subject to insolvency proceedings in a jurisdiction outside England and Wales, and it is owed a payment by the issuer (such as a termination payment due under the interest rate swap agreement which purports to have been subordinated as a result of the swap counterparty's insolvency), it is not certain whether the insolvent creditor or an insolvency official appointed for that creditor could successfully challenge either the validity or enforceability of subordination provisions included in the English law governed transaction documents. An example would be a provision relating to the ranking in the priority of payments of the swap counterparty's payment rights under the interest rate swap agreement.

Additionally, it is not certain whether such subordination provisions would be upheld under the insolvency laws of England and Wales or a relevant jurisdiction outside England and Wales. If the courts of a jurisdiction outside England and Wales do not uphold such provisions, it is unclear whether and to what extent the relevant proceedings and corresponding findings would be recognised by the English courts. While the English courts have to date been generally supportive of subordination arrangements, it is not certain whether such support would be maintained in a case where the English court is co-operating with the courts in another jurisdiction in a cross-border insolvency case.

*For more information, you should read "Risk Factors — Validity of contractual priority of payments".*

## **Risk of re-characterisation of the transaction as a loan secured by receivables**



The transaction is structured to qualify under German law as an effective true sale of the receivables under the receivables sale agreement from the seller to the issuer. However, there are no statutory or case law based tests with respect to when a sale of receivables forming a part of a securitisation transaction qualifies as a true sale or as a secured loan. Therefore, there is a risk that a court could re-characterise the sale of the receivables under the receivables sale agreement as a loan granted from the issuer to the seller secured by an assignment by way of security of the receivables. In such case, in insolvency proceedings relating to the seller and/or the servicer under German law, the issuer will not have a right of segregation (*Aussonderungsrecht*) of the receivables but a right to preferential satisfaction (*Absonderungsrecht*) according to sections 166 et seq. and section 51(1) of the German Insolvency Code (*Insolvenzordnung*) with the following consequences.

In the event of a re-characterisation of the sale as a secured loan, an insolvency administrator of the seller as assignor of the receivables would be authorised by German law to enforce and realise the receivables and, at the same time, the issuer would be barred from enforcing the receivables assigned to it. Although the insolvency administrator would be obliged to transfer the proceeds of the realisation of the assigned receivables to the issuer, it would control the way and manner of enforcement and would be entitled to deduct from the enforcement proceeds a flat fee of 4% of the realisation proceeds for assessing the security rights to the receivables plus a further fee of 5% of the enforcement proceeds as compensation for the costs of enforcement. If such enforcement costs are considerably higher or lower than 5% of the enforcement proceeds, the compensation for the enforcement costs may be increased or decreased, as the case may be. If the enforcement is subject to VAT, the insolvency administrator may also withhold VAT on such amounts. Similar cost sharing provisions apply in respect of the realisation of the financed vehicles in which the seller holds a security interest granted to it by the borrowers (and which the seller will transfer to the issuer and the issuer will immediately on-transfer to the collateral agent).

According to section 166(3) of the German Insolvency Code (*Insolvenzordnung*), the insolvency administrator's enforcement rights, as described in the preceding paragraph, do not apply to financial collateral within the meaning of Section 1(17) KWG and Article 1(1) of Directive 2002/47/EC of the European Parliament and of the Council of 14 June 2006, as amended, or the "Collateral Directive". Financial collateral also includes credit claims, within the meaning of Article 2(1) lit. (o) of the Collateral Directive, assigned for security. Credit claims in turn include contract based claims, such as loan receivables, by credit institutions within the meaning of Article 4(1) lit. (a)(i) of Directive 2006/48/EC of the European Parliament and of the Council of 14 June 2006. As the seller is such a credit institution, the receivables qualify as credit claims and serve as financial collateral once they are assigned for security. Moreover, pursuant to a ruling (Private Equity Insurance Group SIA v Swedbank AS [2016] EUJ C-156/15 (10 November 2016) (Curia)) from the Court of Justice of the European Union, or the "ECJ", financial collateral must be delivered, transferred, held, registered or otherwise designated so as to be in the possession or under the control of the collateral taker or of a person acting on the collateral taker's behalf. The issuer has been advised that there are good reasons to believe that these requirements would be met with respect to assigned receivables if the sale thereof should be re-characterised, as the servicer is appointed to service the assigned receivables on the issuer's behalf. However, given that the ruling of the ECJ was rendered in relation to a pledged bank account, it is uncertain how a court would decide in this matter.

Furthermore, if an insolvency event occurs in respect of the seller and/or the servicer, the issuer may under certain circumstances be able to claim under section 48 of the German Insolvency Code (*Insolvenzordnung*) the right to substitutional segregation (*Ersatz-Aussonderungsrecht*) from the assets involved in the insolvency proceedings, with respect to collections that the insolvency administrator receives for the receivables. This would be the case if subsequent to the opening of such insolvency proceedings, the receivables are collected by the insolvency administrator without authorisation, as long as the consideration continues to exist in a distinct form among the assets involved in the insolvency proceedings. If payments on the receivables have been credited to an account of the seller and/or the servicer, a right to substitutional segregation (*Ersatz-Aussonderungsrecht*) could be reduced by subsequent drawings from such account and would only exist to the extent of the remaining credit balance on such account (after taking subsequent account drawings into consideration). Where a right for substitutional segregation would not exist or be available for the issuer, the issuer would rank as unsecured creditor in relation to amounts standing on credit to the seller's and/or the servicer's accounts.

## **German Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz*) and other restructuring and resolution proceedings**

On 1 January 2015 the German Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz*, or "SAG") came into force implementing provisions of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014, or the "BRRD", as amended by Directive 2017/2399/EU on 28 December 2017, or the "BRRD Amending Directive", and by Directive 2019/879/EU on 27 June 2019, or the "BRRD II" and together with the BRRD and the BRRD Amending Directive, the "BRRD Regime", establishing a framework for the recovery and resolution of credit institutions and investment firms into German national law. The BRRD II has been implemented into German law by the German Risk Reduction Act (*Risikoreduzierungs-gesetz* or "RiG"), which amended, *inter alia*, the SAG. The SAG provides for various actions and measures that can be taken by the BaFin, in order to avoid systemic risks for the financial markets or the necessity of a public bail-out if a credit institution is in financial difficulties. The BaFin could, under certain circumstances, require creditors of such credit institution to "bail-in" by a conversion of their claims into core capital or the reduction of the amount of such claims. The BaFin could also decide to transfer certain assets and liabilities of such credit institution to another entity or a bridge institution or an asset management vehicle under the control of the BaFin.

An institution will be considered as failing or likely to fail according to Article 32 (4) BRRD when (a) it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation, (b) its assets are, or are likely in the near future to be, less than its liabilities, (c) it is, or is likely in the near future to be, unable to pay its debts as they fall due or (d) it requires extraordinary public financial support (except in limited circumstances). The BRRD provides for various actions and measures that can be taken by the resolution authority in order to avoid systematic risks for the financial markets or the necessity of a public bail-out if a credit institution is in financial difficulties.

The BRRD currently contains four resolution tools according to recital 59 being (a) the sale of business tool enables resolution authorities to direct the sale of the institution or parts of its business to one or more purchasers without requiring the consent of the shareholders or complying with the procedural requirements that would otherwise apply, (b) furthermore the BRRD enables resolution authorities to transfer all or part of the business of the firm to another entity or a bridge institution (a public controlled entity holding such business or part of a business with a view to reselling it (Article 40 (2) BRRD)) or an asset management vehicle, (c) the asset separation tool enables resolution authorities to transfer impaired or under-performing assets to an asset management vehicle to allow them to be managed and worked out over time and (d) the bail-in tool gives resolution authorities the power to write-down the claims of unsecured creditors of a failing institution and to convert certain unsecured debt claims to equity, which equity could also be subject to any future cancellation, transfer or dilution by application of such general bail-in tool.

The impact of the BRRD Regime and its implementing provisions on credit institutions (or any other entities which are subject to the BRRD Regime) is unclear. Potential investors in the notes should consider the risk that a holder may lose all or a part of its investment, including the principal and any interests, if the general bail-in tool or any similar statutory loss absorption measures are used.

The SAG is applicable, *inter alia*, with respect to credit institutions within the meaning of Article 4(1) No. 1 of the CRR, that is to every undertaking the business of which is to take deposits or other repayable funds from the public and to grant credit for its own account. SAG therefore applies to the seller and, consequently, the BaFin could take any of the above described measures and actions with regard to the seller if the prerequisites for the taking of reorganisation measures pursuant to the SAG are met. However, even if the seller were in financial difficulties and measures pursuant to the SAG were taken, these measures should only have limited impact on the claims of the issuer against the seller (in its capacity as seller or servicer) because the payment of collections received in respect of the receivables and other claims under the receivables servicing agreement are subject to a trust arrangement (*Treuhandverhältnis*). Therefore, in principle, collections (unless commingled) are subject to substitute segregation (*Ersatzaussonderung*) and would be excluded from any bail-in measures pursuant to Section 91(2) No. 4 SAG. The receivables should not be subject to bail-in pursuant to the SAG as long as the assignment of the receivables from the seller to the issuer is not re-characterised as a secured loan. However, even if the assignment of the receivables were to be re-characterised as a secured loan, claims against the seller would not become subject to bail-in to the extent these claims are secured claims within the meaning of Section 91(2) No. 2 SAG. Consequently, if and to the extent the relevant

claims against the seller are secured by the receivables (including the collateral) they should not be affected by bail-in. Finally, although the issuer would not be in a position to prevent the transfer of any of the seller's assets to another entity, such transfer pursuant to Section 110(1) SAG could only occur in conjunction with a transfer of the security provided and *vice versa*. A separation of the receivables from the collateral should therefore not result from any such transfer (see also Section 110(3) No. 4 SAG).

In addition, the risk of loss for the issuer with regard to its claims against the seller due to a bail-in or other measures under the SAG is further mitigated as pursuant to Section 97 SAG, the claims of the issuer against the seller would only become subject to a bail-in after the equity and capital positions set out in Section 90(1) No. 1 through 3 SAG have been exhausted, and Section 147 SAG provides creditors with a compensatory claim against the restructuring fund pursuant to Section 8 of the Restructuring Fund Act (*Restrukturierungsfondsgesetz*) if and to the extent the restructuring measures under the SAG put them in a worse position than they would have been in if insolvency proceedings had been opened over the assets of the relevant credit institution.

However, absent any court rulings which explicitly confirm the above analysis, there remains legal uncertainty.

### **Basel Capital Accord and regulatory capital requirements**

The regulatory capital framework published by the Basel Committee on Banking Supervision, or the "Basel Committee", in 2006, or the "Basel II framework" has not been fully implemented in all participating countries. The implementation of the framework in relevant jurisdictions may affect the risk-weighting of the notes for investors who are or may become subject to capital adequacy requirements that follow the framework.

The Basel Committee has subsequently approved significant changes and extensions to the Basel II framework (such changes and extensions being commonly referred to as "Basel III"), including new capital and liquidity requirements intended to reinforce capital standards and to establish minimum liquidity standards for credit institutions. In particular, the changes refer to, amongst other things, new requirements for the capital base (including an increase in the minimum Tier 1 capital requirement), measures to strengthen the capital requirements for counterparty credit exposures arising from certain transactions and the introduction of a leverage ratio as well as short-term and longer-term standards for funding liquidity (the latter being referred to as the "Liquidity Coverage Ratio" and the "Net Stable Funding Ratio" respectively). The European authorities have now incorporated the Basel III framework into EU law, primarily through Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directive 2006/48/EC and 2006/49/EC (Capital Requirements Directive or "CRD"), as amended by Directive (EU) 2019/878 of 20 May 2019 (the "CRD V"), and Regulation (EU) No.575/2013 of 20 June 2013 (the "CRR") as amended by the CRR Amending Regulation (as defined below) and as amended by Regulation (EU) 2019/876 of 20 May 2019 (the "CRR II"). The changes under CRD V and Basel III, which recently entered into force, may have an impact on the capital requirements in respect of the notes and/or on incentives to hold the notes for investors that are subject to requirements that follow the relevant framework and, as a result, may affect the liquidity and/or value of the notes.

Additionally, in accordance with Article 460 of the CRR, on 17 January 2015, the Commission Delegated Regulation (EU) No 2015/61 of 10 October 2014 with regard to liquidity coverage requirement for Credit Institutions to supplement Regulation (EU) No 575/2013 of the European Parliament and of the Council or the "LCR Regulation", was published in the Official Journal of the European Union, and this subsequently entered into force on 1 October 2015. The LCR Regulation sets out assumed asset inflow and outflow rates to better reflect actual experience in times of stress. Further, it sets out the EU application of the Liquidity Coverage Ratio, and defines specific criteria for assets to qualify as "high quality liquid assets", the market value of which will be used by credit institutions for the purposes of calculating their relevant Liquidity Coverage Ratio. The criteria for high quality liquid assets are not entirely consistent with recent market standards and, given the lack of guidance on the interpretation of the LCR Regulation, no assurance can be given as to whether the notes qualify as high quality liquid assets in each participating Member state of the European Union and the issuer makes no representation as to whether such criteria are met by the notes.

On 30 October 2018, Delegated Regulation (EU) 2018/1620 amending the LCR Regulation, or the "LCR Delegated Regulation", was published in the Official Journal of the European Union and subsequently entered into force on 19 November 2018, pursuant to which, *inter alia*, (i) the calculation of the expected liquidity outflows and inflows on repurchase agreements, reverse repurchase agreements and collateral swaps will be aligned with the international liquidity standard developed by Basel Committee on Banking Supervision; (ii) the treatment of certain reserves held with third-country central banks will be amended and exposure to securitisation transactions, which qualify as simple, transparent and standardised securitisations in accordance with the EU Securitisation Regulation, will qualify as Level 2B high quality liquid assets, if they additionally fulfil the conditions laid down in Article 13 of the LCR Regulation. The LCR Delegated Regulation has applied since 30 April 2020.

On 28 December 2017 Regulation (EU) 2017/2401 amending Regulation (EU) 575/2013, or the "CRR Amending Regulation", was published in the Official Journal of the European Union, the CRR Amending Regulation was intended to implement the revised securitisation framework developed by the Basel Committee on Banking Supervision.

Notably, the risk weights applicable to securitisation exposures for credit institutions and investment firms will in general increase substantially under the new securitisation framework implemented under the CRR Amending Regulation and the EU Securitisation Regulation and these new risk weights have applied since 1 January 2019 or 1 January 2020, as applicable, depending on the features of the particular securitisation exposure.

Additionally, on 9 June 2022, Commission Delegated Regulation (EU) 2022/786, amending the LCR Regulation, which sets out assumed asset inflow and outflow rates to better reflect actual experience in times of stress, entered into force. According to the amended LCR Regulation, *inter alia*, (i) the calculation of the expected liquidity outflows and inflows on repurchase agreements, reverse repurchase agreements and collateral swaps shall be aligned with the international liquidity standard developed by Basel Committee on Banking Supervision; (ii) the treatment of certain reserves held with third-country central banks shall be amended and (iii) transactions exposures of securitisations, which qualify as simple, transparent and standardised securitisations in accordance with the EU Securitisation Regulation, shall qualify as Level 2B high quality liquid assets, if they additionally fulfil the conditions laid down in Article 12 and 13 of the LCR Regulation. The amended LCR Regulation has applied since 8 July 2022.

The CRD V, the CRR II, and the LCR Regulation may have negative implications on the cost of regulatory capital for certain investors and thereby on the overall return from an investment in the notes and the liquidity of the notes. No predictions can be made as to the precise effects of such matters on any investor or otherwise. There can be no guarantee that the regulatory capital treatment of the notes for investors will not be affected by any future implementation of and changes to the CRD and CRR, or other regulatory or accounting changes.

On 27 October 2021, the European Commission published legislative proposals for amendments to the Capital Requirements Directive, or "CRD VI", and to the Capital Requirements Regulation, or "CRR III", in order to implement the updated final Basel III standards (such proposals being the "EU Banking Package 2021"). On 8 October 2022, the Council of the European Union agreed a general approach on the proposed EU Banking Package 2021. In this context, it should be noted that at the end of June 2023, a political agreement on the implementation of the EU Banking Package 2021 was reached and new rules amending the CRD V and the CRR II have been published. The new set of rules is expected to apply from 2025 and, to the extent further implementation in the respective national laws is required, such implementation measures need to be completed by 30 June 2026 by the member states.

You should take your own advice and/or seek advice from your regulator on compliance with, and the application of, the provisions of each of the above laws and regulations.

## **Dutch Act on Confirmation of Extrajudicial Restructuring Plans**

The Dutch Act on Confirmation of Extrajudicial Restructuring Plans, or the "WHOA", for the implementation of a composition plan outside bankruptcy or moratorium of payments proceedings came into force on 1 January 2021. Under the WHOA, proceedings similar to the chapter 11 proceedings under United States bankruptcy law and the scheme of arrangement under English bankruptcy law will become available for companies in financial distress where the debtor stays in possession and can offer a composition plan to its creditors (including secured creditors and shareholders). The WHOA can provide for restructurings that stretch beyond Dutch borders. Pursuant to the WHOA, a debtor that "foresees that it will be unable to pay its debts as they fall due" may offer its creditors a composition plan to restructure its debts outside bankruptcy or moratorium of payments proceedings and such composition plan may also entail changes to the rights of its creditors. As a result, claims and security rights of creditors against the issuer could be affected as a result of a composition if the relevant majority of creditors within a class vote in favour of such a composition. Accordingly, the application of the WHOA in respect of the issuer may affect the rights of the security trustee under the deed of charge, the collateral agent under the collateral agency agreement and the noteholders and other secured parties.

## **Rating Agencies**

In general, European regulated investors as outlined in Article 4(1) of the Credit Rating Agencies Regulation 1060/2009 of the European Parliament and of the Council of 16 September 2009 as amended or "CRA3" are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under CRA3. The credit ratings included or referred to in this prospectus have been issued by the rating agencies, each of which has been registered or certified in compliance with the CRA3.

The list of registered and certified rating agencies published by the European Securities and Markets Authority or "ESMA" on its website in compliance with the CRA3 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.

CRA3 has introduced a requirement that issuers or related third parties of structured finance instruments solicit two independent ratings for their obligations and should consider appointing at least one rating agency having less than a 10% market share or a "small CRA". Ford Bank considered the appointment of a small CRA when appointing the rating agencies along with Fitch and S&P.

CRA3 was onshored into English law on 31 December 2020 (as amended by the Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019), or "UK CRAR". In accordance with UK CRAR, the credit ratings assigned to the Class A notes and the Class B notes by Fitch and S&P will be endorsed by Fitch Ratings Limited and S&P Global Ratings UK Limited, as applicable, being rating agencies which are registered with the FCA.

*For more details, you should read "Transaction Overview" and "Risk Factors — A reduction, withdrawal or qualification of the ratings on your notes, or the issuance of unsolicited ratings on your notes, may adversely affect the market value of your notes and/or limit your ability to resell your notes".*

## STS SECURITISATION

Pursuant to Article 18 of the EU Securitisation Regulation a number of requirements must be met if an originator and an SSPE (as defined in the EU Securitisation Regulation) wish to use the designation 'STS' or 'simple, transparent and standardised' for securitisation transactions initiated by them.

The seller, as originator, will submit an STS notification to ESMA in accordance with Article 27 of the EU Securitisation Regulation on the closing date, pursuant to which compliance with the requirements of Articles 19 to 22 of the EU Securitisation Regulation will be notified with the intention that the securitisation transaction described in this prospectus is included in the list administered by ESMA within the meaning of Article 27(5) of the EU Securitisation Regulation. The STS notification will be available for download on the website of ESMA. The STS notification will be made in accordance with the requirements of Commission Delegated Regulation (EU) 2020/1226.

The seller, as originator, and the issuer, as SSPE (as defined in the EU Securitisation Regulation), have used the services of SVI, a third party authorised pursuant to Article 28 of the EU Securitisation Regulation, to verify whether the securitisation transaction described in this prospectus complies with Articles 19 to 22 of the EU Securitisation Regulation and the compliance with such requirements is expected to be verified by SVI on the closing date. However, none of the issuer, the seller, the servicer, the joint arrangers or the joint lead managers gives any explicit or implied representation or warranty as to (i) inclusion in the list administered by ESMA within the meaning of Article 27 of the EU Securitisation Regulation, (ii) that the securitisation transaction described in this prospectus does or continues to comply with the EU Securitisation Regulation and (iii) that this securitisation transaction does or continues to be recognised or designated as 'STS' or 'simple, transparent and standardised' within the meaning of Article 18 of the EU Securitisation Regulation after the date of this prospectus.

The verification by SVI does not affect the liability of the seller, as originator and the issuer, as SSPE (as defined in the EU Securitisation Regulation), in respect of their legal obligations under the EU Securitisation Regulation. Furthermore, the use of such verification by SVI will not affect the obligations imposed on institutional investors as set out in Article 5 of the EU Securitisation Regulation. Notwithstanding SVI's verification of compliance of a securitisation with Articles 19 to 22 of the EU Securitisation Regulation, such verification by SVI does not ensure the compliance of a securitisation with the general requirements of the EU Securitisation Regulation. A verification does not remove the obligation placed on investors to assess whether a securitisation labelled as 'STS' or 'simple, transparent and standardised' has actually satisfied the criteria. Investors must not solely or mechanically rely on any STS notification or SVI's verification to this extent. The seller, as originator, will include in its notification pursuant to Article 27(1) of the EU Securitisation Regulation, a statement that compliance of the securitisation described in this prospectus with Articles 19 to 22 of the EU Securitisation Regulation has been verified by SVI. Should the securitisation transaction described in this prospectus cease to meet the STS requirements or if competent authorities have taken remedial or administrative measures, the servicer will make such information available pursuant to and in accordance with Article 7(1)(g)(iv) of the EU Securitisation Regulation and notify ESMA accordingly.

The designation of the securitisation transaction described in this prospectus as an STS securitisation is not a recommendation to buy, sell or hold securities. It is not investment advice whether generally or as defined under MiFID II and it is not a credit rating whether generally or as defined under the CRA3 or Section 3(a) of the United States Securities Exchange Act of 1934 (as amended). By designating the securitisation transaction described in this prospectus as an STS securitisation, no views are expressed about the creditworthiness of the notes or their suitability for any existing or potential investor or as to whether there will be a ready, liquid market for the notes.

## VERIFICATION BY SVI

STS Verification International GmbH, or "SVI", has been authorised by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) as third party verification agent pursuant to Article 28 of the EU Securitisation Regulation.

The verification label "verified – STS VERIFICATION INTERNATIONAL" has been officially registered as a trade mark and is licensed to an issuer of securities if the securities meet the requirements for simple, transparent and standardised securitisation as set out in Articles 19 to 22 of the EU Securitisation Regulation, or the "STS Requirements".

The verification label is issued on the basis of SVI's verification process, which is explained in detail on the SVI website ([www.sts-verification-international.com](http://www.sts-verification-international.com)). The verification process is based on the SVI verification manual. It describes the verification process and the individual inspections in detail. The verification manual is authoritative for all parties involved in the verification process and its application ensures an objective and uniform verification of transactions to be verified.

The originator will include in its notification pursuant to Article 27(1) of the EU Securitisation Regulation a statement that compliance of its securitisation with the STS Requirements has been confirmed by SVI.

SVI disclaims any responsibility for monitoring continuing compliance with the STS Requirements by the parties concerned or other aspect of their activities or operations.

Verification by SVI is not a recommendation to buy, sell or hold securities.

## TAXATION

### General

The following is a general discussion of certain German and Dutch tax consequences of the acquisition, ownership and disposal of notes. This discussion is not a comprehensive description of all tax considerations which may be relevant to a decision to purchase, hold or dispose of notes. It is not a complete analysis of all tax considerations relating to the notes and should be treated with appropriate caution. This discussion does not consider specific facts or circumstances that may apply to a particular holder or prospective holder of the notes. This overview is based on the laws of Germany and The Netherlands currently in force and as applied on the date of this prospectus, which are subject to change, possibly also with retroactive or retrospective effect.

The overview is not tax or legal advice and the comments below are of a general nature only. Prospective holders of notes are advised to consult their own tax advisers as to the tax consequences of the purchase, ownership and disposition of notes and the receipt of interest on the notes, including the effect of state or local taxes, under the tax laws of Germany, The Netherlands and each country of which they are residents or citizens.

*You should also read "Risk Factors" in conjunction with this section.*

### Taxation of the Noteholders in Germany

**Tax Residents.** Payments of interest on the notes to persons or entities who are tax residents in Germany (i.e. persons or entities whose residence, habitual abode, statutory seat or place of effective management and control is located in Germany) are subject to German personal or corporate income tax (*Einkommen- oder Körperschaftsteuer*) (plus solidarity surcharge (*Solidaritätszuschlag*) at a rate of 5.5% thereon, if applicable). In addition, church tax may apply as a surcharge on personal income tax. Such interest payments may also be subject to German trade tax (*Gewerbesteuer*) if the notes form part of the property of a German trade or business.

On the disposal of a note carrying interest a holder of the note will also have to include in his taxable income any consideration invoiced separately for such portion of the interest of the current interest payment period which is attributable to the period up to the disposal of the note or "accrued interest". Accrued interest paid on the acquisition of a note may give rise to negative income if the note is held as a non-business asset.

Capital gains from the sale, transfer or redemption of a note are subject to German personal income tax (plus solidarity surcharge and plus church tax, in each case if applicable) for tax resident individuals. If the notes form part of the property of a German trade or business the capital gains may also be subject to German trade tax. Capital gains derived by tax resident corporate holders of notes will be subject to German corporate income tax (plus solidarity surcharge) and German trade tax. Losses incurred on the sale or redemption of the notes may give generally rise to negative income. However, the German legislator has introduced new rules regarding the tax recognition of such losses. Losses resulting from the total or partial uncollectability of notes, from the write-off of worthless notes, from the transfer of worthless notes to a third party or from any other shortfall can only be offset with gains from other capital income up to the amount of 20,000 Euro p.a. Losses not offset can be carried forward to subsequent years and can be offset against gains from capital income in the amount of EUR 20,000 in each subsequent year.

If the notes are held in a custodial account which the holder maintains with a German bank, financial services institution or securities institution (*Wertpapierinstitut*), or with a German branch of a non-German bank, financial services institution or securities institution (a "German paying agent") a 25% withholding tax (plus solidarity surcharge) will be levied on interest payments and capital gains, resulting in a total tax charge of 26.375% (plus church tax, if applicable). In the case of interest and accrued interest withholding tax will generally be levied on the interest / accrued interest amount. In the case of capital gains from the sale, transfer or redemption of notes, withholding tax will be levied on an amount equal to the difference between the issue or purchase price of the notes and the redemption amount or sales proceeds less any directly related expenses provided that the holder of the note has kept it in a



custodial account since the time of issuance or acquisition respectively or has proven the acquisition facts. Otherwise, withholding tax is generally applied to 30% of the amounts paid in partial or final redemption of the notes or the proceeds from the sale of the notes. It is not entirely clear if and how the restricted loss compensation outlined in the preceding section might be recognised at the level of the withholding tax. However, the German fiscal authorities indicate that the loss compensation will only be provided in the course of the individual tax assessment, i.e. withholding tax will be applied without the aforementioned loss compensation and the individual private investor will have to submit a tax return to have such losses recognised.

In general, no withholding tax will be levied for a tax resident individual holding the notes as private assets who has filed a withholding exemption certificate (*Freistellungsauftrag*) with the German paying agent but only to the extent the interest income derived from the note together with other investment income does not exceed the maximum exemption amount shown on the withholding exemption certificate. Similarly, no withholding tax will be levied if such holder of the note has submitted to the German paying agent a certificate of non-assessment (*Nichtveranlagungsbescheinigung*) issued by the relevant local tax office. Solely church tax is not levied by way of withholding if the respective holder of the note has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*).

If the holder of the note is a company then no withholding tax will be levied on capital gains from the sale, transfer or redemption of a note provided that the notes are held by a German paying agent under the name of the company. The same is true if the notes are held as business assets of a German business and the holder of the note declares this by way of an official form *vis-à-vis* the German paying agent.

The issuer is not obliged to compensate any tax amounts withheld (for more details you should read "*Annex A: Terms and Conditions of the Notes — Taxation*").

For tax resident individuals holding the notes as private assets the withholding tax (plus solidarity surcharge and church tax, if any) is, in principle, a final tax (*Abgeltungsteuer*) and will replace the investor's personal income taxation by way of assessment. Any expenses related to such income (*Werbungskosten*) such as financing or administration costs actually incurred are not tax deductible. The German Federal Fiscal Court (BFH) has held that in case the taxpayer chooses to be taxed under the regular rates rather than under the flat tax regime expense deductibility is limited to the general cap applicable to capital income, i.e. to €1,000 for singles and €2,000 for spouses or registered partners that are assessed jointly. A taxpayer can also formally apply for a tax assessment to make specific allowances. If no tax is withheld, tax resident individuals holding the notes as private assets are still obliged to file tax returns.

For other tax resident investors the withholding tax levied, if any, will be credited as prepayments against the German personal or corporate income tax (plus solidarity surcharge and church tax, in each case if applicable) of the tax resident investor. Amounts over withheld will entitle the holder of a note to a refund, based on an assessment to tax.

Discussions are currently underway to partly abolish the current system of a final withholding tax (*Abgeltungsteuer*) for interest income received by individuals holding, for instance, notes as private assets. While it is not yet clear if and to what extent the aforementioned withholding tax rules will be amended, it is likely that any such amendment may lead to a higher tax burden of private investors whose individual tax rate exceeds 25%.

**Non-Residents.** Interest, including accrued interest and capital gains are not subject to German taxation, unless (i) the notes form part of the business property of a permanent establishment, including a permanent representative or a fixed base maintained in Germany by the holder of a note or (ii) the interest income otherwise constitutes German source income, such as income from the letting and leasing of certain German-situs property or income from certain capital investments directly or indirectly secured by German-situs real estate. If the non-resident of Germany is subject to German taxation with income from the notes, a tax regime similar to that explained above applies; capital gains from the disposal of notes are, however, only taxable in the case of item (i) above.

Non-residents of Germany are, in general, exempt from German withholding tax (plus solidarity surcharge) on interest and capital gains. However, where the interest or the capital gains are subject to German taxation as set out in the previous paragraph and the notes are held in a custodial account with a German paying agent, withholding tax is levied as explained in "— *Tax Residents*". For non-residents of Germany such withholding tax is in general a final taxation.

The issuer is not obliged to compensate any tax amounts withheld.

Furthermore, pursuant to the German Defense Against Tax Haven Act (*Gesetz zur Abwehr von Steuervermeidung und unfairem Steuerwettbewerb*, or "GDATHA") income generated, *inter alia*, from financial relationships is subject to a German withholding tax if the creditor of such financial relationships is resident in a non-cooperative tax jurisdiction included on the EU list of non-cooperative tax jurisdictions published in the Official Journal of the European Union, as amended from time to time. However, notes represented by a global certificate and held in collective safe custody with a disbursing agent as well as debt instruments comparable to such notes, are expressly excluded from the aforementioned German withholding tax. Based on draft guidelines from the German Ministry of Finance on the interpretation of the term 'financial relationships' (*Finanzierungsbeziehungen*) and the applicable exemptions, a significant level of legal uncertainty remains. Therefore, it needs to be observed whether payments under notes or other financial instruments to holders resident in non-cooperative tax jurisdictions pursuant to the GDATHA are or might be subject to a German withholding tax deduction.

*For more details you should read "Annex A: Terms and Conditions of the Notes — Taxation".*

**Inheritance or Gift Tax.** No inheritance or gift taxes regarding any note will arise under the laws of Germany, if, in the case of inheritance tax, neither the descendant nor the heir, or, in the case of gift tax, neither the donor nor the beneficiary, is a resident of Germany and such note is not attributable to a German trade or business for which a permanent establishment is maintained, or a permanent representative has been appointed, in Germany. Exceptions from this rule apply to certain German expatriates.

**Other Taxes.** No stamp, issue, registration or similar taxes or duties will be payable in Germany in connection with the issuance, delivery or execution of the notes. Currently, net assets tax (*Vermögensteuer*) is not levied in Germany.

### **German Taxation of the Issuer**

**Corporate Income Tax.** The issuer will derive income from performing certain business activities. Such income and gains should therefore be properly characterised as business profits (*Einkünfte aus Gewerbebetrieb*). Business profits derived by the issuer will only be subject to German corporate income tax if the issuer has its place of effective management and control in Germany or maintains a permanent establishment or permanent representative for its business in Germany or if the business profits have to be characterised as another category of income that constitutes German-source income.

The issuer has no business premises and office facilities at its disposal in Germany from which the business activities of the issuer are conducted. The issuer has been advised that the criteria of a permanent establishment located outside Germany are fulfilled and that, based on arm's length standards, the indebtedness under the notes or the funding of acquisitions and the related interest payable should be treated as attributable to such non-German permanent establishment. However, investors should note that there is no certainty that the German tax authorities will agree with this assessment. It should be noted that recent legislative changes may be viewed as an indication that vehicles such as those typically used in securitisation transactions will be required to satisfy increased substance criteria in the future. Furthermore, it cannot be entirely ruled out that the German tax authorities may qualify Ford Bank being the servicer of the receivables as domestic permanent establishment or permanent representative of the issuer or even assume that the issuer has its place of effective management and control in Germany.

If, contrary to the expectations of the issuer, the German tax authorities take the position that the requirements of a non-German permanent establishment to which such indebtedness and interest may be attributed are not met and the issuer is effectively managed and controlled in Germany, corporate income tax will, in principle, arise on the taxable income of the issuer attributable to its German

permanent establishment. In case the issuer is subject to German corporate income tax its taxable income would be expected to be relatively low. However, a tax leakage may occur if the issuer is subject to the so-called interest stripping rules (*Zinsschranke*) for German corporate income tax as well as for German trade tax purposes. According to these rules, interest (and other financing) expenses are tax deductible without limitation to the extent that the relevant entity (*Betrieb*) earns taxable interest income in the same fiscal year. Interest (and other financing) expenses which exceed the taxable interest income or "net interest expenses", are only tax deductible up to an amount of 30% of the current year net taxable earnings before interest, tax and depreciation/amortisation (EBITDA) of the respective entity unless the net interest expenses of the entity are below the threshold of €3,000,000 *per annum*. Non-deductible interest expenses will be carried forward and will generally be deductible in future years, subject to certain limitations.

Further exemptions from the interest stripping rules are also available for entities meeting the requirements of the so-called stand-alone clause. The clause has recently been amended by way of the so-called Secondary Credit Market Promotion Act (*Kreditweitmarktförderungsgesetz*). Under the revised law, the stand-alone clause applies if the relevant taxable entity is not a related party to any other party within the meaning of Section 1 (2) (where applicable in conjunction with Section 1 (1) sentence 2) of the German Foreign Tax Act (*Außensteuergesetz* or "AStG") and does not have a permanent establishment outside of the state in which his domicile, habitual residence, registered office or place of management is located. An entity is a related party in the aforementioned sense, for instance, if any other party (i) directly or indirectly holds at least one quarter of the subscribed capital, membership rights, participation rights, voting rights or company assets in the relevant entity, or (ii) is entitled to at least one quarter of the profits or liquidation proceeds of the relevant entity or *vice versa*.

Furthermore, the definition of interest expenses has been broadened under the revised law. Interest expenses are any remuneration for borrowed capital, economically equivalent expenses and other expenses in connection with the procurement of borrowed capital within the meaning of Article 2 (1) of Council Directive (EU) 2016/1164 of 12 July 2016 which have reduced the relevant profit. In particular, interest expenses include costs of financing under finance leases, capitalized interest included in the carrying amount of a related asset, the amortization of capitalized interest as well as amounts of notional interest under derivatives or hedging arrangements relating to a company's borrowings. Interest income is income from capital claims of any kind and economically equivalent income in connection with capital claims that have increased the relevant profit. Against this background, payments under interest rate swap agreements should qualify as interest expenses / income under the revised interest stripping rules.

The German corporate income tax rate amounts to 15% (plus 5.5% solidarity surcharge) so that the aggregate nominal income tax burden for companies (German corporate income tax and German trade tax) is about 30%.

**Trade Tax.** The issuer is subject to German trade tax if its effective place of management and control is in Germany or the issuer has a permanent establishment in Germany.

As outlined above, there are good and valid reasons to treat the issuer as not being managed and controlled in Germany. However, it cannot be excluded that the German tax authorities treat the issuer as being effectively managed and controlled from Germany. In this case, trade tax will, in principle, be levied on business profits derived by the issuer attributable to its German permanent establishment. In that case, under section 8 no. 1 of the German Trade Tax Act (*GewStG — Gewerbesteuergesetz*) only 75% of all interest payments (irrespective of long-term or short-term indebtedness) will be deductible for trade tax purposes. However, the issuer would, in principle, be able to rely on section 19 (3) of the German Trade Tax Ordinance (*GewStDV — Gewerbesteuerdurchführungsverordnung*) which contains a special rule on the deduction of interest payments for entities that are solely engaged in the issuing of debentures for the purpose of funding the acquisition of bank-originated payment claims. It cannot be entirely ruled out that section 19 (3) of the German Trade Tax Ordinance might not be applicable if the seller is regarded as having retained the beneficial ownership in the receivables. Based on this section 19 (3) *GewStDV* the issuer's trade tax base would likely not be different from its corporate income tax base.

**Value Added Tax.** According to a publicly available letter regarding VAT on the purchase and the collection of receivables issued by the German Ministry of Finance on 3 June 2004, which was incorporated into the German VAT Application Decree (*Umsatzsteuer-Anwendungserlass*) under

section 2.4 *et seq.*, the sale of receivables where the purchaser of receivables (irrespective whether in non-recourse or recourse transactions) does not collect such receivables and where the debtor of such receivables is not notified of the sale of such receivables, e.g. asset-backed securities transactions, is not subject to German value added tax. Since this position of the German Ministry of Finance has not been subject to decisions of the fiscal courts (which are not bound by the VAT Application Decree) regarding the aspects discussed in this paragraph there remains an uncertainty in this respect.

It should be noted that in a recent decision of the European Court of Justice, rendered on 27 October 2011 (Rs. C-93/10) the European Court of Justice has ruled that a person who purchases debts on discount on a non-recourse basis does not make a supply of services and does not perform an economic activity for VAT purposes when the difference between the face value of the debts and the price paid by the assignee reflects the actual economic value of the debts at the time of their assignment. The ruling has been followed by the Federal Fiscal Court in its decisions dated 26 January 2012 (V R 18/08) and 4 July 2013 (V R 8/10). The decisions remove much of the uncertainty about the VAT treatment of discounts in the context of the assignment of receivables and confirm that the mere assumption of the credit risk when acquiring receivables at a discount is not treated as a supply of a service for consideration, which in general supports the view as described above. On 2 December 2015 the German Ministry of Finance has issued a circular (*Umsatzsteuerrechtliche Behandlung des Erwerbs zahlungsgestörter Forderungen (sog. Non-Performing-Loans - NPL -); Änderung der Verwaltungsauffassung; EuGH-Urteil vom 27. Oktober 2011, C-93/10, (GFKL) und BFH-Urteile vom 26. Januar 2012, V R 18/08, sowie vom 4. Juli 2013, V R 8/102, IV D 2 – III C 2 - S 7100/08/10010*) or "**NPL-Circular**" implementing these decisions in the German VAT Application Decree. However, this NPL-Circular mainly deals with non-performing receivables (i.e. receivables that are due but have not been (partly or fully) paid for more than 90 days or if the requirements for a termination are fulfilled or a termination has been declared). In our view the NPL-Circular should not affect the outlined German VAT treatment of the sale of receivables to the issuer. This is because the German Ministry Finance maintains its position that the sale of receivables where the purchaser of receivables, irrespective whether in non-recourse or recourse transactions, does not collect such receivables and where the debtor of such receivables is not notified of the sale of such receivables is not subject to German value added tax. Furthermore, the NPL-Circular does not exclude the application of the above mentioned decisions to performing receivables sold on a non-recourse basis when the difference between the face value of the debts and the price paid by the assignee reflects the actual economic value of the debts at the time of their assignment.

With regard to the potential replacement of Ford Bank as servicer by a new servicer it is uncertain how the German tax authorities would classify the future collection of the receivables by the new servicer for VAT purposes. In general, the future replacement of Ford Bank as servicer should not change the VAT treatment of the transaction at the cut-off date. However, with regard to the servicing after the replacement of Ford Bank as servicer one could argue that the (new) servicer acts as an auxiliary person (*Erfüllungsgehilfe*) for the issuer so that the issuer assumes the collection of receivables. On this basis one could further argue that the issuer renders factoring services within the meaning of sec. 2.4 (3) of the German VAT Application Decree. In this case the seller (and not the issuer) would be the debtor of the respective German VAT under the so-called reverse charge system (section 13b German VAT Act). If, however, the German tax authorities (i) assumed a permanent establishment of the issuer in Germany and (ii) assumed that any such factoring services have been rendered by that German permanent establishment then these services would not be subject to the so-called reverse charge system and the issuer would be the debtor of the respective German VAT. This interpretation would give rise to the question of how the tax base for VAT purposes is to be calculated. Since the replacement of Ford Bank by the new servicer should not affect the tax treatment of the receivables already collected by Ford Bank it may be possible that the difference between the nominal value and the purchase price of those receivables which are still outstanding and subject to further collections must serve as tax base. Then the issuer would be obliged to pay German VAT at the applicable rate on this difference to the German tax authorities.

### Taxation in The Netherlands

Where in this section "*Taxation in The Netherlands*" reference is made to "The Netherlands" or "Dutch", it only refers to the part of the Kingdom of The Netherlands that is situated in Europe.

This section does not address reverse hybrid entities that are subject to Dutch corporate income tax.

## **Holder of notes**

Where in this section "*Taxation in The Netherlands*" reference is made to a "holder of notes", such reference will include, without limitation:

- an owner of one or more notes who, in addition to the title to such notes, has an economic interest in such notes,
- a person or an entity that holds the entire economic interest in one or more notes,
- a person or an entity that holds an interest in an entity, such as a partnership or a mutual fund, that is transparent for Dutch tax purposes, the assets of which comprise one or more notes, and
- a person who is deemed to hold an interest in notes, as referred to under any of the above, under the attribution rules of Article 2.14a, of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*), regarding property that has been segregated, for example, in a trust or a foundation.

**Withholding Tax.** All payments of interest and principal by the issuer under the notes can be made free of withholding or deduction for any taxes of any nature imposed, levied, withheld, or assessed by The Netherlands or any political subdivision or taxing authority of or in The Netherlands, provided that no holder of notes is an entity that is affiliated (*gelieerd*) to the issuer within the meaning of the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*). See also "*Conditional withholding tax on interest in The Netherlands*" below.

**Tax Residents.** A holder of notes will not be treated as a resident of The Netherlands by reason only of the holding of a note or the execution, performance, delivery and/or enforcement of the notes.

Generally, interest paid by the issuer to a holder of notes who is a resident or deemed to be a resident of The Netherlands and that is subject to Netherlands corporate income tax (*vennootschapsbelasting*) will be included in the holder's taxable profit, subject to Dutch corporate income tax at a rate of 25.8% (2024 rate); a rate of 19% (2024 rate) applies to the first €200,000 of taxable profits. Capital gains and losses arising on the disposal and redemption of the notes will be included in the holder's taxable profit, subject to the same rate.

If the holder of the notes is an individual, resident or deemed to be a resident of The Netherlands for the purposes of Netherlands income tax (*inkomstenbelasting*), the actual income derived from the notes and the actual gains realised on the disposal and redemption of the notes will be subject to such individual income tax at the progressive income tax rates, the maximum being 49.5% (2024 rate), if:

- the holder of notes has an enterprise or an interest in an enterprise, to which enterprise or part of such enterprise the notes are attributable,
- the income derived from and the capital gains realised on the disposal and redemption of the notes are regarded as "taxable income from one or more activities not being activities that generate taxable profit or taxable wages" (*Belastbaar resultaat uit overige werkzaamheden*) within the meaning of Articles 3.90, 3.91, 3.92 and 3.92b of the Income Tax Act 2001 (*Wet inkomstenbelasting 2001*), or
- the holder or any of his spouse, his partner, a person deemed to be his partner, or other persons sharing such person's house or household, certain other of such persons' relatives (including foster children), (i) has indirectly the disposition of the proceeds of the notes, or (ii) has a substantial interest in an entity that legally or de facto, directly or indirectly, has the disposition of proceeds of the notes. For purposes of this paragraph, a substantial interest is generally present if a holder holds, alone or together with his spouse or partner, whether directly or indirectly, the ownership of, or certain other rights (including rights to acquire shares, whether or not already issued) over, (a) shares representing 5% or more of the total issued and outstanding capital (or of the issued and outstanding capital of any class of shares) of a company, (b) profit sharing certificates, or membership rights in a cooperative association,

entitling the holder to 5% or more of the profits or of the liquidation distributions of a company or cooperative association, or (c) membership rights representing 5% or more of the voting rights in a cooperative association's general meeting.

An individual holder who is a resident or deemed to be a resident of The Netherlands for the purposes of Netherlands income tax, and who is not liable to tax under the previous paragraphs, will not be liable to income tax on the actual income and the actual gains realised on the notes. Instead, such holder will be taxed on deemed income from "savings and investments" (*sparen en beleggen*) within the meaning of Article 5.1 of the Income Tax Act 2001 (*Wet inkomstenbelasting 2001*). In 2024, the applicable deemed return varies per asset and liability class and will be updated annually on the basis of historic market yields. Subject to application of certain allowances, the deemed return will be taxed at a rate of 36%.

**Non-Residents.** A holder who is not a resident of The Netherlands, nor deemed to be a resident, is not taxable on income derived from the notes and capital gains realised on the disposal or redemption of the notes, provided that:

- such holder does not have an enterprise or an interest in an enterprise which, in whole or in part, is carried on through a taxable permanent establishment, or a deemed taxable permanent establishment or a taxable permanent representative in The Netherlands to which enterprise or part of an enterprise the notes are attributable,
- the notes are not attributable to the assets of an enterprise that is effectively managed in The Netherlands, regarding which enterprise, such holder has the right to a share in its profits, other than by way of securities or if such holder is an individual, under the terms of an employment contract,

and in addition for individuals only:

- such holder does not derive income and/or realise capital gains on the notes that are regarded as "taxable income from one or more activities performed in The Netherlands not being activities that generate taxable profit or taxable wages" (*Belastbaar resultaat uit overige werkzaamheden in Nederland*) within the meaning of Articles 3.90, 3.91, 3.92 and 3.92b of the Income Tax Act 2001 (*Wet inkomstenbelasting 2001*), and
- the holder or any of his spouse, his partner, a person deemed to be his partner, or other persons sharing such person's house or household, certain other of such persons' relatives (including foster children), (a) does not have indirectly disposition of the proceeds of the notes, nor (b) has a substantial interest in an entity that legally or de facto, directly or indirectly, has the disposition of proceeds of the notes nor (c) if either (a) or (b) is not met, such disposition cannot be considered to take place in The Netherlands. For purposes of this paragraph a substantial interest is generally present if a holder holds, alone or together with his spouse or partner, whether directly or indirectly, the ownership of, or certain other rights (including rights to acquire shares, whether or not already issued) over, (a) shares representing 5% or more of the total issued and outstanding capital (or of the issued and outstanding capital of any class of shares) of a company, (b) profit sharing certificates, or membership rights in a cooperative association, entitling the holder to 5% or more of the profits or of the liquidation distributions of a company or cooperative association, or (c) membership rights representing 5% or more of the voting rights in a cooperative association's general meeting.

**Gift, Estate and Inheritance Taxes.** No Dutch gift or inheritance taxes will arise on the transfer of notes by way of gift by, or on the death of, a holder of notes who is neither resident nor deemed to be resident in The Netherlands, unless:

- in case of a gift of the notes under a suspensive condition by an individual who at the date of the gift was neither resident nor deemed to be resident in The Netherlands, such individual is resident or deemed to be resident in The Netherlands at the date of (i) the fulfilment of the condition or (ii) his death and the condition of the gift is fulfilled after the date of his death;

- in case of a gift of notes by an individual who at the date of the gift or, in case of a gift under a suspensive condition, at the date of the fulfilment of the condition was neither resident nor deemed to be resident in The Netherlands, such individual dies within 180 days after the date of the gift or the fulfilment of the condition, while being resident or deemed to be resident in The Netherlands.

For purposes of Dutch gift and inheritance taxes, among others, a person that holds Dutch nationality will be deemed to be resident in The Netherlands if such person has been resident in The Netherlands at any time during the 10 years before the date of the gift or his/her death. Additionally, for purposes of Dutch gift tax, among others, a person not holding Dutch nationality will be deemed to be resident in The Netherlands if such person has been resident in The Netherlands at any time during the 12 months before the date of the gift. Applicable tax treaties may override deemed residency.

**Value Added Tax.** There is no Netherlands value added tax payable by a holder of a note on payments in consideration for the issue of the notes or on the payment of interest or principal under the notes, or the transfer of the notes.

**Other Taxes and Duties.** No capital duty, registration tax, transfer tax, customs duty, stamp duty or other similar duties or documentary taxes will be payable in The Netherlands on the creation, subscription, offering, issue allotment or delivery of the notes.

**Conditional withholding tax on interest in The Netherlands.** Pursuant to the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*), a conditional withholding tax on interest may be levied if a recipient of a (deemed) payment of interest by or on behalf of the issuer is cumulatively (a) an entity affiliated (*gelieerde*) to the issuer and (b):

- considered to be a resident in a jurisdiction that is designated as a low-taxed jurisdiction or a non-cooperative country by regulation or by being included in a list that is published periodically by the Ministry of Finance pursuant to the ministerial regulation of 31 December 2018 on the designation of low-taxed jurisdictions and non-cooperative countries ("designated jurisdiction"); or
- considered to have a permanent establishment located in a designated jurisdiction to which the interest is attributable; or
- considered to be a resident in a jurisdiction that is not a designated jurisdiction and entitled to the (deemed) interest payments, with the main purpose or one of the main purposes to avoid taxation for another person; or
- disregarded as the recipient of the (deemed) interest payments in the jurisdiction of residence of the recipient, other than a designated jurisdiction, as the jurisdiction of residence treats another entity (in which the recipient holds an interest) as the recipient of the (deemed) interest payments; or
- disregarded as the recipient of the (deemed) interest payments in the jurisdiction of incorporation of the recipient, other than a designated jurisdiction, as the jurisdiction of incorporation does not treat the recipient as resident nor does any other jurisdiction treat such recipient as resident; or
- a reverse hybrid within the meaning of article 2 paragraph 12 of the Dutch Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

The designated jurisdictions as of 1 January 2024 are: American Samoa, Anguilla, Antigua and Barbuda, Bahamas, Bahrain, Barbados, Belize, Bermuda, British Virgin Islands, Cayman Islands, Fiji, Guam, Guernsey, Isle of Man, Jersey, Palau, Panama, Russian Federation, Samoa, Seychelles, Trinidad and Tobago, Turkmenistan, Turks and Caicos Islands, Vanuatu, and the U.S. Virgin Islands. This list is at least annually subject to change.

Generally, an entity is considered to be affiliated (*gelieerde*) to the Issuer if (i) such entity has a Qualifying Interest (as defined below) in the issuer, (ii) the issuer has a Qualifying Interest in such entity, or (iii) a third party has a Qualifying Interest in both the issuer and such entity.

The term "Qualifying Interest" means a directly or indirectly held interest – either individually or jointly as part of a collaborating group (*samenwerkende groep*) – that enables the holder of such interest to exercise a decisive influence on the decisions that can determine the activities of the entity in which the interest is held (within the meaning of case law of the European Court of Justice on the freedom of establishment (*vrijheid van vestiging*)). Fifty percent or more of the voting rights in the issuer will in any event be considered sufficient to consider affiliation present.

The rate of the conditional withholding tax on interest, in case it would fall due, is equal to the applicable headline corporate income tax rate (25.8% in 2024).

Based on these rules, there is currently no expectation that the new withholding tax will apply to future interest payments in respect of the notes.

### **Common Reporting Standard**

The common reporting standard framework was first released by the OECD in February 2014 as a result of the G20 members endorsing a global model of automatic exchange of information to increase international tax transparency. On 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters was published by the OECD and this includes the Common Reporting Standard, or the "CRS".

As at 7 March 2024, 122 jurisdictions, including The Netherlands and Germany, have signed the multilateral competent authority agreement, which is a multilateral framework agreement to automatically exchange financial and personal information, with the future bilateral exchanges coming into effect between those signatories that file the future notifications. Under CRS, financial institutions resident in a CRS country would be required to report, according to a due diligence standard, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated on the assets held in the account or payments made to the account. Reportable accounts include accounts held by individuals and entities (which include trusts and foundations) with tax residency in another CRS country. CRS includes a requirement to look through passive entities to report on the relevant controlling persons.

As of 1 January 2016, CRS and EU Council Directive 2014/107/EU have been implemented in Dutch law and German law. As a result, the issuer will be required to comply with identification obligations. Holders of notes may be required to provide additional information to the issuer to enable it to satisfy its identification obligations under the (Dutch and German implementation of the) CRS. Prospective holders of the notes are advised to seek their own professional advice in relation to the CRS and EU Council Directive 2014/107/EU.

### **FATCA**

Under certain terms 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 Netherlands and Germany, have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA or "IGAs", which modify the way in which FATCA applies in their jurisdictions. Under the terms of the 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.

All payments of principal and interest on the notes will be made without withholding or deduction for, or on account of, present or future taxes, duties, assessments or governmental charges of any nature



by the issuer or any paying agent unless required by law (or under FATCA), in which case the issuer or that paying agent will make that payment net of such withheld or deducted amounts and will account to the relevant authorities for the amount required to be withheld or deducted. Neither the issuer nor any paying agent will be obliged to make any additional payments to noteholders for such withholding or deduction.

Holders should consult their own tax advisors regarding how these rules may apply to their investment in the notes.

## SUBSCRIPTION AND SALE

### Purchase of the Notes

BofA Securities, Commerzbank AG, Intesa Sanpaolo S.p.A. and Société Générale S.A. as joint lead managers, acting severally, will subscribe for the principal amount of the Class A notes and the Class B notes, indicated in the following table, at an issue price of (i) 100% of the principal amount of the Class A notes and (ii) 100% of the principal amount of the Class B notes under the senior note purchase agreement.

<b>Joint Lead Managers</b>	<b>Class A notes</b>	<b>Class B notes</b>
	€	€
<b>BofA Securities</b> .....	<b>87,500,000</b>	<b>3,250,000</b>
<b>Commerzbank AG</b> .....	<b>87,500,000</b>	<b>3,250,000</b>
<b>Intesa Sanpaolo S.p.A.</b> .....	<b>87,500,000</b>	<b>3,250,000</b>
<b>Société Générale S.A.</b> .....	<b>87,500,000</b>	<b>3,250,000</b>
<b>Total</b> .....	<b>€350,000,000</b>	<b>€13,000,000</b>

The senior note purchase agreement will set out the joint lead managers' responsibilities in relation to the product governance rules under MiFID II.

The senior note purchase agreement is subject to a number of conditions and may be terminated by the joint lead managers in certain circumstances before payment for the Class A notes and the Class B notes to the issuer.

The Class C notes will be purchased by Ford Bank, as the originator, under the junior note purchase agreement. Ford Bank will retain on an ongoing basis a material net economic interest of not less than 5% in this securitisation transaction in compliance with Article 6 of the EU Securitisation Regulation. As at the closing date, such interest will in compliance with Article 6, paragraph (3) sub-paragraph (d) of the EU Securitisation Regulation and Article 7 of the RRTS, by a combination of (i) the retention by Ford Bank of the Class C notes and (ii) the provision by Ford Bank of the subordinated loan to the issuer on the closing date (which will be used to fund the initial reserve amount on the closing date which will be made up of the liquidity component) which, together, is equivalent to no less than 5% of the nominal amount of the securitised exposures.

No action has been taken in any jurisdiction that would permit a public offering of the notes, or possession or distribution of this prospectus or other offering materials, in any country or jurisdiction where action for that purpose is required. Each of the joint lead managers under the senior note purchase agreement and Ford Bank under the junior note purchase agreement will to the best of its knowledge comply with all relevant securities laws and directives in each jurisdiction in which it purchases notes or has in its possession this prospectus or other offering materials.

The issuance of the notes is not designed to comply with the U.S. Risk Retention Rules other than under the "foreign offering" exemption under Section 20 of the U.S. Risk Retention Rules. "U.S. Risk Retention Rules" means Regulation RR (17 C.F.R Part 246) implementing the risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended, adopted under the requirements of Section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

The notes sold as part of the initial distribution of the notes may not be purchased by, or for the benefit or account of, any person except for persons that are not "U.S. persons" as defined in the U.S. Risk Retention Rules, or "Risk Retention U.S. Persons". Prospective investors should note that, although the definition of "U.S. person" in the U.S. Risk Retention Rules is similar to the definition of "U.S. person" in Regulation S, the definitions are not identical and persons who are not "U.S. persons" under Regulation S may be "U.S. persons" under the U.S. Risk Retention Rules.

Each purchaser of notes, including beneficial interests in such notes will be deemed, and in certain circumstances will be required, to have made certain representations and agreements, including that it (1) is not a Risk Retention U.S. Person; (2) is acquiring such note or a beneficial interest in such notes for its own account and not with a view to distribute such note; and (3) is not acquiring such note or a beneficial interest in such notes as part of a scheme to evade the requirements of the U.S. Risk

Retention Rules. Each prospective investor will be required to make these representations as a condition to placing any offer to purchase the notes. The issuer, the seller and the joint lead managers will rely on these representations, without further investigation.

### **Selling Restrictions**

Each joint lead manager represents and agrees in the senior note purchase agreement the following with respect to notes being offered by this prospectus:

***United States of America and its Territories.*** The notes have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons, except under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws and under circumstances designed to preclude the issuer from having to register under the Investment Company Act of 1940.

The notes offered by this prospectus (a) may not be offered, sold or delivered by each of the joint lead managers, whether or not participating in the offering, within the United States or to, or for the account or the benefit of, U.S. persons (i) as part of their distribution at any time and (ii) otherwise until 40 days after the later of the commencement of the offering of the notes and the closing date, and (b) may only be offered, sold or delivered only outside the United States to non-U.S. persons in compliance with Rule 903 of Regulation S; accordingly, none of the joint lead managers, their respective affiliates (as defined in Rule 501(b) of Regulation D under the Securities Act, or "affiliates"), or 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 notes, and the joint lead managers, their respective affiliates and any such persons have complied and will comply with the offering restrictions requirement of Regulation S.

At or prior to confirmation of sales of the notes offered by this prospectus, each of the joint lead managers will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases notes from it during the distribution compliance period (as defined in Regulation S) a confirmation or notice to substantially the following effect: The notes offered under this prospectus have not been and will not be registered under the Securities Act or the securities laws of any state of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons by any person referred to in Rule 903(b)(2)(iii) of Regulation S under the Securities Act (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering of the notes and the date of closing of the relevant offering except in either case in compliance with Regulation S under the Securities Act.

Terms used in paragraphs above have the meaning given to them by Regulation S under the Securities Act.

***U.S. Risk Retention Rules.*** Each joint lead manager will only, directly or indirectly, sell and deliver the notes to a prospective investor in the notes who (a) has provided representations to the issuer and the seller, with a copy to the joint lead managers, relating to its status as a Risk Retention U.S. Person and (b) has been approved by the seller as a person to whom a sale is to be made and such approval has been confirmed by the seller to the joint lead managers. Each prospective investor will be required to provide representations to the issuer and the seller relating to its status as a Risk Retention U.S. Person: (a) from the time of the announcement of the transaction involving the issuance of the notes and (b) if such representations have not been previously made, as a condition to placing any offer to purchase the notes. The joint lead managers, the issuer and the seller will rely on the representations each prospective investor will be required to make as outlined in the immediately preceding sentence without further investigation.

Notwithstanding the foregoing, the parties acknowledge and agree that the issuer can, with the consent of, and in reliance on, the seller, sell a limited portion of the notes to, or for the account or benefit of, Risk Retention U.S. Persons under the "foreign offering" exemption under Section \_\_.20 of the U.S. Risk Retention Rules.

### **United Kingdom.**

Each joint lead manager 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 Financial Services and Markets Act 2000 or the "FSMA") received by them in connection with the issue or sale of the notes in circumstances in which section 21(1) of the FSMA does not apply to the issuer, and

Each joint lead manager 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.

**Prohibition of sales to UK retail investors.** None of the joint lead managers will offer, sell or otherwise make available any notes to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK 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 UK domestic law by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA; 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 Regulation (EU) No 1286/2014 (as amended) as it forms part of domestic law by virtue of the EUWA or 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.** None of the joint lead managers will offer, sell or otherwise make available any notes to any retail investor in the EEA. 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) or "MiFID II"; or
  - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), 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 the Regulation (EU) 2017/1129 (as amended); 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 Regulation (EU) No 1286/2014 (as amended) or the "EU 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 EU PRIIPs Regulation.

**Italy.** The offering of the notes has not been registered under Italian securities legislation and, accordingly, it will not offer, sell or deliver the notes or distribute copies of the prospectus or of any other document relating to the notes in the Republic of Italy, except to qualified investors under article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the "Italian Financial Services Act"), which are not, directly or indirectly, partner of the issuer, under Article 1, paragraph 2-*bis*, lett. d) of Law 43 ("Qualified Investors") and in other circumstances which are exempted from the rules on public offerings under Article 100 of the Italian Financial Services Act and Article 34-*ter*, of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time ("Regulation No. 11971").

In addition, any offer, sale or delivery of the notes or distribution of copies of the prospectus or any other document relating to the notes in the Republic of Italy as specified above must be:

- made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in compliance with the Italian Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the "Banking Act"); and
- in compliance with Article 129 of the Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time, under which, following the issue or the offer of securities in the Republic of Italy, the Bank of Italy may request information regarding the notes; and
- in compliance with any other applicable laws and regulations or requirements imposed by CONSOB or other Italian authority.

**France.** This Prospectus has not been granted a visa by the French *Autorité des Marchés Financiers*. Accordingly, it has not offered, sold or otherwise transferred and will not offer, sell or otherwise transfer, directly, or indirectly, the listed Notes to the public in the Republic of France and any offers, sales or other transfers of the listed Notes in the Republic of France will be made in accordance with Articles L. 411-2 and L.621-8 of the French monetary and financial code only to (a) qualified investors (*investisseurs qualifiés*) acting for their own account, other than individuals and/or (b) and/or persons providing portfolio management financial services (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), all as defined in Articles L. 411-1, L. 411-2 and D. 411-1 of the French monetary and financial code.

This prospectus and any other offering material relating to the listed notes are not to be further distributed or reproduced (in whole or in part) by any addressee of such offering materials and are distributed on the basis that the addressee invests for its own account, as necessary, and will not resell or otherwise retransfer, directly or indirectly, the listed Notes to the public in the Republic of France other than in compliance with Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the French monetary and financial code.

**General.** Subject to being entitled to rely on the representations from each prospective investor relating to its status as a Risk Retention U.S. Person without further investigation and in reliance on the seller regarding the sale of any notes, to, or for the account or benefit of, Risk Retention U.S. Persons (as consented to by the seller) under the "foreign offering" exemption under Section \_\_.20 of the U.S. Risk Retention Rules, none of the joint lead managers will, directly or indirectly, offer, sell or deliver any of the notes or distribute the prospectus, the preliminary prospectus or any other offering material relating to the notes, in or from any jurisdiction except under circumstances that will result in compliance with the applicable laws and regulations of such jurisdiction.

## GENERAL INFORMATION

1. The issue of the notes has been authorised by a resolution of the board of directors of the issuer passed [●] July 2024.
2. It is expected that admission of the Class A notes and Class B notes offered by this prospectus to the official list of Euronext Dublin will be granted on or before [22] July 2024, subject only to the issue of the notes.
3. The issuer is not and has not been involved in governmental, legal or arbitration proceedings (including proceedings which are pending or threatened of which the issuer is aware) which may have or have had, since its incorporation, a significant effect on the financial position or results of the issuer.
4. Since the date of the issuer's incorporation, there has been no material adverse change in the financial position or prospects of the issuer and no significant change in its trading or financial position.
5. The expenses related to the application for admission to trading are expected to be €[6,240.00] (including applicable VAT).
6. As from the closing date and for the duration of the securitisation transaction, copies of the following documents will be available for inspection by the noteholders, in printed or electronic form, at the office of the paying agents during usual business hours on a weekday (public holidays excepted) as well as on the website of European DataWarehouse (<https://editor.eurodw.eu/>) as a securitisation repository in accordance with Article 10 of the EU Securitisation Regulation:
  - this prospectus,
  - the memorandum and articles of association of the issuer (which will also be made available on the website <https://www.vistra.com/services/alternative-investments/capital-markets/transaction-reporting> as from the date of this prospectus),
  - the annual financial statements of the issuer, as soon as published,
  - the monthly report,
  - the agency agreement,
  - the trust deed,
  - the deed of charge,
  - the collateral agency agreement,
  - the receivables sale agreement,
  - the servicing agreement,
  - the cash management agreement,
  - the bank account operation agreement,
  - the interest rate swap agreement, and
  - the issuer corporate services agreement.
7. Prior to the pricing of the notes, Ford Bank will make available (i) the information required pursuant to Article 7 of the EU Securitisation Regulation, (ii) the information required pursuant to Article 22(1) of the EU Securitisation Regulation set out in Annex C of this prospectus and (iii) a liability

cash flow model as referred to in Article 22(3) of the EU Securitisation Regulation to potential investors upon their request.

8. For the duration of the securitisation transaction, Ford Bank will procure that Moody's Analytics makes a liability cash flow model as referred to in Article 22(3) of the EU Securitisation Regulation available to noteholders on its website ([www.sfportal.com](http://www.sfportal.com)). The website of Moody's Analytics does not form part of the information provided for the purposes of this prospectus and disclaimers may be posted in respect of Moody's Analytics' liability with respect to the information posted on such website.
9. The issuer has not started trading and has not published an opening balance sheet or annual financial statements and has not published and does not intend to publish interim financial statements. It is anticipated that the first published annual financial statements of the issuer will be for the year ending 31 December 2025. As soon as published, such financial statements and all future financial statements of the issuer will be available, free of charge, at the office of the paying agent.
10. The issuer's independent auditors are PricewaterhouseCoopers Accountants N.V. whose address is at Thomas R. Malthusstraat 5, 1066 JR Amsterdam, The Netherlands.
11. The issuer does not intend to provide post-issuance information on the notes or the collateral other than what is set out in the servicing agreement regarding reporting duties.
12. The language of this prospectus is English. Any foreign language text that is included with or within this document has been included for convenience purposes only and does not form part of this prospectus.
13. Information on any website referred to in this prospectus does not form part of this prospectus.
14. The listed notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The table below lists the Common Codes and ISIN for the notes.

Class A global note	Class B global note
ISIN: XS2842066735	ISIN: XS2842067113
Common Code: 284206673	Common Code: 284206711

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## TERMS AND CONDITIONS OF THE NOTES

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

The €350,000,000 Class A Floating Rate Asset-Backed Notes due 20 June 2032 (the "**Class A Notes**"), the €13,000,000 Class B Floating Rate Asset-Backed Notes due 20 June 2032 (the "**Class B Notes**") and the €[15,296,997.41] Class C Fixed Rate Asset-Backed Notes due 20 June 2032 (the "**Class C Notes**" and, together with the Class A Notes and the Class B Notes, the "**Notes**") are constituted by a trust deed (the "**Trust Deed**") dated [22] July 2024 between Globaldrive Auto Receivables 2024-A B.V. (the "**Issuer**") and Deutsche Trustee Company Limited (the "**Trustee**", which expression will include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined in Condition 1 (*Form, denomination and title*)).

The Notes are secured under and on the terms set out in an English law governed deed of charge (the "**Deed of Charge**") dated [22] July 2024 between the Issuer and Deutsche Trustee Company Limited (in this capacity, the "**Security Trustee**", which expression includes its permitted successors and assigns) on certain assets of the Issuer, including, without limitation, the Issuer's rights, title, interest and benefit, present and future, in, under and to all its assets including the Issuer's rights, title, interest and benefit, present and future, in, under and to an agency agreement (the "**Agency Agreement**") dated [22] July 2024 between the Issuer, the Trustee, the Security Trustee, Deutsche Bank AG, London Branch as principal paying agent (in such capacity, the "**Principal Paying Agent**", which expression includes its permitted successors and assigns and, together with any other paying agent appointed, the "**Paying Agents**"), Deutsche Bank AG, London Branch as calculation agent (the "**Calculation Agent**", which expression includes its permitted successors and assigns) and Deutsche Bank Luxembourg S.A. as registrar (the "**Registrar**", which expression includes its permitted successors and assigns). The Notes also are secured under and on the terms set out in a collateral agency agreement (the "**Collateral Agency Agreement**") dated [22] July 2024 between the Issuer, the Security Trustee and Deutsche Trustee Company Limited (in this capacity, the "**Collateral Agent**", which expression includes its permitted successors and assigns) on certain German assets of the Issuer (the "**Fiduciary Collateral**"), including the Assigned Receivables and all related Ancillary Rights, the Receivables Sale Agreement and the Receivables Servicing Agreement, each as defined in Condition 2(c) (*Application of proceeds*) below.

The security created under the Deed of Charge and the Collateral Agency Agreement, and all further security created under such documents, are together referred to as the "**Security**".

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

The Notes, the Trust Deed, the Deed of Charge, the Collateral Agency Agreement, the Agency Agreement, the issuer corporate services agreement dated [22] July 2024 between, among others, the Issuer and Vistra Capital Markets (Netherlands) N.V. as issuer corporate services provider (the "**Issuer Corporate Services Provider**", which expression includes its permitted successors and assigns) (the "**Issuer Corporate Services Agreement**"), a 1992 ISDA master agreement, the schedule thereto and the credit support annex thereunder (the "**Credit Support Annex**") each dated as of [8] July 2024 and the interest rate swap confirmation dated [8] July 2024 between Bank of America Europe DAC as swap counterparty (the "**Swap Counterparty**", which expression includes its permitted successors and assigns) and the Issuer (together, the "**Interest Rate Swap Agreement**"), the data custody agreement dated [22] July 2024 between the Issuer, the Servicer (as defined below), the Collateral Agent and Deutsche Bank Luxembourg S.A. as data agent (the "**Data Agent**", which expression includes its permitted successors and assigns) (the "**Data Custody Agreement**"), the bank account operation agreement dated [22] July 2024 between the Issuer, the Security Trustee, BNP Paribas S.A. Niederlassung Deutschland as account bank (the "**Account Bank**", which expression includes its permitted successors and assigns), Deutsche Bank AG, London Branch as cash manager (the "**Cash Manager**", which expression includes its permitted successors and assigns) and the Servicer (as defined below) (the "**Bank Account Operation Agreement**") and the cash management agreement

dated [22] July 2024 between, among others, the Issuer and the Cash Manager (the "**Cash Management Agreement**") are, together with the Receivables Sale Agreement, the Receivables Servicing Agreement, the Note Purchase Agreements and the Conditions (each as defined below), referred to as the "**Transaction Documents**". References to each of the Transaction Documents are to it as from time to time modified in compliance with its terms and any deed or other document expressed to be supplemental to it, as from time to time so modified.

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

References to "Conditions" are, unless the context otherwise reprises, to the numbered paragraphs of these Conditions. Words and expressions used in these Conditions without definitions will have the meanings given to them in Condition 19 (*Definitions*).

The issue of the Notes was authorised by a resolution of the board of directors of the Issuer passed on [●] July 2024.

1. **Form, denomination and title**

- (a) The Class A Notes are issued in registered global form in the denomination of €200,000 and integral multiples of €1,000 in excess of €200,000.
- (b) The Class B Notes are issued in registered global form in the denomination of €200,000 and integral multiples of €1,000 in excess of €200,000.
- (c) The Class C Notes are issued in registered definitive form in one single denomination of €[15,296,997.41].

The Class A Notes and the Class B Notes which are offered and sold outside the United States to non-U.S. persons in reliance on Regulation S will be represented by beneficial interests in Global Notes. For so long as the Class C Notes are held by Ford Bank, the Class C Notes will be represented by beneficial interests in one single Definitive Note. The Class A Global Note is issued under the NSS.

The Issuer will cause to be kept at the specified office of the Registrar a register (the "**Register**") on which will be entered the names and addresses of the Holders of the Notes and the particulars of such Notes held by them and all transfers, advances, payments (of interest and principal), repayments, redemptions, cancellations and replacements of such Notes. In these Conditions, "**Notes**" means, for the Class A Notes and Class B Notes, a Global Note or a Definitive Note, and for the Class C Notes, a Definitive Note, and "**Noteholder**" or the "**Holder**" of a Note at any time means the person (or, in the case of a joint holding, the first named person) in whose name such Note is registered at that time in the Register and "**Class A Noteholder**", "**Class B Noteholder**" and "**Class C Noteholder**" means the Holder of a Class A Note, a Class B Note or a Class C Note.

Except as ordered by a court of competent jurisdiction or as required by law, the Issuer, the Trustee, the Registrar, the Principal Paying Agent and the other Paying Agents (notwithstanding any notice to the contrary and whether or not it is overdue and notwithstanding any notation of ownership or writing on a Note or notice of a previous loss or theft of a Note) may (i) for the purpose of making payment on or on account of any Note deem and treat the person (or, in the case of a joint holding, the first named person) in whose name any Global Note or Definitive Note is registered at that time in the Register (which will be conclusive evidence of such holding in the absence of manifest error, fraud or wilful default) as the absolute owner of such Note and all rights under such Note free from all encumbrances, and will not be required to obtain further proof of such ownership or as to the identity of the registered holder of a Global Note or Definitive

Note and (ii) for all other purposes deem and treat the person in whose name a Global Note or Definitive Note is registered at the relevant time in the Register as the absolute owner of and of all rights under such Note free from all encumbrances and will not be required to obtain further proof of such ownership or as to the identity of the registered holder of a Global Note or Definitive Note. Notwithstanding the above, so long as any of the Notes are represented by a Global Note, the terms "**Noteholders**" or "**Holder**s" will include the persons then set out in the records of Euroclear and/or Clearstream, Luxembourg, as the holders of a particular principal amount of such Notes (each an "**Accountholder**") in units of €1,000 principal amount of Notes for all purposes other than regarding the payment of principal and interest on such Notes, the right to which will be vested as against the Issuer solely in the holder of each Global Note under and subject to its terms.

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

A Note is not transferable except in compliance with the restrictions described in these Conditions and in the Trust Deed and the Agency Agreement. A sale or transfer in violation of the foregoing will be of no force and effect, will be void *ab initio*, and will not operate to transfer any rights to the transferee, notwithstanding any instructions to the contrary given by the Issuer, the Trustee or any intermediary. Each transferor of a Note agrees to provide notice of the transfer restrictions set out in these Conditions and in the Trust Deed to the transferee.

No transfer of Notes will be valid unless entered on the Register and no transfer Notes will be registered for a period of two Business Days immediately before each Interest Payment Date or payment date of the relevant Notes.

Class A Notes and Class B Notes which are represented by a Global Note will be transferable only in compliance with the rules and procedure for the time being of Clearstream, Luxembourg and Euroclear.

## 2. **Status and Security**

### (a) **Status**

The Notes are secured, limited recourse obligations of the Issuer, ranking, as between each Class, *pro rata* and *pari passu* without preference among themselves subject to as set out in these Conditions.

### (b) **Security**

As security for the Secured Obligations, the Issuer has entered into (i) the Deed of Charge which creates Security over certain assets of the Issuer, including the Issuer's rights under the English law governed Transaction Documents in favour of the Security Trustee for itself and on trust for the Secured Parties and (ii) the Collateral Agency Agreement which creates Security over the Fiduciary Collateral in favour of the Collateral Agent as security for a Parallel Obligation owing to the Collateral Agent and for the benefit of the Secured Parties.

### (c) **Application of proceeds**

The Issuer will use the net proceeds of the issue of the Notes to finance the purchase from Ford Bank (the "**Seller**", which expression includes its permitted successors and assigns), of a portfolio of German law governed retail auto loan receivables (all such purchased receivables, the "**Assigned Receivables**") and all Ancillary Rights under an agreement for the sale and purchase of retail auto loan receivables dated [22] July 2024 between the Seller, the Issuer, the Security Trustee, the Collateral Agent and the Trustee (the "**Receivables Sale Agreement**"). The Seller will continue to administer and collect the Assigned Receivables as agent for the Issuer in its capacity as servicer ("**Servicer**", which expression includes its permitted successors and assigns) under a receivables servicing agreement dated [22] July 2024

between the Servicer, the Issuer, the Trustee, the Security Trustee and the Collateral Agent (the "**Receivables Servicing Agreement**").

The Issuer has entered into the Interest Rate Swap Agreement with the Swap Counterparty, under which the Issuer will pay to the Swap Counterparty on each Interest Payment Date certain amounts calculated by reference to a fixed rate of interest and the Swap Counterparty will pay to the Issuer on each Interest Payment Date certain amounts calculated by reference to EURIBOR as defined in Condition 4(c) (*EURIBOR determination*) on a notional amount equal to the lesser of (a) the principal amount outstanding of the Class A Notes and the Class B Notes and (b) a predefined amortisation schedule (which is based on the projected amortisation of the Class A Notes and the Class B Notes assuming the Receivables have a 0% default rate and prepay at a constant prepayment rate of 0%). For the purposes of calculating the floating amount under the Interest Rate Swap Agreement, if the floating rate for any calculation period is less than  $-[\bullet]\%$ , then the floating rate will be deemed to be  $-[\bullet]\%$  for such calculation period. If the Interest Rate Swap Agreement is terminated before the redemption of the Class A Notes and the Class B Notes in full a termination payment may be due between the parties under such Interest Rate Swap Agreement.

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

Subject to clause 13.10 (*Liability of Cash Manager and indemnification*) of the Cash Management Agreement, on each Interest Payment Date before the service of an Enforcement Notice, the Available Interest Collections and the Net Swap Counterparty Receipts deposited in the Distribution Account (excluding any Permitted Exceptions) will be applied in the following order of priority (the "**Interest Priority of Payments**"):

- (i) payment of arrears of the Issuer Expenses due and payable on a previous Interest Payment Date and remaining unpaid on such Interest Payment Date within the limit set out in item (ii) below;
- (ii) payment of the Issuer Expenses up to maximum amount of €250,000 *per annum*;
- (iii) to the Servicer, payment of arrears of Servicing Fee from the previous Interest Payment Dates and remaining unpaid on such Interest Payment Date;
- (iv) to the Servicer, payment of the Servicing Fee;
- (v) to the Swap Counterparty, net amounts due to the Swap Counterparty under the Interest Rate Swap Agreement, other than any Swap Subordinated Amounts;
- (vi) to the Class A Noteholders, payment of any Class A Interest Shortfall (to be paid to each Class A Noteholder), on a *pro rata* and *pari passu* basis;
- (vii) to the Class A Noteholders, payment of the Class A Interest Amount (to be paid to each Class A Noteholder), on a *pro rata* and *pari passu* basis;
- (viii) to the Class B Noteholders, payment of any Class B Interest Shortfall (to be paid to each Class B Noteholder), on a *pro rata* and *pari passu* basis;
- (ix) to the Class B Noteholders, payment of the Class B Interest Amount (to be paid to each Class B Noteholder), on a *pro rata* and *pari passu* basis;
- (x) to the Reserve Account, amounts necessary to maintain the Reserve Account at its required Reserve Amount;
- (xi) as Available Principal Collections, payment of Reimbursed Losses and Principal Deficiencies;

- (xii) to the Swap Counterparty, amounts due to the Swap Counterparty for any Swap Subordinated Amounts;
- (xiii) payment of Issuer Expenses to the extent that such Issuer Expenses have not been paid under item (i) or item (ii) above;
- (xiv) to the Class C Noteholders, payment of any Class C Interest Shortfall (to be paid to each Class C Noteholder), on a *pro rata* and *pari passu* basis;
- (xv) to the Class C Noteholders, payment of the Class C Interest Amount (to be paid to each Class C Noteholder), on a *pro rata* and *pari passu* basis; and
- (xvi) to the Seller, payment of any amount remaining as part of the Deferred Purchase Price Component,

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

Subject to clause 13.10 (*Liability of Cash Manager and indemnification*) of the Cash Management Agreement, on each Interest Payment Date before the service of an Enforcement Notice, the Available Principal Collections (excluding any Permitted Exceptions) will be applied towards the relevant payments in the following order of priority (the "**Principal Priority of Payments**"):

- (i) to the Class A Noteholders, payment of principal on a *pro rata* and *pari passu* basis until all the Class A Notes have been redeemed in full;
- (ii) to the Class B Noteholders, payment of principal on a *pro rata* and *pari passu* basis until all the Class B Notes have been redeemed in full;
- (iii) to the Class C Noteholders, payment of principal on a *pro rata* and *pari passu* basis until all the Class C Notes have been redeemed in full;
- (iv) to the Seller, repayment of the Subordinated Loan in full; and
- (v) to the Seller, all remaining Available Principal Collections in the form of the Deferred Purchase Price Component,

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

To the extent that the Issuer does not receive sufficient Available Interest Collections and/or Available Principal Collections from the Assigned Receivables and there is not a sufficient available balance standing to the credit of the Issuer's Accounts to be applied to meet payments due under the Notes after meeting prior ranking claims for certain expenses of the transaction and any net payment under the Interest Rate Swap Agreement in accordance with the Interest Priority of Payments and/or the Principal Priority of Payments, the Issuer will be unable to the same extent to make payments under the Notes. Any shortfall will be borne first by the Class C Notes, secondly by the Class B Notes and thirdly by the Class A Notes *pro rata* and *pari passu* as between the Notes of such Class.

If and during such time period that a Monthly Report is not provided to the Cash Manager, the Cash Manager will determine the amounts payable under the Interest Priority of Payments and the Principal Priority of Payments to the Noteholders and the other Secured Parties in compliance with the Cash Management Agreement.

(e) **Enforcement of the Security**

After the occurrence of an Event of Default and the service of an Enforcement Notice under Condition 10 (*Events of Default*) below the Security will become enforceable and the Trustee may at its discretion direct the Security Trustee and/or the Collateral Agent to take action to enforce the Security, and will direct the Security Trustee and/or the Collateral Agent to take such action to enforce the Security as directed by the Controlling Class acting by way of a Written Resolution or by way of an Extraordinary Resolution (in all cases, subject to the Trustee, the Security Trustee and the Collateral Agent having been indemnified and/or secured and/or pre-funded to their satisfaction). The Collateral Agent will act in consultation with the Security Trustee in realising the Security constituted by the Collateral Agency Agreement, as applicable.

The Trustee may, at its discretion and will do so if it has been directed to do so by the Controlling Class acting by way of a Written Resolution or by way of an Extraordinary Resolution, (subject to having been indemnified and/or secured and/or prefunded to its satisfaction) and without notice and in such manner as it deems appropriate:

- (i) take such proceedings and/or other steps as it may deem appropriate against or concerning the Issuer or any other person to enforce its obligations under the Transaction Documents or these Conditions and/or take other proceedings (including lodging an appeal in any proceedings) concerning the Issuer;
- (ii) exercise its rights under, or in connection with a Transaction Document; and/or
- (iii) give directions to the Security Trustee and/or the Collateral Agent under or in connection with a Transaction Document.

To the extent that the Trustee acts in compliance with such directions of the Controlling Class, as described above, it will have no obligation to take the interests of any other party into account or to follow a direction given by any other party. Only the Trustee, the Security Trustee and the Collateral Agent may enforce the rights of the Noteholders against the Issuer, whether the same arise under general law, these Conditions, any Transaction Document or otherwise. None of the Noteholders will have the right to proceed directly against the Issuer.

(f) **Application of proceeds**

Subject to clause 13.10 (*Liability of Cash Manager and indemnification*) of the Cash Management Agreement, following the service of an Enforcement Notice, the Security Trustee will give notice to all Secured Parties (of which it has notice details in the Transaction Documents) and apply (or direct the cash manager to apply) amounts available for distribution to the satisfaction of the amounts and in the order of priority set out below. All Available Funds (excluding any Permitted Exceptions) will be applied by (or at the direction of) the Security Trustee, to the extent permitted by applicable law, on each Accelerated Payment Date in accordance with the following order of priority (the "**Accelerated Priority of Payments**"):

- (i) payment of arrears of the Issuer Expenses due and payable on a previous Payment Date and remaining unpaid on such Accelerated Payment Date;
- (ii) payment of the Issuer Expenses;
- (iii) to the Servicer, payment of arrears of Servicing Fee on the previous Payment Dates and remaining unpaid on such Accelerated Payment Date;
- (iv) to the Servicer, payment of the Servicing Fee;
- (v) to the Swap Counterparty, net amounts due to the Swap Counterparty, other than any Swap Subordinated Amounts;

- (vi) to the Class A Noteholders, payment of any Class A Interest Shortfall, on a *pro rata* and *pari passu* basis;
- (vii) to the Class A Noteholders, payment of the Class A Interest Amount, on a *pro rata* and *pari passu* basis;
- (viii) to the Class A Noteholders, repayment of the Class A Notes on a *pro rata* and *pari passu* basis until all the Class A Notes have been paid in full;
- (ix) to the Class B Noteholders, payment of any Class B Interest Shortfall, on a *pro rata* and *pari passu* basis;
- (x) to the Class B Noteholders, payment of the Class B Interest Amount, on a *pro rata* and *pari passu* basis;
- (xi) to the Class B Noteholders, repayment of the Class B Notes on a *pro rata* and *pari passu* basis until all the Class B Notes have been paid in full;
- (xii) to the Swap Counterparty, amounts due to the Swap Counterparty for any Swap Subordinated Amounts;
- (xiii) to the Class C Noteholders, payment of any Class C Interest Shortfall, on a *pro rata* and *pari passu* basis;
- (xiv) to the Class C Noteholders, payment of the Class C Interest Amount, on a *pro rata* and *pari passu* basis;
- (xv) to the Class C Noteholders, repayment of the Class C Notes on a *pro rata* and *pari passu* basis until all the Class C Notes have been paid in full;
- (xvi) to the Seller, repayment of the Subordinated Loan in full; and
- (xvii) to the Seller, payment of any amount remaining as part of the Deferred Purchase Price Component,

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

Any Permitted Exceptions will be paid in accordance with the relevant Transaction Documents.

The Collateral Agent also is required, without double counting, to apply amounts available for distribution in or towards the satisfaction of the amounts and in the order of priority set out in the Accelerated Priority of Payments, in compliance with clause 10.2 (*Application of proceeds*) of the Collateral Agency Agreement.

If and during such time period that a monthly report is not provided to the Cash Manager, the Cash Manager will determine the amounts payable under the Accelerated Priority of Payments to the Noteholders and the other Secured Parties in compliance with the Cash Management Agreement.

**(g) Shortfall after application of proceeds**

If the net proceeds of the Security being enforced and liquidated under the Deed of Charge and the Collateral Agency Agreement are not sufficient, after payment of all other claims ranking in priority to the Notes, to cover all payments due on the Notes, the obligations of the Issuer under the Notes will be limited to such net proceeds and such net proceeds will be applied in compliance with the Receivables Servicing Agreement, the Deed of Charge and the Collateral Agency Agreement and no other assets of the Issuer will be available for any further payments on the Notes. The right to receive any

further payments of any such shortfall remaining after enforcement of the Security and application of the proceeds of the Security in accordance with the Accelerated Priority of Payments will be extinguished.

(h) **Relationship between the Class A Notes, the Class B Notes and the Class C Notes**

- (i) The Class A Notes will rank in priority to the Class B Notes and the Class C Notes. The Class B Notes will rank in priority to the Class C Notes.
- (ii) Payments of interest on the Class A Notes will rank *pro rata* and *pari passu* between themselves and in priority to payments of interest on the Class B Notes and the Class C Notes. Payments of interest on the Class B Notes will rank *pro rata* and *pari passu* among themselves and in priority to payments of interest on the Class C Notes. If the Issuer does not have sufficient Available Interest Collections on the relevant Payment Date to meet interest payments on the Class A Notes, the Class B Notes and the Class C Notes in full, any shortfall will first be borne by the Class C Notes and, to the extent that interest due on the Class C Notes on such Interest Payment Date is less than such shortfall, the remaining shortfall will secondly be borne by the Class B Notes and, to the extent that interest due on the Class B Notes on such Interest Payment Date is less than such remaining shortfall, it will thirdly be borne by the Class A Notes, *pro rata* and *pari passu* between the Notes of such Class.
- (iii) No amount of principal of the Class B Notes or the Class C Notes will become due and payable until redemption and payment in full of the Class A Notes, and no amount of principal of the Class C Notes will become due and payable until redemption and payment in full of the Class A Notes and the Class B Notes.
- (iv) To the extent that the Trustee acts in accordance with the directions of the Controlling Class, it will have no obligation to take the interest of any other Noteholders into account or to follow any direction given by any of the other Noteholders.
- (v) The Trust Deed contains terms requiring the Trustee to consider the interests of the Noteholders (unless acting in accordance with the directions of the Controlling Class), to take into account the interests of the Class A Noteholders, the Class B Noteholders and the Class C Noteholders equally as regards all trusts, rights, powers, authorities, or discretions of the Trustee (except where expressly provided otherwise), but requiring the Trustee, (A) to take into account only the interests of the Class A Noteholders if, in the opinion of the Trustee there is a conflict between the interests of the Class A Noteholders and the Class B Noteholders and/or the Class C Noteholders and (B) subject to the prevailing rule under item (A) above, to take into account only the interests of the Class B Noteholders if, in the opinion of the Trustee there is a conflict between the interests of the Class B Noteholders and the Class C Noteholders.
- (vi) In all circumstances where the Trustee must act in accordance with the instructions of the Holders of each Class of Notes affected by any amendments referred to in clause 11 (*Amendment, substitution and change of tax residence*) of the Trust Deed, the Trustee will have absolute discretion in determining whether the Holders of a Class of Notes are affected by any such amendment but may, in order to make such determination, consult with any Holder or make any inquiries as it considers necessary, subject to it having been indemnified and/or secured and/or prefunded to its satisfaction. A resolution which in the sole opinion of the Trustee affects two or more Classes of Noteholders and gives or may give rise to a conflict of interest between the Holders of such Classes of Notes will be deemed to have been passed only if it will be passed by an Extraordinary Resolution or Written Resolution of the most senior Class so affected irrespective of any resolution of the Holders of each other Class of Notes so affected; provided that no resolution of Holders of the most senior



Class in respect of those matters requiring a Special Quorum Resolution will be effective unless sanctioned by an Extraordinary Resolution or Written Resolution of Holders of each other Class of Notes. For the purposes of this paragraph (vi) "Holders of the most senior Class" will be construed in accordance with clause 20.3 (*Action prejudicial to senior Classes of Noteholders*) of the Trust Deed and the rights of the Controlling Class.

- (vii) None of the Class B Noteholders or the Class C Noteholders may request or direct the Trustee or the Issuer to take action or pass an effective Extraordinary Resolution or Written Resolution if the effect of the same would, in the sole opinion of the Trustee, be materially prejudicial to the interests of the Class A Noteholders, and neither the Trustee nor the Issuer will be responsible to the Class B Noteholders or the Class C Noteholders for disregarding such request, direction or resolution.
- (viii) None of the Class C Noteholders may request or direct the Trustee or the Issuer to take action or pass an effective Extraordinary Resolution or Written Resolution if the effect of the same would, in the sole opinion of the Trustee, be materially prejudicial to the interests of the Class B Noteholders, and neither the Trustee nor the Issuer will be responsible to the Class C Noteholders for disregarding such request, direction or resolution.
- (ix) In addition, if there is a conflict between the interests of (1) the Noteholders and (2) the other Secured Parties, the Security Trustee and the Collateral Agent will, to the extent permitted by applicable law, take into account only the interests of the Class A Noteholders, the Class B Noteholders and the Class C Noteholders. The exercise of such powers by the Trustee, the Security Trustee or the Collateral Agent under this Condition 2(h)(ix) will be without any prejudice to consent rights of any party as set out in clause 11 (*Amendment, substitution and change of tax residence*) of the Trust Deed.

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

The Trustee, the Security Trustee and the Collateral Agent will be entitled to assume, for the purposes of exercising any right, power, duty or discretion under or related to these Conditions, the Trust Deed, the Deed of Charge, the Collateral Agency Agreement or any of the other Transaction Documents or for the purposes of paragraphs (v), (vi) and (vii) of Condition 2(h) (*Relationship between the Class A Notes, the Class B Notes and the Class C Notes*), that to do so will not be materially prejudicial to the interests of the Noteholders of the relevant Class (i) if it has obtained the consent of the Noteholders or the relevant Class or (ii) the Trustee has received confirmation from the Rating Agencies that the then current ratings of the Class A Notes will not be adversely affected or, if a Rating Agency does not respond to a request for such confirmation within five Business Days, confirmation from the Servicer that it is not aware that the then current ratings of the Class A Notes would be adversely affected or (iii) regarding a non-economic or non-financial matter, if the Trustee obtains an Opinion of Counsel to such effect.

**3. Covenants**

So long as any of the Notes remains outstanding, the Issuer will not without the prior consent of the Trustee, unless otherwise provided by these Conditions or the Transaction Documents:

- (a) carry on business other than performing its functions and obligations and discharging its obligations and liabilities set out in the Transaction Documents and in connection with that business will not engage in an activity or do anything except:
  - (i) finance, acquire, hold and dispose of the Assigned Receivables;
  - (ii) issue, enter into, amend, exchange, repurchase or cancel the Notes;

- (iii) enter into, amend, consent to a variation of, or release a party from an obligation under, the Notes, the Transaction Documents and agreements relating or incidental to the issue and constitution of, and the granting of security for, the Notes;
  - (iv) own and exercise its rights regarding the Security and its interests in the Security and perform its obligations regarding the Security and the Transaction Documents;
  - (v) preserve and/or exercise and/or enforce its rights and perform and observe its obligations under the Notes, the Transaction Documents and agreements relating or incidental to the issue and constitution of, and the granting of security for, the Notes;
  - (vi) use its property or assets in the manner set out in or contemplated by the Transaction Documents; and
  - (vii) perform other acts incidental to or necessary in connection with items (i) to (vi) above;
- (b) have employees or own premises;
  - (c) incur indebtedness for borrowed money or give a guarantee or indemnity for indebtedness except under the Notes or under the Transaction Documents;
  - (d) create a mortgage, charge, pledge, lien or other security interest over, or use, invest, sell or otherwise dispose of its assets other than as contemplated by the Transaction Documents;
  - (e) commingle its property or assets with the property or assets of another person;
  - (f) have a subsidiary;
  - (g) pay a dividend or make a distribution to its shareholders in an accounting period which is greater than the amount left to the Issuer after Dutch corporation tax is charged on the Retained Amount;
  - (h) issue shares in the Issuer (other than such shares as are in issue as at the Closing Date) or permit the sale, transfer or the taking of security over the shares in the Issuer;
  - (i) permit the validity or effectiveness of or the priority of the Security Interest created by the Trust Deed, the Deed of Charge or the Collateral Agency Agreement to be amended, terminated, postponed or discharged, or permit a person whose obligations form part of the Security Interest to be released from such obligations;
  - (j) open a further account for the purposes of depositing any monies it receives in connection with the Transaction Documents, unless such account is secured in favour of the Security Trustee and/or the Collateral Agent, for the benefit of the Secured Parties;
  - (k) consolidate or merge with another person or convey or transfer its properties or assets substantially as an entirety to another person;
  - (l) initiate a voluntary insolvency proceeding in respect of the Issuer; and
  - (l) amend the articles of association (or other constitutional document) of the Issuer.

In giving its consent to the foregoing, the Trustee may require the Issuer to amend the Transaction Documents and/or may impose such other conditions as it deems to be in the interests of the Noteholders, under Condition 12 (*Meetings of Noteholders, modifications, waiver, substitution and exchange*) below.

#### 4. **Interest**

##### (a) **Interest Rate and accrual**

Each Note bears interest on the principal amount outstanding of such Note at the beginning of the relevant Interest Period at the rate *per annum* (expressed as a percentage) equal to the Interest Rate (calculated in the manner set out in Condition 4(d) (*Calculations*)), payable in arrear on each Interest Payment Date from (and including) the Closing Date, subject to Condition 6 (*Interest shortfall, additional interest and subordination*).

Interest due on an Interest Payment Date will accrue on the principal amount outstanding of each Note at the beginning of the relevant Interest Period (provided that the first Interest Period will be the period beginning on (and including) the Closing Date to (but excluding) 20 August 2024).

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

##### (b) **Interest Rate**

The Interest Rate for each Interest Period will be:

- (i) each Class A Note on the first day of the relevant Interest Period, one-month EURIBOR plus [●]% *per annum*. If EURIBOR plus the margin for the Class A Notes is less than zero, the Interest Rate will be zero (the "**Class A Interest Rate**");
- (ii) each Class B Note on the first day of the relevant Interest Period, one-month EURIBOR plus [●]% *per annum*. If EURIBOR plus the margin for the Class B Notes is less than zero, the Interest Rate will be zero (the "**Class B Interest Rate**"); and
- (iii) each Class C Note on the first day of the relevant Interest Period, [●]% *per annum* (the "**Class C Interest Rate**").

##### (c) **EURIBOR determination**

EURIBOR will be determined by the Calculation Agent on the Interest Determination Date for each relevant Interest Period as follows:

"**EURIBOR**" will be the rate for one month deposits in Euros having a maturity equal to the relevant Interest Period [(and, for the first Interest Period, the rate which represents the linear interpolation between one week and one month)] rounded, if necessary, to the 3rd decimal place with 0.0005 being rounded upwards, which appears on Reuters Page EURIBOR01 as at 11.00 am Brussels time (the "**Relevant Time**") (the "**Relevant Screen Rate**") on such Interest Determination Date. As used in this Condition 4(c), "**Reuters Page EURIBOR01**" means the display page so designated on Reuters Page EURIBOR01 (or such other page as may replace that page on that service or such other service or services as may be approved by the Calculation Agent for the purpose of displaying European interbank offered rates for Euro deposits).

With respect to an Interest Determination Date for which EURIBOR does not appear on the Reuters Page EURIBOR01, EURIBOR will be determined by the Calculation Agent using the published rate for EURIBOR which appeared on Reuters

Page EURIBOR01 as at the Relevant Time on the last preceding Business Day prior to the Interest Determination Date for which Reuters Page EURIBOR01 was available or in respect of which such published rate was available.

(d) **Calculations**

- (i) The amount of interest payable on each Note for an Interest Period (the "**Interest Amount**") will be calculated by taking the aggregate of (1) the product of the relevant Interest Rate, the principal amount outstanding of such Note at the beginning of such Interest Period and the Day Count Fraction and (2) any Additional Interest and rounding the resultant figure to the nearest whole cent (half a cent being rounded upwards).
- (ii) The Class A Interest Rate, the Class B Interest Rate and the Interest Amounts to be paid on the Notes for each Interest Period will be determined by the Calculation Agent. All calculations made by the Calculation Agent will (in the absence of manifest or proven error) be conclusive for all purposes and binding on the Trustee, the Noteholders and all other parties.
- (iii) If the Calculation Agent does not at any time for any reason determine the Class A Interest Rate and the Class B Interest Rate or any Interest Amount for any Note in compliance with the foregoing Conditions, the Trustee or its appointed agent will (1) determine the Class A Interest Rate and the Class B Interest Rate at such rates as, in its absolute discretion (taking into account as it will think fit to the procedure described above), it will deem fair and reasonable in all the circumstances and/or (2) calculate the Interest Amount for each Class and/or the Class C Interest Rate in the manner specified in this Condition 4(d), and such determination and/or calculation will be deemed to have been made by the Calculation Agent.

(d) **Determination and publication of the Class A Interest Rate, the Class B Interest Rate and the Interest Amounts**

The Calculation Agent will determine the Class A Interest Rate, the Class B Interest Rate and the Interest Amounts for each Note for the relevant Interest Period, obtain such quote or make such determination or calculation and cause the Class A Interest Rate and the Class B Interest Rate and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to the Trustee, the Issuer, the Paying Agents, the Registrar, the Servicer, the Cash Manager and the Noteholders, as soon as possible after their determination.

The Interest Amounts, the Class A Interest Rate and the Class B Interest Rate notified in compliance with this Condition may be amended later (or appropriate alternative arrangements made by way of adjustment) without notice if the relevant Interest Period is extended or shortened.

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

5. **Redemption**

(a) **Final redemption**

Unless previously redeemed in full and cancelled as set out in this Condition 5, each Note will be redeemed by the Issuer at its principal amount outstanding together with

accrued interest on the Final Legal Maturity Date. Each Rating Agency will be informed of a redemption of the Notes under this Condition 5.

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

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

If, following a change of applicable law, regulation or interpretation of such law or regulation after the Closing Date, the Issuer is, on the occasion of the next payment due on the Notes, required to deduct, withhold or account for tax on a payment by it on the Notes or would suffer a tax or other similar imposition so that:

- (i) the Issuer is unable to make payment of the full amount due on the Notes or the cost to the Issuer of making payments on the Notes or of complying with its obligations under or in connection with the Notes would be materially increased;
- (ii) the operating or administrative expenses of the Issuer would be materially increased; or
- (iii) the Issuer would be obliged to make a material payment on, related to, or calculated by reference to, its income or any sum received or receivable by or on behalf of the Issuer from the Charged Property or the Fiduciary Collateral or any of it,

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

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

Each Class A Note and, provided that the Class A Notes have been redeemed in full, each Class B Note and, provided that the Class B Notes have been redeemed in full, each Class C Note will be subject to mandatory early redemption in part on each Interest Payment Date in an amount equal to the Available Principal Collections

available on such Interest Payment Date for such purpose in accordance with the Principal Priority of Payments. Such early redemption in part will be on a *pro rata* and *pari passu* basis within each such Class.

(d) **Clean up call**

The Issuer will redeem all of the Notes at their aggregate principal amount outstanding, together with any interest accrued up to but excluding the relevant Interest Payment Date, on an Interest Payment Date, if the Seller has exercised its option to purchase all of the Assigned Receivables under clause 10.1 (*Clean-up call option*) of the Receivables Sale Agreement, on giving an irrevocable notice no later than 30 days beforehand to the relevant Noteholders and the Trustee in compliance with Condition 15 (*Notices*).

(e) **Cancellation**

Notes redeemed in full or in part by the Issuer will promptly be cancelled in full or in part in which case they will not be resold or re-issued and the obligations of the Issuer under such Notes will be discharged.

If the Issuer redeems some of the Class A Notes and/or the Class B Notes and such Notes are represented by Global Notes, such partial redemption will be effected in compliance with the rules and procedures of Clearstream, Luxembourg and/or Euroclear (to be reflected in the records of Clearstream, Luxembourg and Euroclear, as either a pool factor or a reduction in nominal amount, at their discretion).

(f) **Note principal payments and principal amount outstanding**

On (or as soon as practicable after) each Interest Determination Date, the Calculation Agent, acting on behalf of the Issuer, will determine (based on information provided to the Calculation Agent by the Issuer or the Servicer through the Monthly Report) (i) the amount of any Mandatory Early Part Redemption Amount due on each Note of each Class on the Interest Payment Date next following such Interest Determination Date and (ii) the principal amount outstanding of each Note of each Class on the Interest Payment Date next following such Interest Determination Date and will cause notice of each determination of the Mandatory Early Part Redemption Amount and the principal amount outstanding of a Note of each Class to be given to the Trustee, the Paying Agents, the Registrar, the Issuer, the Noteholders and the Cash Manager immediately and by no later than 5.00 pm (London time) one Business Day before the relevant Interest Payment Date. Each determination by or on behalf of the Issuer of any Mandatory Early Part Redemption Amount and the principal amount outstanding of a Note will (in the absence of fraud, wilful default or manifest or proven error) be final and binding on all persons.

If the Calculation Agent, acting on behalf of the Issuer, does not at any time for any reason determine the Mandatory Early Part Redemption Amount or the principal amount outstanding of a Note in compliance with the prior terms of this Condition 5(f), such Mandatory Early Part Redemption Amount and/or principal amount outstanding may be determined by the Trustee in compliance with this Condition 5(f) and each such determination will be conclusive (in the absence of wilful default or manifest or proven error) and will be deemed to have been made by the Calculation Agent. Such determination will be final and binding on the Issuer, the Calculation Agent, the Noteholders and all other relevant persons.

**6. Interest shortfall, additional interest and subordination**

(a) **Class A Interest Shortfall and Additional Interest on the Class A Notes**

If the aggregate funds (computed in compliance with the Cash Management Agreement) available to the Issuer on an Interest Payment Date for application in or

towards the payment of any Interest Amount due on the Class A Notes on such Interest Payment Date under Condition 4 (*Interest*) are not sufficient to satisfy in full the aggregate amount of interest so due, the Issuer will create a provision in its accounts equal to such shortfall (the "**Class A Interest Shortfall**") and such shortfall will accrue interest in compliance with Condition 4(b)(i) (*Interest Rate*) for such time as it remains outstanding (such interest being Additional Interest) and such shortfall, together with any additional accrued interest, will be due and payable on the next Interest Payment Date in accordance with the applicable Priority of Payments.

(b) **Class B Interest Shortfall and Additional Interest on the Class B Notes**

- (i) For so long as any Class A Note remains outstanding, if the aggregate funds (computed in compliance with the Cash Management Agreement) available to the Issuer on any Interest Payment Date for application in or towards the payment of any Interest Amount which is, subject to this Condition, due on the Class B Notes on such Interest Payment Date are not sufficient to satisfy in full the aggregate amount of interest which is, subject to this Condition 6, due on the Class B Notes on such Interest Payment Date (the "**Class B Interest Shortfall**"), there will be payable on such Interest Payment Date by way of interest on each Class B Note (notwithstanding Condition 4 (*Interest*)) only a *pro rata* share of such aggregate funds on such Interest Payment Date.
- (ii) If there is a Class B Interest Shortfall, the Issuer will create a provision in its accounts for the shortfall equal to the amount by which the aggregate amount of interest paid on the Class B Notes on any Interest Payment Date in compliance with this Condition falls short of the aggregate amount of interest payable on the Class B Notes on that date under Condition 4 (*Interest*). Such shortfall will accrue interest in compliance with Condition 4(b)(ii) (*Interest Rate*) during such Interest Period during which it remains outstanding (such interest being Additional Interest) and a *pro rata* share of such shortfall, together with a *pro rata* share of such accrued interest, will be aggregated with the amount of, and treated for the purpose of this Condition 6 as if it were, interest due, subject to this Condition, on each Class B Note on the next succeeding Interest Payment Date. If, on the final Interest Payment Date (or on any earlier redemption of the Class B Notes in full), there remains such a provision, such amount will become payable subject to this Condition on that Interest Payment Date (or, in the case of an earlier redemption of the Class B Notes in full, on the date of such redemption).
- (iii) Following redemption of the Class A Notes in full, Condition 6(a) (*Class A Interest Shortfall and Additional Interest on the Class A Notes*) will apply to the Class B Notes.

(c) **Class C Interest Shortfall and Additional Interest on the Class C Notes**

- (i) For so long as any Class B Note remains outstanding, if the aggregate funds (computed in compliance with the Cash Management Agreement) available to the Issuer on any Interest Payment Date for application in or towards the payment of any Interest Amount which is, subject to this Condition 6, due on the Class C Notes on such Interest Payment Date are not sufficient to satisfy in full the aggregate amount of interest which is, subject to this Condition 6, due on the Class C Notes on such Interest Payment Date (the "**Class C Interest Shortfall**"), there will be payable on such Interest Payment Date by way of interest on each Class C Note (notwithstanding Condition 4 (*Interest*)) only a *pro rata* share of such aggregate funds on such Interest Payment Date.
- (ii) If there is a Class C Interest Shortfall, the Issuer will create a provision in its accounts for the shortfall equal to the amount by which the aggregate amount of interest paid on the Class C Notes on any Interest Payment Date in compliance with this Condition falls short of the aggregate amount of interest

payable on the Class C Notes on that date under Condition 4 (*Interest*). Such shortfall will accrue interest in compliance with Condition 4(b)(iii) (*Interest Rate*) during such Interest Period during which it remains outstanding (such interest being Additional Interest) and a *pro rata* share of such shortfall, together with a *pro rata* share of such accrued interest, will be aggregated with the amount of, and treated for the purpose of this Condition 6 as if it were, interest due, subject to this Condition, on each Class C Note on the next succeeding Interest Payment Date. If, on the final Interest Payment Date (or on any earlier redemption of the Class C Notes in full), there remains such a provision, such amount will become payable subject to this Condition 6 on that Interest Payment Date (or, in the case of an earlier redemption of the Class C Notes in full, on the date of such redemption).

- (iii) Following redemption of the Class B Notes in full, Condition 6(a) (*Class A Interest Shortfall and Additional Interest on the Class A Notes*) will apply to the Class C Notes.

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

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

**(e) Principal on the Class C Notes**

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

**7. Payments**

**(a) Method of payment**

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

**(b) Payments subject to applicable laws, etc**



All payments are subject in all cases to:

- (i) applicable fiscal or other laws, regulations and directives; and
- (ii) FATCA,

but without prejudice to Condition 8 (*Taxation*). No commission or expenses will be charged to the Noteholders for such payments.

(c) **Payments on Global Notes**

Payments of principal and interest on Class A Notes and Class B Notes represented by a Global Note will (subject as provided below) be made in the manner specified above for Definitive Notes and otherwise in the manner specified in the relevant Global Note through Clearstream, Luxembourg and/or Euroclear. A record of each payment made for a Global Note, distinguishing between a payment of principal and a payment of interest, will be entered into the records of Clearstream, Luxembourg and/or Euroclear and such record will be *prima facie* evidence that the payment in question has been made.

(d) **General terms applicable to payments**

The Holder of a Global Note will be the only person with the right to receive payments on Class A Notes and Class B Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the Holder of such Global Note for each amount so paid. Each of the persons shown in the records of Clearstream, Luxembourg or Euroclear as the beneficial Holder of a particular nominal amount of Class A Notes and Class B Notes represented by such Global Note must look solely to Clearstream, Luxembourg or Euroclear for this share of each payment so made by the Issuer, or to the order of, the Holder of such Global Note.

(e) **Appointment of Agents**

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

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

(f) **Non-business days**

If a date for payment on a Note is not a Business Day, the Holder will not have a right to payment until the next following Business Day nor to interest or other sums related to such postponed payment.

(g) **Limited recourse**

- (i) No amounts will be payable by the Issuer except in accordance with the Priority of Payments (excluding any Permitted Exceptions) and any payment

obligations of the Issuer under these Conditions may only be satisfied from the amounts received by it under or in connection with the Transaction Documents.

- (ii) If the Security constituted by the Deed of Charge or the Collateral Agency Agreement is enforced, and after payment of all other claims (if any) ranking in priority to or *pari passu* with each of the claims of the Secured Parties under the Deed of Charge or the Collateral Agency Agreement, the remaining proceeds of such enforcement are insufficient to pay in full all amounts due to each of the Secured Parties and all other claims ranking *pari passu* to the claims of each such party, then the claims of each such party against the Issuer will be limited to their respective shares of such remaining proceeds (as determined in compliance with the Deed of Charge or the Collateral Agency Agreement) and, after payment to each such party of its respective share of such remaining proceeds, the obligations of the Issuer to each such party will be extinguished in full.
- (iii) The provisions of this Condition 7(g) will survive the termination of these Conditions. In the case of discrepancy between this Condition 7(g) and any other provision, the provisions of this Condition 7(g) will control.

## 8. **Taxation**

All payments of principal and interest on the Notes will be made without withholding or deduction for, or on account of, present or future taxes, duties, assessments or governmental charges of any nature by the Issuer or any Paying Agent unless required by law (or under FATCA), in which case the Issuer or that Paying Agent will make that payment net of such withheld or deducted amounts and will account to the relevant authorities for the amount required to be withheld or deducted. Neither the Issuer nor any Paying Agent will be obliged to make any additional payments to Noteholders for such withholding or deduction.

Notwithstanding the foregoing, if a tax referred to in Condition 5(b) (*Redemption for taxation and other reasons*) arises and, subject as set out in such Condition, as a result of such tax the Issuer either (i) does not or would not have sufficient amounts to make payments due on the Notes in full or (ii) would be required to deduct amounts from its payments on the Notes, then the amounts payable or to be paid on the Notes will be proportionately reduced by an amount equal to such insufficiency or deduction. No such reduction will be an Event of Default under Condition 10 (*Events of Default*).

## 9. **Prescription**

The Notes will become void unless claims for payment of principal or interest are made within 10 years of the Relevant Date for such Notes. After the date when a Note becomes void, no claim may be made regarding such Note.

## 10. **Events of Default**

If the following events (each an "**Event of Default**") occur, the Trustee at its absolute discretion may, and if so directed by the Controlling Class acting by way of a Written Resolution or by way of an Extraordinary Resolution, will give an Enforcement Notice to the Issuer with a copy to the Servicer, the Swap Counterparty, the Security Trustee, the Collateral Agent, the Account Bank, the Cash Manager, each Paying Agent, the Registrar and each Rating Agency declaring the Notes due and payable and each Note will accordingly become immediately due and payable, without further action or formality, at its principal amount outstanding together with accrued interest:

### (a) **Non-payment**

subject to Condition 8 (*Taxation*), (i) default in the payment of any Interest Amount due on a Note of the Controlling Class when the same becomes due and payable on each Interest Payment Date and such default continues for a period of five Business

Days or more or (ii) default in the payment of principal due on the Notes or any of them when the same becomes due and payable on its final maturity;

(b) **Breach of other obligations**

the Issuer fails to perform or comply with one or more of its other obligations (other than a failure to perform or comply with obligations which failure, in the opinion of the Trustee, is not materially prejudicial to the interests of the Controlling Class) under the Transaction Documents and (except where such failure is not capable of remedy when no such notice as is referred to below will be required) such failure will continue for more than 60 days (or such longer period as the Trustee may permit) next following the service by the Trustee on the Issuer of a notice requiring the same to be remedied;

(c) **Security**

the Security (or part of the Security) is terminated or otherwise becomes void or ineffective and is not sufficiently replaced or supplemented (if it is possible in the opinion of the Trustee to supplement or replace such Security) within 30 days of the day on which such Security (or part of such Security) was terminated or otherwise became void or ineffective (other than where such termination of the Security or such Security becoming void or ineffective is, in the opinion of the Trustee, not materially prejudicial to the interests of the Controlling Class); or

(d) **Liquidation, dissolution, insolvency or bankruptcy**

an Insolvency Event occurs regarding the Issuer.

Following (i) the occurrence of an Event of Default (notified by the Issuer in writing to the Trustee or of which the Trustee has actual knowledge) and the expiry of the grace period for remedial action, if applicable, and (ii) an Enforcement Notice being given by the Trustee under this Condition 10, notice to that effect will be given by the Trustee to all Noteholders without undue delay in compliance with Condition 15 (*Notices*).

**11. Enforcement and non-petition**

Only the Trustee and the Security Trustee may pursue the remedies available under the Trust Deed or the Deed of Charge, as applicable, to enforce the rights of the Secured Parties; provided that the Collateral Agent may pursue the remedies available under the Collateral Agency Agreement. No other Secured Party has the right to proceed against the Issuer unless the Trustee, the Security Trustee or the Collateral Agent, having become bound so to do, fails to take action against the Issuer or to enforce any of the Security within a reasonable time and such failure is continuing. None of the Trustee, the Security Trustee, the Collateral Agent or any Secured Party may take any action, or has any rights, against the Issuer to recover any amount still unpaid once the Security is enforced and the net proceeds of such security distributed in compliance with Condition 2 (*Status and Security*), and any such liability will be extinguished. None of them will be entitled, until the expiry of one year and one day after the payment of all amounts outstanding under the Notes, to petition or take any other step for the winding-up of the Issuer provided that the Security Trustee and the Collateral Agent may prove or lodge a claim in the liquidation of the Issuer initiated by another party and provided further that the Security Trustee and the Collateral Agent may take proceedings to obtain a declaration or similar judgment or order as to the obligations and liabilities of the Issuer.

The Trustee, and as the case may be, subject to clause 10.4 (*Enforcement*) of the Deed of Charge, the Security Trustee, and, subject to clause 9 (*Effect of an Event of Default*) of the Collateral Agency Agreement, the Collateral Agent, will, except as otherwise directed by the Controlling Class acting by way of Written Resolution or by way of Extraordinary Resolution at the relevant date, or in relation to amendments and waivers, except as otherwise directed by the Trustee, have absolute and uncontrolled discretion as to the exercise and non-exercise of

all trusts, rights, powers, authorities or discretions conferred on them by or under the Trust Deed, the Notes, the Deed of Charge, the Collateral Agency Agreement or any Transaction Document to which they are a party or conferred on them by operation of law.

The provisions of this Condition 11 will survive the termination of these Conditions. In the case of discrepancy between this Condition 11 and any other provision, the provisions of this Condition 11 will control.

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

### (a) **Meetings of Noteholders**

- (i) The Trust Deed contains terms for convening separate meetings of each of the Class A Noteholders, the Class B Noteholders and the Class C Noteholders to consider matters affecting their interests, including the sanctioning by a resolution passed at a meeting convened and held in compliance with the Trust Deed by at least 66⅔% of votes cast (an "**Extraordinary Resolution**") of a modification of the Trust Deed, the Deed of Charge, these Conditions or the other Transaction Documents.
- (ii) The quorum for meetings of holders of the Class A Notes, the Class B Notes and the Class C Notes for passing an Extraordinary Resolution will be one or more persons holding or representing 66⅔% of the principal amount of the relevant Class for the time being outstanding or, at an adjourned meeting, one or more persons holding or representing Noteholders of the relevant Class, whatever the principal amount of the Notes of the relevant Class so held or represented, except that a Special Quorum Resolution may only be passed at a meeting the quorum at which will be one or more persons holding or representing at least 75% in principal amount of the relevant Class of Notes for the time being outstanding, or at an adjourned meeting at least one-third in principal amount of the relevant Class for the time being outstanding.
- (iii) An Extraordinary Resolution passed at a meeting of Class A Noteholders, Class B Noteholders or Class C Noteholders will be binding on, respectively, all Class A Noteholders, Class B Noteholders or Class C Noteholders whether or not they were present at such meeting. An Extraordinary Resolution which in the sole opinion of the Trustee affects two or more Classes of Noteholders and gives or may give rise to a conflict of interest between the Holders of such Classes of Notes will be deemed to have been passed only if it will be passed by an Extraordinary Resolution or Written Resolution of the most senior Class outstanding so affected notwithstanding a resolution of the Holders of another Class so affected, provided that no resolution of Holders of the most senior Class in respect of those matters requiring a Special Quorum Resolution will be effective unless sanctioned by an Extraordinary Resolution or Written Resolution of Holders of each other Class of Notes.
- (iv) Schedule 3 (*Provisions for meetings of Noteholders*) of the Trust Deed contains provisions for convening meetings of the Controlling Class to consider any matters requiring instructions from or the consent of the Controlling Class.

### (b) **Amendments and waiver**

- (i) Subject to those matters requiring a Special Quorum Resolution, the Trustee may without consulting or obtaining the consent of the Noteholders (subject to the Issuer obtaining the consent of any Secured Party which is party to the relevant Transaction Documents and subject to clause 11.5 (*Amendment, substitution and change of tax residence*) of the Trust Deed) at any time and from time to time concur (and direct the Security Trustee and/or the Collateral Agent to concur) with the Issuer in making an amendment or supplement to the

Trust Deed, the Deed of Charge or the other Transaction Documents to which it is a party (or in the case of the Security Trustee or the Collateral Agent, in respect of which it holds Security) if the Trustee determines that (i) such amendment or supplement will not be materially prejudicial to the interests of the Controlling Class or (ii) such amendment or supplement is of a formal, minor or technical nature or is made to correct a manifest error or to comply with law. It will be the responsibility of the Issuer to obtain any Secured Party's consent pursuant to Condition 12(b)(iv) below. Any such amendment or supplement will be binding on the Noteholders and, unless otherwise agreed by the Trustee, the Issuer will notify the Noteholders of such amendment or supplement in accordance with Condition 15 (*Notices*) as soon as practicable thereafter.

- (ii) Any other amendments or supplements will, unless the Trustee is instructed by the Controlling Class, require the consent of the Noteholders affected by such amendments or supplements in accordance with Condition 12(b)(iii) below. All amendments or supplements will be notified by the Issuer to the Noteholders in compliance with Condition 15 (*Notices*) as soon as practicable after such amendment or supplement.
- (iii) Subject to those matters requiring a Special Quorum Resolution and Condition 12(b)(iv) below, the Trust Deed, the Deed of Charge or any other Transaction Document may also be amended or supplemented from time to time by the Trustee, the Seller, the Issuer, the Security Trustee and the Collateral Agent on the direction of the Controlling Class or, if not directed by the Controlling Class, with the consent of the Holders of each Class of Notes affected by such amendment or supplement (acting by way of an Extraordinary Resolution or a Written Resolution), for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Trust Deed, the Deed of Charge or any other Transaction Document or of amending in any manner the rights of the Seller and/or the Issuer.
- (iv) Notwithstanding anything else stated in this Condition 12(b), no such amendment or supplement may increase or reduce in any manner the amount of, or accelerate or delay the timing of, or change the allocation or priority of, collections or distributions that are required to be made for the benefit of the Secured Parties without the consent of all of the affected Secured Parties.
- (v) Subject to Condition 12(b)(iv) above, the Trustee may, without prejudice to its rights with respect to any subsequent breach or event, from time to time and at any time, but only if and in so far as in its opinion the interests of the Controlling Class will not be materially prejudiced, waive or authorise, on such terms and conditions (if any) as may seem expedient to it (and direct the Security Trustee and/or the Collateral Agent to waive or authorise), any breach or proposed breach by the Issuer of any of the provisions of the Trust Deed, the Deed of Charge or any other Transaction Document or determine (or direct the Security Trustee and the Collateral Agent to determine) that any event will not be treated as an Event of Default for the purposes of the Trust Deed, provided that the Trustee will not exercise any powers conferred on it by these Conditions in contravention of any direction given by the Controlling Class acting by way of a Written Resolution or by way of an Extraordinary Resolution, at the relevant date in accordance with these Conditions but no such direction will affect an authorisation, waiver or determination previously given or made. Any such waiver, authorisation or determination may be given or made on such terms and subject to such conditions (if any) as the Trustee may determine, will be binding on the Noteholders and, unless otherwise agreed by the Trustee, the Issuer will notify the Noteholders of such waiver, authorisation or determination in accordance with Condition 15 (*Notices*) as soon as practicable thereafter.

- (vi) For the purposes of Condition 12(b)(v) above, it will be the responsibility of the Issuer to obtain any Secured Party's consent pursuant to Condition 12(b)(iv) above.
- (vii) The Trustee will not by an act, delay, indulgence, omission or otherwise be deemed to have waived a right or remedy under these Conditions. A waiver by the Trustee of a right or remedy under these Conditions on one occasion will not bar a right or remedy which the Trustee would otherwise have on a future occasion. The rights and remedies of the Trustee under these Conditions are cumulative and will not exclude further rights or remedies which it would otherwise have.
- (viii)
  - (1) Notwithstanding Conditions 12(b)(i) to (vii) above but subject to those matters requiring a special quorum as described in Condition 12(a)(ii) above, the Servicer may, at any time, require (x) the Issuer and the Trustee to agree and (y) the Trustee to direct the Security Trustee and/or the Collateral Agent to agree amendments to or waivers of any Transaction Documents and/or Conditions (the "**Transaction Amendments**") and the Issuer, the Trustee, and the Security Trustee and the Collateral Agent (on receipt of a direction from the Trustee) will, subject to paragraphs (2) and (3) below and Condition 12(e) (*No obligation to agree*), enter into the Transaction Amendments (and, in the case of the Trustee, direct the Security Trustee and/or the Collateral Agent to enter into the Transaction Amendments) without the consent of the Noteholders provided that the Amendment Conditions are satisfied (and the Transaction Amendments that do not satisfy the Amendment Conditions may not be effected under this Condition 12(b)(viii)(1)). "**Amendment Conditions**" means receipt of certification in writing from the Servicer signed by two of its duly appointed attorneys certifying to the Issuer, the Trustee, the Security Trustee and the Collateral Agent that:
    - (A) the Transaction Amendments are either:
      - (aa) necessary to address new credit rating criteria of one or more Rating Agencies and have been discussed with the relevant Rating Agency or Rating Agencies as being necessary to maintain the credit ratings then assigned to the Class A Notes and the Class B Notes; or
      - (bb) necessary in order for the Issuer and the Notes to continue to comply with mandatory provisions of applicable law or regulation, as well as the EU Securitisation Regulation and the requirements for simple, transparent and standardised securitisations set out in the EU Securitisation Regulation and in any regulatory technical standards authorised under the EU Securitisation Regulation or official guidance in relation thereto; and
      - (cc) (x) in the case of (A)(aa) above, the Transaction Amendments address the new credit rating criteria only to the extent required to maintain the credit ratings then assigned to the Class A Notes and the Class B Notes and (y) reflect the discussions with the relevant Rating Agency or Rating Agencies to the extent required to maintain the credit ratings then assigned to the Class

A Notes and the Class B Notes or (z) in the case of (A) (bb) above, the Transaction Amendments ensure the Issuer and the Notes continue to comply with mandatory provisions of applicable law or regulation; and

(B) the Rating Agencies have been notified of such proposed Transaction Amendments and, based on such notification, the Servicer is not aware that the then current ratings of the Class A Notes and the Class B Notes would be adversely affected by such proposed Transaction Amendments.

(2) Where certification in writing has been given under paragraph (1)(A) above, the Issuer must provide at least 30 days' notice to the Noteholders and the Trustee of the proposed Transaction Amendment in compliance with Condition 15 (*Notices*). If Noteholders representing at least 10% of the principal amount of the Controlling Class give notice to the Trustee in writing (or otherwise in accordance with the practice of any applicable Clearing System through which the Notes are held) within such notice period that they object to the Transaction Amendment, then the Transaction Amendment will require the consent of the Controlling Class acting by way of a Written Resolution or by way of an Extraordinary Resolution. Objections made in writing other than through the applicable Clearing System must be accompanied by evidence to the reasonable satisfaction of the Trustee (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes of the Controlling Class.

(3) The Seller will pay all fees, costs and expenses (including legal fees) incurred by the Issuer and the Trustee and any other party to the Transaction Documents in connection with a Transaction Amendment.

(4) The Issuer will give notice to the Noteholders of a Transaction Amendment in compliance with Condition 15 (*Notices*) as soon as practicable after such Transaction Amendment.

(ix)

(1)

(a) The Servicer may, at any time, request (x) the Issuer and the Trustee to agree and (y) the Trustee to direct the Security Trustee and the Collateral Agent to agree, without the consent of the Noteholders, to:

(1) amend the Relevant Screen Rate (any such amended rate, an "**Alternative Benchmark Rate**");

(2) adjust the pricing to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one transaction party to another as a result of the application of the Alternative Benchmark Rate, such adjustment to be determined (i) if any adjustment or method for calculating any adjustment has been formally designated, nominated or recommended by the European Central Bank, any regulator in the EU 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), on the basis of that designation, nomination or recommendation or (ii) in the absence of any such designation, nomination or recommendation, by the Servicer acting in its reasonable discretion, such adjustment (which may be a positive or negative value or zero) being the "**Adjustment Spread**"; and

- (3) make such other related or consequential amendments as are necessary or advisable in the reasonable judgment of the Servicer in order to facilitate the changes described in sub-paragraphs (1) and (2) above, in particular to Condition 4 (*Interest*),

(such amendments together being a "**Benchmark Rate Modification**"), provided that the following conditions are satisfied:

- (i) the Servicer, on behalf of the Issuer, has provided the Trustee, the Noteholders and the Swap Counterparty with at least 30 calendar days' prior written notice of any such proposed Benchmark Rate Modification in compliance with Condition 15 (*Notices*) and has certified in writing by two authorised signatories to the Trustee, the Noteholders and the Swap Counterparty in such notice (such notice being a "**Benchmark Rate Modification Certificate**") that:
- (A) such Benchmark Rate Modification is being undertaken due to any one or more of the following:
- (1) (i) EURIBOR is not published by the administrator of EURIBOR for five consecutive Business Days and such failure is not the result of a temporary moratorium, embargo or disruption declared by the administrator of EURIBOR or by the regulatory supervisor for the administrator of EURIBOR or (ii) EURIBOR ceasing to exist or be published;
  - (2) the insolvency or cessation of business of the EURIBOR administrator, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide EURIBOR;
  - (3) a public statement or publication of information by or on behalf of the EURIBOR administrator announcing that it has or will cease to provide EURIBOR permanently or indefinitely provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide EURIBOR;
  - (4) a public statement or publication of information by the regulatory supervisor for the administrator of EURIBOR, the central bank for the currency of such EURIBOR, an insolvency official with jurisdiction over the administrator for EURIBOR, a resolution authority with jurisdiction over the administrator for EURIBOR or a court or an entity with similar insolvency or resolution authority over the administrator for EURIBOR, which states that the administrator of EURIBOR has ceased or will cease to provide EURIBOR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide EURIBOR; or
  - (5) a public statement or publication of information by the regulatory supervisor for the administrator of EURIBOR announcing that EURIBOR is no longer representative or may no longer be used, or that its use is subject to restrictions or adverse consequences; and
- (B) such Alternative Benchmark Rate is:



- (1) a benchmark rate that has been selected or recommended by the European Central Bank (or any relevant committee or other body established, sponsored or approved by any of the foregoing) as the replacement for EURIBOR for the applicable corresponding tenor; or
  - (2) (if the rate described in sub-paragraph (1) is not available) the Euro Short-Term Rate (€STR) (or any rate which is derived from, based upon or otherwise similar to the foregoing); or
  - (3) (if the rate described in sub-paragraph (2) is not available) such other benchmark rate as the Servicer reasonably determines;
- (ii) the Rating Agencies have had at least 10 Business Days' written notice of such proposed Benchmark Rate Modification and, based on such notification, the Servicer is not aware that the then current ratings of the Class A Notes and the Class B Notes would be adversely affected by such Benchmark Rate Modification; and
  - (iii) the Seller pays all fees, costs and expenses (including legal fees) incurred by the Issuer and the Trustee and any other party to the Transaction Documents in connection with such Benchmark Rate Modification.
- (2) Notwithstanding Condition 12(a)(ix)(1) above, no Benchmark Rate Modification will become effective if within 30 days of the delivery of the Benchmark Rate Modification Certificate, Noteholders representing at least 25% of the Controlling Class have notified the Trustee in writing (or otherwise in accordance with the then current practice of any applicable Clearing System through which the Notes are held) that they do not consent to the Benchmark Rate Modification (a "**Noteholder Benchmark Rate Consent Event**"). Objections made in writing other than through the applicable Clearing System must be accompanied by evidence to the Trustee's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes of the Controlling Class. The approval of the Swap Counterparty is not a condition precedent to any Benchmark Rate Modification in respect of the Notes.
  - (3) If a Noteholder Benchmark Rate Consent Event occurs, the Benchmark Rate Modification will not become effective unless an Extraordinary Resolution of the Noteholders of the Controlling Class is passed in favour of the Benchmark Rate Modification in compliance with Condition 12 (*Meetings of Noteholders, modifications, waiver, substitution and exchange*).
  - (4) The Servicer on behalf of the Issuer will notify the Trustee, the Noteholders and the Swap Counterparty on the date when the Benchmark Rate Modification takes effect in compliance with Condition 15 (*Notices*).
  - (5) The Issuer and the Swap Counterparty will use reasonable endeavours to agree modifications to the Interest Rate Swap Agreement where commercially appropriate (including any adjustment spread or adjustment payment) so that the interest rate risk on the Class A Notes and the Class B Notes is effectively mitigated following the Benchmark Rate Modification to a similar extent as prior to the Benchmark Rate Modification and that such modifications will take effect no later than the date on which the Benchmark Rate Modification takes effect, it being specified that if the Swap Counterparty does not agree to such modifications, the alternative reference rate and the adjustment spread or adjustment payment in respect of the Interest Rate Swap Agreement will be

determined in accordance with the provisions set out in the Interest Rate Swap Agreement.

(c) **Substitution and exchange**

- (i) Subject to the more detailed terms of the Trust Deed and subject to such amendment of the Trust Deed, the Deed of Charge, the Collateral Agency Agreement and the other Transaction Documents and such other conditions as the Trustee may require, including as to satisfaction that the interests of the Controlling Class and the Swap Counterparty will not be materially prejudiced by the substitution or exchange and as to the transfer of the Security, with the consent of the Controlling Class and the Swap Counterparty but without the consent of any of the other Secured Parties, the Trustee may agree to (i) the substitution of any other company or other entity in place of the Issuer as principal debtor under the Trust Deed and the Notes and replacement for it under the Deed of Charge, the Collateral Agency Agreement and the other Transaction Documents, provided that the Rating Agencies confirm that such substitution will not adversely affect the then current rating of each Class, or (ii) the exchange of the Notes, in whole but not in part only, for other securities or instruments having substantially the same rights and benefits as the Notes, provided that the then current rating of each Class by the Rating Agencies is assigned to such new securities or instruments. Such substitution or exchange will be subject to the relevant terms of the Trust Deed and the other Transaction Documents and to such amendments of the Trust Deed and the other Transaction Documents as the Trustee may deem appropriate. Under the Trust Deed, the Issuer is required to use its best efforts to cause the substitution as principal debtor under the Trust Deed and the Notes and replacement for it under the Deed of Charge, the Collateral Agency Agreement and other Transaction Documents by a company or other entity incorporated in some other jurisdiction if the Issuer becomes subject to a form of tax on its income or payments on the Notes. Such substitution will be binding on the Noteholders.
- (ii) The Trustee will, at the direction of the Controlling Class and the Swap Counterparty, but without the consent of any of the other Secured Parties, agree to a change in the place of residence of the Issuer for taxation purposes provided (i) the Issuer does all such things as the Trustee (acting on the directions of the Controlling Class) may require in order that such change is fully effective and complies with such other requirements as the Controlling Class may request and (ii) the Issuer provides the Trustee with an Opinion of Counsel to the effect that the change of residency of the Issuer will not cause withholding or deduction to be made on payments on the Notes.

(d) **Entitlement of the Trustee**

Unless acting in accordance with the directions of the Controlling Class, where the Trustee is required to consider the interests of the Noteholders in accordance with the Trust Deed, the Trustee will take into account the interests of the Noteholders as a Class, without prejudice to the generality of the foregoing, and will not take into account the consequences of such exercise for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of any particular territory or any political subdivision of such territory and the Trustee will not have the right to require, nor will any Noteholder have a right to claim, from the Issuer, the Trustee or any other person any indemnification or payment related to any tax or other consequence of any such exercise on individual Noteholders.

(e) **No obligation to agree**

The Issuer, the Trustee, the Security Trustee and the Collateral Agent (as applicable) will not be obliged to agree to a Transaction Amendment or a Benchmark Rate Modification which satisfies the relevant conditions specified above which, in the opinion

of the Issuer, the Trustee and/or the Security Trustee and/or the Collateral Agent, would have the effect of (x) exposing the Issuer, the Trustee and/or the Security Trustee and/or the Collateral Agent to any liability against them which has not been indemnified and/or secured and/or prefunded to its satisfaction or (y) increasing the obligations or duties, or decreasing the protections of the Issuer, the Trustee and/or the Security Trustee and/or the Collateral Agent in the Transaction Documents and/or these Conditions (as applicable). Notwithstanding anything to the contrary in the other Transaction Documents, none of the Issuer, the Trustee, the Security Trustee or the Collateral Agent (as applicable) will consider the interests of any other person in entering into Transaction Amendments which satisfy the Amendment Conditions or agreeing to a Benchmark Rate Modification which satisfies the conditions specified in Condition 12(b)(ix) and the Issuer, the Trustee, the Security Trustee and the Collateral Agent (as applicable), will each rely without further investigation on any certification provided to it in connection with such Transaction Amendments or Benchmark Rate Modification, as applicable, and will not be required to monitor or investigate whether the Servicer is acting in a commercially reasonable manner or be responsible for any liability that may be occasioned to any person by acting in compliance with these terms based on written certifications it receives from the Servicer.

### **13. Indemnification of the Trustee**

The Trust Deed, the Deed of Charge, the Collateral Agency Agreement and certain other of the Transaction Documents contain terms for the indemnification of the Trustee, the Security Trustee and the Collateral Agent and for their relief from responsibility including for the exercise of rights under the Trust Deed and the other Transaction Documents (including, but without limitation, those related to the Security), for the sufficiency and enforceability of the Trust Deed and the other Transaction Documents (which the Trustee has not investigated) and the validity, sufficiency and enforceability of the Deed of Charge or the Collateral Agency Agreement and for taking proceedings to enforce payment unless, in each case, indemnified and/or secured and/or prefunded to its satisfaction. The Trustee, the Security Trustee and the Collateral Agent and their affiliates have the right to enter into business transactions with the Issuer, a subsidiary or other affiliate of the Issuer or any other party to the Transaction Documents or an obligor in connection with the Security or their subsidiary, holding or associated companies and to act as Trustee, Security Trustee, or Collateral Agent for the holders of securities issued by them without, in any such case, accounting to the Noteholders for any profit resulting therefrom.

The Trustee, the Security Trustee and the Collateral Agent are exempted from liability related to loss or theft or reduction in value of the Security and from an obligation to insure or to cause the insuring of the Security.

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

### **14. Replacement of Notes**

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

## **15. Notices**

Subject to the subparagraphs below providing for other means of notices, and only if these other means are not practicable, notices to Noteholders will be valid if published in a daily newspaper of general circulation in Dublin (which is expected to be the Irish Times). Such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of first publication, in all required newspapers. If publication as provided above is not practicable, notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee will approve.

Until such time as Definitive Notes are issued, there may, so long as Global Notes representing the Class A Notes and the Class B Notes are held in their entirety on behalf of Clearstream, Luxembourg and/or Euroclear, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Clearstream, Luxembourg and/or Euroclear, for communication by them to the Holders of the Class A Notes and the Class B Notes and, in addition, for so long as the Class A Notes and Class B Notes are listed on a stock exchange or are admitted to listing by any other relevant authority and the rules of that stock exchange or other relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by that stock exchange or other relevant authority. Such notice will be deemed to have been given to the Holders of the Class A Notes and the Class B Notes on the seventh day after the day on which such notice was given to Clearstream, Luxembourg and/or Euroclear.

Notice to the Noteholders will be validly given if transmitted individually to the address set out in the Register for such Noteholder. While the Class A Notes and the Class B Notes are represented by a Global Note, such notice may be given by a Holder of a Class A Note and Class B Note to the Registrar through Clearstream, Luxembourg and/or Euroclear in such manner as the Registrar and Clearstream, Luxembourg and/or Euroclear may approve for this purpose.

For so long as the Class A Notes and the Class B Notes are listed on Euronext Dublin's official list, copies of all notices given under these Conditions will be sent to Euronext Dublin.

## **16. Governing law and jurisdiction**

- (a) The Notes and all non-contractual obligations arising out of or in connection with the Notes are governed by, and will be construed in accordance with, English law.
- (b) The courts of England will have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Notes (including a dispute relating to the existence, validity or termination of the Notes or any non-contractual obligation arising out of or in connection with the Notes) and any legal action or proceedings arising out of or in connection with such disputes may be brought in such courts. The Issuer irrevocably submits to the exclusive jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that they have been brought in an inconvenient forum.

## **17. Rights of third parties**

No person will have any right to enforce any term or condition of this Note by virtue of the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

## **18. Service of process**

The Issuer has in the Trust Deed irrevocably appointed Sisec Limited of 21 Holborn Viaduct, London EC1A 2DY, England to receive, for it and on its behalf, service of process in any proceedings in England. Such service will be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in England, the

Issuer irrevocably agrees to appoint a substitute process agent acceptable to the Trustee and will immediately give notice to the Trustee of such appointment. Nothing will affect the right to serve process in any other manner permitted by law.

#### 19. **Definitions**

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

**"Accelerated Payment Date"** means, in respect of any principal and/or interest payment in respect of the Notes, each Interest Payment Date after the service of an Enforcement Notice.

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

**"Account Amount"** has the meaning given to it in clause 1.2 (*Additional definitions*) of the Bank Account Operation Agreement.

**"Account Bank"** means BNP Paribas S.A. Niederlassung Deutschland, or any permitted successor or assign.

**"Accountholder"** has the meaning given to it in the definition of Noteholders.

**"Accounts"** means the Distribution Account, the Reserve Account, the Counterparty Downgrade Collateral Account and/or any further account created under the Transaction Documents.

**"Additional Interest"** means any additional interest payable under Condition 6 (*Interest shortfall, additional interest and subordination*).

**"Additional Principal Payment"** means, regarding a Collection Period and an Assigned Receivable, (a) Total Loan Collections, plus (b) the Closing Loan Balance, less (c) the Interest Collections, less (d) the Opening Loan Balance, subject to a minimum of zero.

**"Agency Agreement"** means the agreement dated on or about the Closing Date between, among others, the Issuer and the Agents.

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

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

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

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

**"Amendment Conditions"** has the meaning given to it in Condition 12(b)(viii) (*Amendments and waiver*).

**"Ancillary Rights"** means any right, title, interest and benefit of the Seller in relation to each Assigned Receivable, including:

- (a) the right to request the payment or repayment, to serve notices and to recover and/or to grant a total or partial discharge of the amounts due or to become due in connection with each Assigned Receivable, either from the Borrowers or from any other person having granted any Collateral, including the right to Liquidation Proceeds and Recoveries;

- (b) the benefit of any and all representations, warranties and undertakings regarding such Assigned Receivable given or assumed by the Borrower under the Loan Agreement or by any other person having granted any Collateral in connection with the corresponding Loan Agreement under the Contractual Documents;
- (c) independent or dependent unilateral rights (*Gestaltungsrechte*) that are not of a personal nature and by the exercise of which the relevant Loan Agreement is altered, including the right of termination and the right of rescission;
- (d) the benefit of any and all actions taken against the Borrower or against any other person having granted any Collateral in connection with the Loan Agreement pursuant to the relevant Contractual Documents;
- (e) any Collateral granted in relation to any amounts owing under such Assigned Receivable, whether by operation of law, on the basis of the Contractual Documents or due to any other reason;
- (f) all rights, benefits and/or interest arising in favour of the Seller under the Loan Agreements; and
- (g) any preferential right against any other creditor over the amounts obtained upon the realisation of the Vehicle financed by the corresponding Receivable, to the extent permitted by the applicable laws.

**"Assigned Receivables"** has the meaning given to it in clause 2.1 (*Sale, assignment and transfer of the Receivables and Ancillary Rights*) of the Receivables Sale Agreement.

**"Auditors"** means PricewaterhouseCoopers, the independent auditors for the time being of the Issuer.

**"Available Funds"** means Available Interest Collections, Net Swap Counterparty Receipts and Available Principal Collections.

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

- (a) the aggregate Interest Collections for Assigned Receivables during such Collection Period;
- (b) the aggregate Recoveries for all Assigned Receivables;
- (c) the aggregate Repurchased Interest for all Assigned Receivables that became Repurchased Receivables during such Collection Period;
- (d) the aggregate Additional Principal Payments relating to all Assigned Receivables during such Collection Period;
- (e) Distribution Account Interest Earned and, subject to of clause 11 (*Subordinated Loan and Reserve Amount*) of the Receivables Sale Agreement, Reserve Account Interest Earned; and
- (f) any Reserve Amount allocated to Available Interest Collections in compliance with clause 11 (*Subordinated Loan and Reserve Amount*) of the Receivables Sale Agreement.

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

- (a) the aggregate Principal Collections for all Assigned Receivables during such Collection Period;

- (b) the Liquidation Proceeds received in such Collection Period;
- (c) Reimbursed Losses and Principal Deficiencies;
- (d) Repurchased Principal for all Assigned Receivables that become Repurchased Receivables during such Collection Period, and
- (e) any Reserve Amount allocated to Available Principal Collections in compliance with clause 11 (*Subordinated Loan and Reserve Amount*) of the Receivables Sale Agreement.

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

**"Bank Working Procedures"** means the origination and servicing policies, procedures and risk management controls of Ford Bank relating to automotive retail loan receivables comparable to the Assigned Receivables, as they may be amended from time to time, which set out, *inter alia*, definitions, remedies and actions relating to delinquency and default of customers, debt restructuring, debt forgiveness, forbearance, payment holidays, losses, charge offs, recoveries and other asset performance remedies.

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

**"Benchmark Rate Modification Certificate"** has the meaning given to it in Condition 12 (*Meetings of Noteholders, modifications, waiver, substitution and exchange*).

**"Blocking Regulation"** means Council Regulation (EC) No 2271/96 or Council Regulation (EC) No 2271/96 as it forms part of English law by virtue of the EUWA, as applicable.

**"BofA Securities"** means BofA Securities Europe SA, a company organised under the laws of France and registered at 51 rue La Boétie, 75008 Paris under n° 842 602 690 RCS Paris.

**"Borrower"** means a debtor under a Loan Agreement, being either (i) an individual consumer or (ii) a commercial customer including sole traders, partnerships and limited companies.

**"Borrower Notification Event"** has the meaning given to it in clause 5.1 (*Notification of assignment of Assigned Receivables*) of the Receivables Sale Agreement.

**"Bribery Act"** means the UK Bribery Act 2010.

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

**"Calculation Agent"** means Deutsche Bank AG, London Branch, or any permitted successor or assign.

**"Cash Management Agreement"** means the agreement dated on or about the Closing Date between the Issuer, the Servicer, the Cash Manager, the Collateral Agent and the Security Trustee.

**"Cash Manager"** means Deutsche Bank AG, London Branch, or any permitted successor or assign.

**"Cash Manager Termination Event"** means the events specified in clause 17.1 (*Cash Manager Termination Events*) of the Cash Management Agreement.

**"CFTC Representation Requirements"** means any reporting and/or representation requirements relating to the counterparty classification of the Issuer in compliance with the relevant guidance provided by the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations published by the U.S. Commodity Futures Trading Commission on 26 July 2013, as may be supplemented or amended from time to time.

**"Charged Property"** means the assets and agreements from time to time charged or assigned in the manner set out in the Deed of Charge to secure the Secured Obligations.

**"Class"** means each class of Notes.

**"Class A Global Note"** means the Global Note in relation to the Class A Notes.

**"Class A Interest Amount"** means the Interest Amount payable on each Class A Note for an Interest Period calculated under Condition 4(d) (*Calculations*).

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

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

**"Class A Noteholder"** means the Holder of a Class A Note.

**"Class A Note Principal Amount"** means €350,000,000, being the initial principal amount of the Class A Notes.

**"Class A Notes"** means the €350,000,000 Class A Asset-Backed Floating Rate Notes due 20 June 2032 issued by the Issuer, substantially in the form set out in part A of Schedule 1 (*Form of the Class A Notes*) of the Trust Deed.

**"Class B Global Note"** means the Global Note in relation to the Class B Notes.

**"Class B Interest Amount"** means the Interest Amount payable on each Class B Note for an Interest Period calculated under Condition 4(d) (*Calculations*).

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

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

**"Class B Noteholder"** means the Holder of a Class B Note.

**"Class B Note Principal Amount"** means €13,000,000, being the initial principal amount of the Class B Notes.

**"Class B Notes"** means the €13,000,000 Class B Asset-Backed Floating Rate Notes due 20 June 2032 issued by the Issuer, substantially in the form set out in part B of Schedule 1 (*Form of the Class B Notes*) of the Trust Deed.

**"Class C Interest Amount"** means the Interest Amount payable on each Class C Note for an Interest Period calculated under Condition 4(d) (*Calculations*).

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

**"Class C Interest Shortfall"** means arrears of interest (together with interest on such arrears) owed by the Issuer to the Class C Noteholders under Condition 6(c) (*Interest on the Class C Notes*) of the Notes.

**"Class C Noteholder"** means the Holder of the Class C Notes.



**"Class C Note Principal Amount"** means €[15,296,997.41], being the initial principal amount of the Class C Notes.

**"Class C Notes"** means the €[15,296,997.41] Class C Asset-Backed Fixed Rate Notes due 20 June 2032 issued by the Issuer, substantially in the form set out in part C of Schedule 1 (*Form of the Class C Notes*) of the Trust Deed.

**"Clearing System"** means any clearing agency, settlement system or depository (including any entity that acts as a system for the central handling of cash in the country where it is incorporated or organised or that acts as a trans-national system for the central handling of cash) used in connection with transactions relating to cash, including Euroclear and Clearstream, Luxembourg, and any nominee or successor in title of the foregoing.

**"Clearstream, Luxembourg"** means Clearstream Banking S.A. which is an ICSD.

**"Closing Date"** means [22] July 2024.

**"Closing Loan Balance"** means, regarding an Assigned Receivable (other than a Written-Off Receivable or an Assigned Receivable where all scheduled payments have been paid in full) and a Collection Period, the Net Present Value of such Assigned Receivable as at the Cut-Off Date less the Principal Collections for such Assigned Receivable, received from the Cut-Off Date to and including the last day of that Collection Period.

**"Collateral"** means, regarding each Assigned Receivable:

- (a) the security title (*Sicherungseigentum*) to or, if the Seller is not the holder of the security title, the expectancy right (*Anwartschaftsrecht*) to the transfer of ownership of the relevant Vehicle and the Seller's claims against the relevant Borrower, against third parties for surrender of such Vehicle and against guarantors for payment;
- (b) the Seller's claims, and claims of Borrowers which have been assigned by way of security to Ford Bank, against third parties and/or their third party liability insurance (*Haftpflichtversicherung*) related to damage to such Vehicle; and
- (c) the Seller's claims under any related Payment Protection Policies.

**"Collateral Agency Agreement"** means the agreement dated on or about the Closing Date between the Issuer, the Collateral Agent and the Security Trustee.

**"Collateral Agent"** means Deutsche Trustee Company Limited, or any permitted successor or assign.

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

**"Collection Period"** means, for an Interest Payment Date, the period from the first Business Day of the prior calendar month (inclusive) to the last Business Day of the same calendar month (inclusive), provided that the first Collection Period is the period which will begin on and include the Closing Date and will end on the last Business Day of the same calendar month (inclusive).

**"Collections Accounts"** means the bank account or accounts in the name of the Seller into which amounts due from the Borrowers under their Loan Agreements are paid.

**"Common Depository"** means, regarding the Class B Notes, Deutsche Bank AG, London Branch.

**"Common Safekeeper"** means, regarding the Class A Notes, Euroclear, for Clearstream, Luxembourg and Euroclear.

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

"**Confidential Information**" means information about the business or financial matters of Ford Bank, the Seller, the Servicer and of any third party, as well as any other information which is confidential due to its nature.

"**Contractual Documents**" means the correspondence, invoices and terms and conditions, contractual agreements between the Seller and a Borrower and/or provider(s) of Collateral, including the relevant Loan Agreement, and any other documents.

"**Controlling Class**" means the holders of Class A Notes as long as any Class A Notes are outstanding. After the Class A Notes are paid in full, the most senior Class outstanding will be the controlling class.

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

"**Cut-Off Date**" means 30 June 2024.

"**Data Agent**" means Deutsche Bank Luxembourg S.A. or any replacement data agent.

"**Data Custody Agreement**" means the data custody agreement dated on or about the Closing Date between the Seller, the Issuer, the Collateral Agent, the Security Trustee and the Data Agent.

"**Data Protection Provisions**" means the provisions of the German Federal Data Protection Act (*Bundesdatenschutzgesetz*), the European data protection regulation (Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016), the German Data Protection Amendment and Implementation Act (*Datenschutzanpassungs- und Umsetzungsgesetz*) of 30 June 2017 and the Dutch General Data Protection Regulation Implementation Act (*Uitvoeringswet Algemene verordening gegevensbescherming*), any successor thereto, or any applicable legal requirements on data protection under foreign law, in each case to the extent applicable to the activities or obligations under or pursuant to the Transaction Documents, and each of the terms "controller", "data subject", "personal data", "processing" and "personal data breach", where used in respect of the performance of an activity or obligation, shall have the meaning given to that term under the relevant Data Protection Provisions as at the time at which that activity or obligation was performed and cognate terms will be construed accordingly.

"**Day Count Fraction**" means, regarding the calculation of an amount of interest on (a) the Class A Note and the Class B Note for any period of time the actual number of days in such period divided by 360 and (b) the Class C Note, except in respect of the first Interest Period, for any period of time 30 divided by 360 and, in respect of the first Interest Period, the actual number of days in such period divided by 360.

"**Dealer**" means any motor vehicle dealer in Germany with a franchise dealer agreement in place with a National Sales Company or a dealer to which a Borrower has the right to return a Vehicle at the end of the Loan Agreement.

"**Deed of Charge**" means the English law governed deed of charge dated on or about the Closing Date between the Issuer and the Security Trustee.

"**Deferred Purchase Price Component**" has the meaning given to it in clause 2.2(c) (*Deferred Purchase Price Component*) of the Receivables Sale Agreement.

"**Definitions Schedule**" means the definitions schedule set out in Schedule 1 (*Definitions Schedule*) of the Receivables Sale Agreement.

**"Definitive Note"** means the definitive registered note representing a holding of Notes and which will represent the Class C Notes on issue substantially in the form set out in Schedule 1 (*Forms of the Notes*) of the Trust Deed.

**"Discount Rate"** means, regarding an Assigned Receivable, the greater of (a) the interest rate on such Assigned Receivable and (b) [5.8]%

**"Distribution Account"** means the account maintained at the Account Bank (or any successor of such account bank) in the name of the Issuer with IBAN code DE75 5003 0500 6564 2188 80 and account number 6564218880 or any other bank account specified as such in compliance with the terms of the Bank Account Operation Agreement.

**"Distribution Account Interest Earned"** means, on each Payment Date, the interest credited to the Distribution Account during the relevant Collection Period.

**"Downgrade Event"** has the meaning given to it in clause 12.2 (*Replacement of Account Bank*) of the Bank Account Operation Agreement.

**"Eligibility Criteria"** means the criteria listed in Schedule 3 (*Eligibility Criteria*) of the Receivables Sale Agreement.

**"Eligible Swap Counterparty"** means a person to whom the Swap Counterparty's rights and obligations could be transferred under the Interest Rate Swap Agreement.

**"EMIR"** means the European Market Infrastructure Regulation (EU) No 648/2012 of 4 July 2012.

**"Enforcement Notice"** means, after the occurrence of an Event of Default, the notice served by the Trustee on the Issuer with a copy to the Servicer, the Swap Counterparty, the Security Trustee, the Collateral Agent, the Account Bank, the Cash Manager, each Paying Agent, the Registrar and each Rating Agency declaring the Notes due and payable, after which the Security will become enforceable.

**"EU Insolvency Regulation"** means Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast).

**"EURIBOR"** has the meaning given to it in Condition 4 (*Interest*) of the Notes.

**"Euroclear"** means Euroclear Bank SA/NV which is an ICSD.

**"Euronext Dublin"** means the Irish Stock Exchange plc trading as Euronext Dublin.

**"European Credit Institution"** has the meaning given to it in clause 5 (*Surrender of the Key*) of the Data Custody Agreement.

**"Euros"** or "**€**" means the lawful currency of the Member States of the European Union that adopt the single currency in compliance with the Treaty establishing the European Community, as amended by the Treaty on European Union.

**"Euro Short-Term Rate"** or "**€STR**" means the rate which reflects the wholesale euro unsecured overnight borrowing costs of banks located in the euro area published by the European Central Bank.

**"EU Securitisation Regulation"** means Regulation (EU) 2017/2402 of the European Parliament and of the Council laying down common rules on securitisation and creating a European framework for simple, transparent and standardised securitisation and amending Directives 2009/65/EC, 2009/38/EC, 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012.

**"EU Securitisation Regulation Disclosure Requirements"** means the applicable disclosure requirements set out in Article 7(1) of the EU Securitisation Regulation and the

related regulatory technical standards adopted by the EU Commission, as well as under any associated ESMA guidelines in relation thereto.

"**EUWA**" means European Union (Withdrawal) Act 2018 (as amended).

"**EU Winding-Up Directive**" means Directive 2001/24/EC of the European Parliament and of the Council of 4 April 2001 on the reorganisation and winding-up of credit institutions.

"**Event of Default**" has the meaning given to it in Condition 10 (*Events of Default*) of the Notes.

"**Excess Swap Collateral**" means any Return Amount (as such term is defined in the Credit Support Annex) which the Swap Counterparty has the right to have returned to it under the Interest Rate Swap Agreement.

"**Exchange Act**" means the U.S. Securities Exchange Act of 1934.

"**Excluded Collections**" means, so long as Ford Bank is Servicer, for an Assigned Receivable and a Collection Period, all amounts paid by the Borrower relating (a) to fees, expenses or bank charges (other than charges for overpayment) that are not included in the calculation of Net Present Value and (b) all payments of interest and principal in excess of the amount due under the related Loan Agreement, provided, however, such amounts will not include principal prepayments or amounts of interest and principal otherwise due and owing under the Loan Agreements.

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

"**FATCA**" means:

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

"**FATCA Costs**" means any costs or expenses related to compliance with, or implementation of, FATCA, and any costs or expenses as a result of indemnification for FATCA Deductions.

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

"**FATCA Exempt Party**" means a party that has the right to receive payments free from a FATCA Deduction.

"**FCPA**" means the U.S. Foreign Corrupt Practices Act 1977.

"**Fiduciary Collateral**" means the property of the Issuer assigned, pledged or transferred to the Collateral Agent under clause 6 (*Security*) of the Collateral Agency Agreement to secure the Secured Obligations and the Parallel Obligations.

**"Final Legal Maturity Date"** means 20 June 2032 (or, if such day is not a Business Day, the next following Business Day).

**"Financial Collateral Arrangement Regulations"** means the Financial Collateral Arrangements (No.2) Regulations no. 2003/3226 of 10 December 2003.

**"Fitch"** means Fitch Ratings Ireland Limited.

**"Ford"** means Ford Motor Company, incorporated in Delaware, U.S.A.

**"Ford Bank"** means Ford Bank GmbH, a limited liability company incorporated under the laws of Germany with its seat in Cologne, registered with the commercial register at the local court of Cologne under registration number HRB 91249, whose registered office is at Henry-Ford-Strasse 1, 50735 Cologne, Germany.

**"Ford Group"** means Ford and its directly or indirectly affiliated and subsidiary companies.

**"Foundation"** has the meaning given to it in the Issuer Corporate Services Agreement.

**"German Credit Institution"** has the meaning given to it in clause 5 (*Surrender of the Key*) of the Data Custody Agreement.

**"Germany"** means the Federal Republic of Germany.

**"Global Note"** means the global note, in fully registered form, without interest coupons attached, which will represent the Class A Notes and the Class B Notes on issue substantially in the form set out in Schedule 1 (*Forms of the Notes*) of the Trust Deed.

**"Governmental Authority"** means any country or nation, any political subdivision, state or municipality of such country or nation, and any entity exercising executive legislative, judicial, regulatory or administrative functions of or relating to the government of any country or nation or political subdivision.

**"ICSD"** means an International Central Securities Depository.

**"ICSD Agreement"** means the agreement dated on or about the Closing Date between the Issuer and Euroclear and Clearstream, Luxembourg.

**"Initial Reserve Amount"** means the amount of €[•] transferred into the Reserve Account and funded by way of the Subordinated Loan from the Seller on the Closing Date in compliance with clause 11 (*Subordinated Loan and Reserve Amount*) of the Receivables Sale Agreement.

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

**"Insurer"** means AXA France Vie S.A. / AXA France IARD S.A.

**"Interest Amount"** means the amount of interest payable on each Note for an Interest Period calculated under Condition 4(d) (*Calculations*).

**"Interest Collections"** means, regarding an Assigned Receivable and a Collection Period, the lesser of:

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

**"Interest Collections Shortfall"** means on an Interest Payment Date, an amount equal to the excess, if any, of the amount required to make payments under items (i) to (ix) of the Interest Priority of Payments on such Interest Payment Date over the Available Interest Collections and the Net Swap Counterparty Receipts for such Interest Payment Date.

**"Interest Determination Date"** means, for an Interest Period, the second Business Day before the first day of such Interest Period.

**"Interest Payment Date"** means, for an Interest Period, the 20th day of each month or, if such day is not a Business Day, the next following Business Day and, for the first such interest payment date, 20 August 2024.

**"Interest Period"** means the period beginning from (and including) an Interest Payment Date to (but excluding) the next following Interest Payment Date; provided that the first Interest Period will be the period beginning from (and including) the Closing Date to (but excluding) 20 August 2024.

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

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

**"Interest Rate Swap Agreement"** means the interest rate swap agreement between the Issuer and the Swap Counterparty, constituted by a 1992 ISDA Master Agreement, the schedule thereto and the credit support annex thereunder (the "**Credit Support Annex**") each dated as of [8] July 2024 and the interest rate swap confirmation dated [8] July 2024.

**"IRS Agreement"** means any agreement made by a person (or an affiliate of that person) with the U.S. Internal Revenue Service under section 1471 of FATCA.

**"Issuer"** means Globaldrive Auto Receivables 2024-A B.V.

**"Issuer Corporate Services Agreement"** means the issuer corporate services agreement dated on or about the Closing Date between the Issuer and the Issuer Corporate Services Provider and certain other parties.

**"Issuer Corporate Services Provider"** means Vistra Capital Markets (Netherlands) N.V.

**"Issuer Expenses"** means liabilities, expenses and indemnities related to the payments to:

- (a) (i) the Issuer for the Retained Amount from which the Issuer will discharge its liability to corporate income tax, (ii) the Issuer Corporate Services Provider under the Issuer Corporate Services Agreement, and (iii) the relevant Tax Authority for amounts due and payable in respect of Taxes (to the extent not paid out of the Retained Amount), and

- any arrears remaining unpaid for any such liabilities or expenses, *pari passu* and *pro rata* among themselves, then to;
- (b) the Trustee under the Trust Deed, the Security Trustee and the Receiver under the Deed of Charge and the Collateral Agent under the Collateral Agency Agreement, and any arrears remaining unpaid for any such liabilities, *pari passu* and *pro rata* among themselves, then to;
  - (c) the Cash Manager for the cash management fee or other liabilities under the Cash Management Agreement, and any arrears remaining unpaid for any such fee or other liabilities, then to;
  - (d) the Agents under the Agency Agreement, the Issuer's Auditors, the Data Agent under the Data Custody Agreement and the Account Bank under the Bank Account Operation Agreement, and any arrears remaining unpaid for any such liabilities, *pari passu* and *pro rata* among themselves, then to;
  - (e) the Joint Lead Managers under the Senior Note Purchase Agreement, payment of any indemnification amounts due and payable by the Issuer under clause 14.1 (*Indemnification by the Issuer*) of the Senior Note Purchase Agreement and any arrears remaining unpaid for any such indemnification amounts, *pari passu* and *pro rata* among themselves, and then to;
  - (f) any third parties for any amounts that the Issuer is liable to pay except those otherwise specifically referred to in the applicable Priority of Payments,

with the addition of VAT, if applicable.

**"Joint Lead Managers"** means BofA Securities, Commerzbank AG, Intesa Sanpaolo S.p.A. and Société Générale S.A. as joint lead managers for the Class A Notes and the Class B Notes and each a **"Joint Lead Manager"**.

**"Junior Note Purchase Agreement"** means the note purchase agreement dated on or about the Signing Date between the Issuer and Ford Bank as purchaser of the Class C Notes.

**"Key"** has the meaning given to it in clause 3 (*Deposit of the Key*) of the Data Custody Agreement.

**"Liquidation Proceeds"** means, regarding a Collection Period, the net proceeds of sale of any repossessed Vehicle.

**"Liquidity Component"** has the meaning given to it in clause 11.4 (*Subordinated Loan and Reserve Amount*) of the Receivables Sale Agreement.

**"List of Receivables"** means the list dated on or about the Closing Date describing the Assigned Receivables of the Seller containing the information set out in Schedule 2 (*Information to be given regarding Receivables to be assigned and Vehicles to be transferred*) of the Receivables Sale Agreement in a password protected file sent by email unequivocally marked or identified as relating to this securitisation transaction and received by the Issuer on or before the Closing Date (or other media as agreed from time-to-time between the Seller and the Issuer).

**"Loan"** means all Receivables and Ancillary Rights deriving from a Loan Agreement which have been assigned to the Issuer.

**"Loan Agreement"** means an agreement to advance money to purchase a Vehicle made between Ford Bank and a Borrower from which Receivables and Ancillary Rights are derived.

**"Losses"** means, on each Interest Payment Date, regarding a Loan which became a Written-Off Receivable during that Collection Period, the Opening Loan Balance for such Collection Period less the Liquidation Proceeds (if any).

**"Majority of Noteholders"** means any Class A Noteholder holding more than 66⅔% of the principal amount outstanding of the Class A Notes held, or, only if no Class A Notes are outstanding, any Class B Noteholder holding more than 66⅔% of the principal amount outstanding of the Class B Notes held, or, only if no Class A Notes and no Class B Notes are outstanding, any Class C Noteholder holding more than 66⅔% of the principal amount outstanding of the Class C Notes held.

**"Mandate"** has the meaning given to it in clause 1.2 (*Additional definitions*) of the Bank Account Operation Agreement.

**"Mandatory Early Part Redemption Amount"** means, for a Note and an Interest Payment Date, the principal amount redeemable for a Note of that Class on that Interest Payment Date under Condition 5(c) (*Mandatory early redemption in part*).

**"MiFID II"** means Directive 2014/65/EU, as amended.

**"Monthly Report"** has the meaning given to it in clause 6 (*Monthly Reports and calculations*) of the Receivables Servicing Agreement.

**"Monthly Reporting Date"** means five Business Days prior to any Interest Payment Date.

**"National Sales Companies"** means the companies incorporated under the laws of Germany, or under the laws of any other Member State of the European Union, acting through their respective German branches, belonging to the Ford Group or to a car manufacturer with an agreement in place with Ford Bank under which Ford Bank agrees to provide financing of stock to the dealers of the relevant car manufacturer, and distributing motor vehicles under the Ford, Volvo, Mazda, Jaguar or Land Rover brands to German motor vehicle dealers or, in the case of a used vehicle, made by any manufacturer brand.

**"Net Present Value"** means for a Receivable:

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

where:

**"Cash flows"** = the scheduled instalments due from the Borrower under the Loan Agreement less Excluded Collections;

**"n"** = the remaining number of Collection Periods scheduled for that Loan Agreement;

**"t"** = the remaining number of Collection Periods scheduled until such Cash flow occurs;  
and

**"i"** = the Discount Rate at the Cut-Off Date.

**"Net Swap Counterparty Receipts"** means, for an Interest Payment Date, amounts actually received from the Swap Counterparty under the Interest Rate Swap Agreement on that Interest Payment Date (other than collateral provided by the Swap Counterparty under the Interest Rate Swap Agreement, before the date of termination of the transactions under the Interest Rate Swap Agreement) at which time, if a payment is due by the Swap Counterparty to the Issuer, the Issuer will have the right to use the collateral provided by the Swap Counterparty to the extent such amount is due.

**"Note Purchase Agreements"** means the Senior Note Purchase Agreement and the Junior Note Purchase Agreement.

**"Noteholder"** or **"Holder"** means the person in whose name such Note is registered at that time in the Register or, in the case of a joint holding, the first named person; provided that, so



long as any of the Notes are represented by a Global Note, the term "**Noteholder**" or "**Holder**" will include the persons for the time being set out in the records of Euroclear and/or Clearstream, Luxembourg, as the holders of a particular principal amount of such Notes (each an "**Accountholder**") in units of €1,000 principal amount of Notes for all purposes other than regarding the payment of principal and interest on such Notes, the right to which will be vested as against the Issuer solely in the Holder of each Global Note under and subject to its terms

"**Notes**" means the Class A Notes, the Class B Notes and the Class C Notes and will, when the circumstances so require, include the Global Notes.

"**NSS**" means the new safekeeping structure applicable to debt securities in global registered form recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations since 1 October 2010.

"**Opening Loan Balance**" means, for an Assigned Receivable and a Collection Period:

- (a) for the first Collection Period after the Closing Date, the Net Present Value as at the Cut-Off Date for that Assigned Receivable; and
- (b) for all future Collection Periods, the Closing Loan Balance for the immediately prior Collection Period.

"**Opinion of Counsel**" means an opinion of counsel, which counsel will be reasonably acceptable to the Trustee, the Security Trustee, the Collateral Agent, the Issuer and the Rating Agencies and be of international standing recognised in the field of securitisation, and which opinion will be addressed to the Issuer, the Trustee and each Secured Party.

"**Overdue Interest**" means, for a Loan and a Collection Period, the aggregate, for each previous Collection Period in which:

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

of the amount of such excess less the aggregate, for each previous Collection Period in which:

- (a) Interest Collections exceeded;
- (b) the Opening Loan Balance multiplied by the Discount Rate divided by 12,

of the amount of such excess.

"**Parallel Obligation**" means the parallel obligation of the Issuer *vis-à-vis* the Collateral Agent under clause 5 (*Parallel Obligations*) of the Collateral Agency Agreement.

"**Paying Agent**" means any paying agent appointed under the Agency Agreement, including the Principal Paying Agent.

"**Payment Date**" means an Interest Payment Date or an Accelerated Payment Date.

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

"**Permitted Exceptions**" means the following payments to be paid outside of the Priority of Payments by the Issuer:

- (a) any payment or delivery to be made by the Issuer under the Credit Support Annex, including any Excess Swap Collateral which will be due and payable only to the extent of the amount in the Counterparty Downgrade Collateral Account;

- (b) any upfront payment to any replacement swap counterparty under the Interest Rate Swap Agreement (which will be paid directly to such replacement Swap Counterparty);
- (c) any payment of Taxes to the Tax Creditors or other payments to a Governmental Authority on a date not being an Interest Payment Date;
- (d) any Swap Tax Credits which will be returned directly to the Swap Counterparty under the terms of the Cash Management Agreement; and
- (e) any Replacement Swap Premium (only to the extent it is applied to pay a Swap Termination Payment due and payable by the Issuer to the outgoing Swap Counterparty).

**"Personal Data"** means any information relating to an identified or identifiable natural person who can be identified, directly or indirectly, as defined in Article 4(1) of the European data protection regulation (Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016).

**"Potential Event of Default"** means an event or circumstance that will with the giving of notice, lapse of time, issue of a certificate and/or fulfilment of any other requirement become an Event of Default.

**"Potential Servicer Termination Event"** means an event or circumstance that will with the giving of notice, lapse of time, issue of a certificate and/or fulfilment of any other requirement become a Servicer Termination Event.

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

**"Principal Deficiency"** means, regarding a Loan (where all scheduled payments have been paid in full) and a Collection Period, subject to a minimum of zero:

- (a) the Opening Loan Balance for such Collection Period; less,
- (b) Principal Collections for such Collection Period; less,
- (c) the Closing Loan Balance for such Collection Period.

**"Principal Paying Agent"** means Deutsche Bank AG, London Branch.

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

**"Principal Purchase Price Component"** means the Aggregate Closing Loan Balance as at the Cut-Off Date.

**"Principles of Construction"** means the principles of interpretation and construction set out in clause 2 (*Principles of Construction*) of the Definitions Schedule.

**"Priority of Payments"** means, the Interest Priority of Payments and/or the Principal Priority of Payments and/or the Accelerated Priority of Payments.

**"Prospectus"** means the prospectus dated on or about [•] July 2024 describing the Notes and the Transaction Documents.

**"Prospectus Regulation"** means Regulation (EU) 2017/1129 (as amended).

**"Purchase Price"** means the price to be paid by the Issuer as consideration for the acquisition of the Assigned Receivables, calculated in compliance with clause 2.2 (*Payment of Purchase Price*) of the Receivables Sale Agreement.

**"Qualified Institution"** means a bank (a) that may make all payments of interest under the Bank Account Operation Agreement without withholding or deduction for or on account of tax, (b)(i) whose long-term deposit rating or, if no long-term deposit rating is assigned, long-term issuer default rating by Fitch is at least "A" or whose short-term deposit rating or, if no short-term deposit rating is assigned, short-term issuer default rating by Fitch is at least "F1" and (ii) whose unsecured, unsubordinated and unguaranteed long-term debt obligations are rated at least "A" by S&P, provided such bank's unsecured, unsubordinated and unguaranteed short-term debt obligations are rated at least "A-1" by S&P, otherwise the unsecured, unsubordinated and unguaranteed long-term debt obligations of such bank must be rated at least "A+" by S&P and (c) that is or will (before a FATCA Deduction may be required) become a FATCA Exempt Party.

**"Rating Agencies"** means Fitch and S&P.

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

**"Receivables Sale Agreement"** means the receivables sale agreement dated on or about the Closing Date between the Issuer, the Seller, the Collateral Agent, the Security Trustee and the Trustee.

**"Receivables Servicing Agreement"** means the receivables servicing agreement dated on or about the Closing Date between the Issuer, the Servicer, the Collateral Agent and the Security Trustee.

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

**"Recoveries"** means, regarding a Written-Off Receivable and a Collection Period exclusive of any Liquidation Proceeds, (i) regarding a Written-Off Receivable sold to a Collection Agent under the Bank Working Procedures, all sums received by the Servicer for that Written-Off Receivable before the sale to the Collection Agent plus the purchase price paid by the Collection Agent and received by the Issuer or the Servicer on its behalf related to that Written-Off Receivable, or (ii) regarding a Written-Off Receivable not sold to a Collection Agent, all sums received by the Servicer related to that Written-Off Receivable during such Collection Period and (iii) the consideration and any other amounts that the Issuer or the Servicer on its behalf has the right to receive under clause 10.4 (*Written-Off Receivables*) of the Receivables Sale Agreement related to that Written-Off Receivable net of associated costs, charges, fees and expenses, as applied or as otherwise permitted under the Bank Working Procedures.

**"Register"** means the register maintained by the Registrar under the Conditions and the Agency Agreement, containing, among others, details of the Noteholders and any transfers in relation thereto.

**"Registrar"** means Deutsche Bank Luxembourg S.A., or any permitted successor or assign.

**"Regulation AB"** means subpart 229.1100 – Asset-Backed Securities (Regulation AB), 17 C.F.R. §§229.1100-229.1123, as clarified and interpreted by the Securities and Exchange Commission or its staff.

**"Regulation S"** means Regulation S under the Securities Act.

**"Reimbursed Losses and Principal Deficiencies"** means, regarding a Collection Period, the amounts of Available Interest Collections and the Net Swap Counterparty Receipts which are treated as Available Principal Collections to reimburse Losses and Unreimbursed Losses and Principal Deficiencies.

**"Relevant Contracts"** has the meaning given to it in clause 3 (*Security*) of the Deed of Charge.

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

**"Relevant Screen Rate"** has the meaning given to it in Condition 4 (*Interest*) of the Notes.

**"Replacement Swap Premium"** means an amount received by the Issuer from a replacement swap counterparty after entry by the Issuer into an agreement with such replacement swap counterparty to replace the outgoing Swap Counterparty, which will be applied by the Issuer under the Cash Management Agreement and the Deed of Charge.

**"Repurchased Interest"** means, as at an Interest Payment Date, the sum of (a) regarding a Repurchased Receivable, the Overdue Interest related to such Repurchased Receivable as at the end of the prior Collection Period and (b) an amount equal to the product of the Discount Rate of such Repurchased Receivable and the Opening Loan Balance of such Repurchased Receivable divided by 12.

**"Repurchased Principal"** means, regarding a Repurchased Receivable, the Opening Loan Balance.

**"Repurchased Receivables"** means, for a Collection Period, Assigned Receivables being repurchased by the Seller under the Receivables Sale Agreement on the Interest Payment Date next following that Collection Period.

**"Reserve Account"** means the account maintained at the Account Bank (or any successor of such account bank) in the name of the Issuer with IBAN code DE48 5003 0500 6564 2188 81 and account number 6564218881 or any other bank account specified as such in compliance with the terms of the Bank Account Operation Agreement.

**"Reserve Account Draw Amount"** has the meaning given to it in clause 11.5 (*Subordinated Loan and Reserve Amount*) of the Receivables Sale Agreement.

**"Reserve Account Interest Earned"** means, on each Payment Date, any interest deposited in the Reserve Account during the relevant Collection Period.

**"Reserve Amount"** means the Initial Reserve Amount as the same may be increased or decreased in compliance with clause 11 (*Subordinated Loan and Reserve Amount*) of the Receivables Sale Agreement.

**"Responsible Person"** means (a) for the Servicer, any officer of the Servicer or other person who is authorised to act for the Servicer, which officers and other persons will be named in an officer's certificate distributed to the Trustee, the Security Trustee and the Collateral Agent, (b) for the Seller, any officer of the Seller or other person who is authorised to act for the Seller, which officers and other persons will be named in an officer's certificate distributed to the Trustee, the Security Trustee and the Collateral Agent, and (c) for the Cash Manager, any officer of the Cash Manager or other person who is authorised to act for the Cash Manager, which officers and other persons will be confirmed by the Cash Manager to the Trustee, the Security Trustee and the Collateral Agent.

**"Retained Amount"** means €300 for each Interest Period, in arrear.

**"Risk Retention U.S. Persons"** means "U.S. persons" as defined in the U.S. Risk Retention Rules.

**"RRTS"** means the Commission Delegated Regulation (EU) 2023/2175 of 7 July 2023 supplementing the EU Securitisation Regulation with regard to regulatory technical standards specifying in greater detail the risk retention requirements for originators, sponsors, original lenders and services.

**"S&P"** means S&P Global Ratings acting through S&P Global Ratings Europe Limited.

**"Sanctions"** means any sanctions administered by the German Federal Office for Economic Affairs and Export Control (*Bundesamt für Wirtschaft und Ausfuhrkontrolle – BAFA*), the Office of Foreign Assets Control of the U.S. Department of the Treasury, His Majesty's Treasury, the United Nations Security Council, the European Union or the United Kingdom.

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

**"Secured Parties"** means the Trustee, the Security Trustee, the Collateral Agent, any Receiver, the Noteholders, the Swap Counterparty, the Issuer Corporate Services Provider, the Seller, the Servicer, the Cash Manager, the Account Bank, the Data Agent, the Paying Agents, the Registrar and the Calculation Agent and each other person identified as a secured party by the Deed of Charge and/or the Collateral Agency Agreement for the period of such designation.

**"Securities Act"** means the U.S. Securities Act of 1933.

**"Security"** means the security constituted by the Deed of Charge and the Collateral Agency Agreement, and any further security created under the Deed of Charge and/or the Collateral Agency Agreement.

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

**"Security Trustee"** means Deutsche Trustee Company Limited or any successor in usage and/or additional security trustee appointed to the Deed of Charge.

**"Seller"** means Ford Bank.

**"Senior Note Purchase Agreement"** means the note purchase agreement for the Class A Notes and the Class B Notes offered and sold outside the United States in reliance on Regulation S dated on or about the Signing Date between the Issuer, the Joint Lead Managers and the Seller.

**"Servicer"** means Ford Bank.

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

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

A x B x C

where:

"**A**" = 0.02%, or as otherwise agreed between the Servicer, the Issuer, the Security Trustee and the Collateral Agent;

"**B**" = 1/12; and

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

plus VAT if applicable,

provided that, if Ford Bank's appointment as Servicer is terminated in compliance with the Receivables Servicing Agreement, the Servicing Fee will be such fee as may be negotiated with any replacement servicer, as contemplated in the Receivables Servicing Agreement.

"**Set-Off Component**" has the meaning given to it in clause 11.9 (*Subordinated Loan and Reserve Amount*) of the Receivables Sale Agreement.

"**Set-Off Component Repaid Amount**" has the meaning given to it in clause 11.10 (*Subordinated Loan and Reserve Amount*) of the Receivables Sale Agreement.

"**Signing Date**" means [8] July 2024.

"**Special Quorum Resolution**" has the meaning given to it in paragraph 2.8 of Schedule 3 (*Provisions for meetings of Noteholders*) of the Trust Deed.

"**Subordinated Loan**" means the non-interest bearing loan provided by the Seller to the Issuer to fund the Initial Reserve Amount on the Closing Date in accordance with clause 11 (*Subordinated Loan and Reserve Amount*) of the Receivables Sale Agreement.

"**Swap Counterparty**" means Bank of America Europe DAC, or any permitted successor or assign.

"**Swap Subordinated Amounts**" means any amounts due from the Issuer to the Swap Counterparty after termination of the Interest Rate Swap Agreement:

- (a) where the Swap Counterparty is the Defaulting Party (as defined in the Interest Rate Swap Agreement); or
- (b) due to the occurrence of an Additional Termination Event (as defined in the Interest Rate Swap Agreement) where the Swap Counterparty is the sole Affected Party (as defined in the Interest Rate Swap Agreement).

"**Swap Tax Credits**" means any credit, allowance, set-off or repayment, which is received by the Issuer regarding tax from the tax authorities of any jurisdiction relating to a deduction or withholding giving rise to an increased payment by the Swap Counterparty to the Issuer, the amounts of which will be applied by the Issuer under the Cash Management Agreement.

"**Swap Termination Payment**" means any payment due to the Swap Counterparty on the early termination of a swap transaction under the Interest Rate Swap Agreement to which such Swap Counterparty is a party.

"**SWIFT**" means Society for Worldwide Interbank Financial Telecommunication.

"**T2**" means the real time gross settlement system operated by the Eurosystem, or any successor system.

"**TARGET Day**" means any day on which T2 is open for the settlement of payments in Euro.

**"Tax Authority"** means any authority competent to collect, assess or administer Tax or enforce any law in relation to Tax.

**"Taxes"** means, all forms of tax and duty and all tax-related withholdings or deductions of any nature (including, for the avoidance of doubt, social security or national insurance contributions), all related fines, penalties, charges and interest, and will include any payment on account or in respect of Tax to a court, tribunal or Tax Authority, and "Tax", "Taxation", "taxes", "tax" and similar words shall be construed accordingly.

**"Tax Information Arrangement"** means any governmental or inter-governmental arrangement, or other arrangement between competent authorities, for the cross-border exchange of tax information applicable in any jurisdiction (or any treaty, law, regulation, or official guidance enacted, issued or amended in any jurisdiction which facilitates the implementation of such arrangement) including (without limitation) FATCA, any arrangement analogous to FATCA, the OECD global standard for automatic and multilateral exchange of financial information between tax authorities (also known as the **"Common Reporting Standard"**) and any bilateral or multilateral tax information agreement between The Netherlands, Germany or the UK and any other jurisdiction(s).

**"Total Loan Collections"** means, for an Assigned Receivable and a Collection Period, all amounts received and applied by the Servicer less Excluded Collections and all payments revoked (including payments not honoured by the Borrower's paying bank) for that Assigned Receivable in that Collection Period.

**"Transaction Amendments"** has the meaning given to it in Condition 12(b)(viii) (*Amendments and waiver*).

**"Transaction Documents"** means:

- (a) the Conditions;
- (b) the Notes;
- (c) the Note Purchase Agreements;
- (d) the Interest Rate Swap Agreement;
- (e) the Receivables Sale Agreement;
- (f) the Receivables Servicing Agreement;
- (g) the Data Custody Agreement;
- (h) the Bank Account Operation Agreement;
- (i) the Trust Deed;
- (j) the Deed of Charge;
- (k) the Collateral Agency Agreement;
- (l) the Cash Management Agreement;
- (m) the Agency Agreement; and
- (n) the Issuer Corporate Services Agreement,

and all other documents specified by the parties.

**"Trust Deed"** means the trust deed dated on or about the Closing Date between the Issuer and the Trustee.

**"Trustee"** means Deutsche Trustee Company Limited or any successor and/or additional Trustee appointed to the Trust Deed.

**"United States"** has the meaning given to it in Regulation S.

**"Unreimbursed Losses and Principal Deficiencies"** means, for a Collection Period, including the current Collection Period, the amount by which aggregate Losses for all Loan Agreements and aggregate Principal Deficiencies for all Loan Agreements for all previous Collection Periods exceed Reimbursed Losses and Principal Deficiencies for all previous Collection Periods.

**"U.S. Internal Revenue Code"** means the U.S. Internal Revenue Code of 1986.

**"U.S. person"** has the meaning given to it in: (a) Regulation S or (b) the U.S. Risk Retention Rules, as applicable.

**"U.S. Risk Retention Rules"** means Regulation RR (17 C.F.R Part 246) implementing the risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended, adopted under the requirements of Section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

**"Vehicle"** means a new, ex-demonstration or used vehicle which is the object of financing by the Seller under the Loan Agreements and listed by its vehicle identification number in the List of Receivables.

**"Written-Off Receivable"** means a Receivable which is written-off under the Bank Working Procedures.

**"Written Resolution"** has the meaning given to it in paragraph 2.9 of Schedule 3 (*Provisions for meetings of Noteholders*) of the Trust Deed.



**STATIC POOL INFORMATION – PRIOR SECURITISED POOLS**

**Footnotes:**

- (1) Percentage of the aggregate net present value.
- (2) Based on use selected by the borrower on the loan application. All individual consumer borrowers select private use. Commercial borrowers select commercial use. Sole traders may select private use or commercial use.
- (3) Weighted averages are weighted by the aggregate net present value of each receivable as of the cut-off date.
- (4) Based on the post code of the borrowers on the cut-off date for the prior securitised pool.
- (5) End of month pool balance is the aggregate net present value of the receivables as at the cut-off date less principal collections from the cut-off date to the last day of that month.
- (6) Liquidation Proceeds (as defined in the Terms and Conditions).
- (7) Recoveries (as defined in the Terms and Conditions).
- (8) Cumulative net losses are the aggregate net present value at the beginning of the month of all loan agreements that are written-off that month less net vehicle sale proceeds and other borrower recoveries in that month. Net losses include all external costs associated with repossession and disposition of the vehicle and continued collection efforts after write-off.
- (9) Prepayments are the aggregate principal balance of all loan agreements prepaid in full during the month.
- (10) The period of delinquency is the number of days that more than €1.00 of a scheduled payment is past due. The euro amounts represent the aggregate outstanding principal balances of the delinquent accounts as of the end of the month.

## Globaldrive Auto Receivables 2019-A B.V.

### Original Pool Characteristics

Closing Date.....	22 October 2019	Financed Vehicle - Private Use:	
Cut-off Date.....	30 September 2019	Aggregate net present value .....	€749,243,569.26
Number of Receivables.....	43,082	Percentage of initial aggregate net present value.....	91.41%
Initial Aggregate Net Present Value..	€819,691,571.91	Financed Vehicle - Commercial Use:	
Net Present Value		Aggregate net present value .....	€70,448,002.65
Average net present value .....	€19,026.31	Percentage of initial aggregate net present value.....	8.59%
Maximum net present value.....	€58,690.16	Financed Vehicle - New:	
Minimum Net Present Value .....	€279.27	Aggregate net present value .....	€755,620,471.76
Original Amount Financed:		Percentage of initial aggregate net present value.....	92.18%
Average.....	€21,330.54	Financed Vehicle - Used:	
Highest.....	€63,980.56	Aggregate net present value .....	€18,241,623.07
Lowest.....	€1,171.53	Percentage of initial aggregate net present value.....	2.23%
Standard Balloon Values:		Financed Vehicle - Ex-Demo:	
Average.....	€7,781.61	Aggregate net present value .....	€45,829,477.08
Highest.....	€26,750.00	Percentage of initial aggregate net present value.....	5.59%
Lowest.....	€0.00	Receivables Agreement Type - Standard (balloon and non-balloon):	
TCM Balloon Values:		Aggregate net present value .....	€104,730,545.21
Average.....	€11,788.39	Percentage of initial aggregate net present value.....	12.78%
Highest.....	€37,926.00	Receivables Agreement Type - TCM:	
Lowest.....	€0.00	Aggregate net present value .....	€714,961,026.70
Original Interest Rate:		Percentage of initial aggregate net present value.....	87.22%
Average.....	1.23%	Percentage of Initial Aggregate Net Present Value of 20 Largest Borrowers	0.37%
Highest.....	7.99%	Percentage of Initial Aggregate Net Present Value of Largest Borrower.....	0.04%
Lowest.....	0.00%	Percentage of Top 6 Makes/Models:	
Original Term:		Ford Kuga .....	20.73%
Average.....	45.8 months	Ford Focus.....	17.90%
Highest.....	72 months	Ford Fiesta.....	14.45%
Lowest.....	6 months	Ford EcoSport.....	13.17%
Remaining Term:		Ford Transit .....	10.36%
Average.....	40.8 months	Ford Tourneo .....	3.38%
Highest.....	71 months	Percentage of Receivables in Top 4 Regions:	
Lowest.....	2 months	Nordrhein-Westfalen.....	29.63%
Scheduled Weighted Average Life <sup>(2)</sup>	2.6 years	Baden-Wuerttemberg .....	13.47%
Weighted Average Months After	5 months	Bayern .....	11.17%
Origination (Seasoning) <sup>(1)</sup>		Niedersachsen.....	8.51%
Weighted Average LTV at	87.14%		
Origination <sup>(1)(3)</sup>			

<sup>(1)(2)(3)</sup> See page B-1 for footnotes.

Month	Date	End-of-Month Pool Balance <sup>(4)</sup> (€)	Liquidation Proceeds <sup>(8)</sup> (€)	Recoveries (€)	Cumulative Net Losses <sup>(5)</sup> (€)	Prepayments <sup>(6)</sup> (€)	Delinquencies <sup>(7)</sup> (€)			
							31-60 Days	61-90 Days	91-120 Days	120+ Days
1	31-Oct-19	808,988,770	-	-	-	1,437,099	799,373	58,959	-	-
2	30-Nov-19	797,836,215	21,460	-	8,120	1,772,758	699,309	187,710	16,026	-
3	31-Dec-19	786,827,464	11,975	-	9,623	1,734,237	761,916	258,841	151,424	16,026
4	31-Jan-20	775,411,166	-	-	9,623	2,133,933	1,001,167	213,840	138,447	122,606
5	29-Feb-20	763,660,659	31,979	35	38,708	2,347,739	805,245	346,203	154,831	140,286
6	31-Mar-20	752,319,562	48,304	35	71,698	1,946,482	1,242,838	546,909	95,161	244,718
7	30-Apr-20	725,704,189	13,656	35	85,175	1,853,027	585,467	393,585	192,285	262,727
8	31-May-20	713,593,480	26,982	35	115,288	2,122,702	367,546	276,786	340,700	366,941
9	30-Jun-20	701,065,865	68,316	35	144,592	2,739,855	409,792	42,507	186,025	321,979
10	31-Jul-20	688,987,091	74,134	-	172,039	2,964,538	598,436	211,960	8,589	328,255
11	31-Aug-20	677,453,652	94,656	35	254,213	2,260,786	557,189	131,838	179,824	304,624
12	30-Sep-20	665,856,844	22,651	1,072	288,725	2,692,747	522,292	130,530	85,324	400,457
13	31-Oct-20	652,537,472	11,725	9	300,152	3,385,797	643,772	310,112	55,767	322,809
14	30-Nov-20	639,381,195	8,750	-	330,360	3,376,758	552,182	245,271	146,012	268,503
15	31-Dec-20	625,594,840	70,798	-3,513	365,583	3,462,637	622,810	228,718	87,115	360,083
16	31-Jan-21	612,619,916	26,303	357	373,957	2,748,044	626,327	138,471	167,631	322,288
17	28-Feb-21	599,856,760	112,777	-1,670	417,183	2,543,156	558,671	169,082	85,208	336,534
18	31-Mar-21	585,809,914	50,741	4,797	501,698	3,415,231	654,081	293,027	95,133	236,191
19	30-Apr-21	571,873,833	52,599	18,899	495,941	3,684,388	653,773	306,663	119,754	239,837
20	31-May-21	558,279,716	55,155	1,282	498,785	3,701,825	443,293	301,016	131,469	259,593
21	30-Jun-21	545,348,301	128,567	30	537,928	3,184,985	630,055	176,947	160,705	166,213

22	31-Jul-21	530,611,080	133,157	280	595,530	4,133,111	754,034	230,773	105,854	228,239
23	31-Aug-21	516,710,167	35,773	1,354	590,881	4,091,723	626,738	332,432	185,809	256,806
24	30-Sep-21	504,111,763	45,926	60	593,387	3,786,850	538,542	279,129	258,375	346,435
25	31-Oct-21	490,211,088	250	14,928	599,661	4,285,480	327,533	210,458	176,154	503,659
26	30-Nov-21	474,931,832	41,789	16,528	585,696	4,943,110	600,539	207,507	117,399	541,728
27	31-Dec-21	458,787,183	76,970	930	600,916	4,587,866	720,489	275,883	166,909	472,038
28	31-Jan-22	441,869,538	62,039	9,344	606,576	4,874,181	941,442	278,366	190,379	529,037
29	28-Feb-22	423,199,505	75,368	2,399	616,034	5,138,482	336,132	243,148	45,228	377,186
30	31-Mar-22	402,808,850	95,138	10,083	676,888	6,102,055	875,906	124,906	66,816	274,725
31	30-Apr-22	383,303,300	65,146	30,845	692,737	6,033,342	1,098,630	207,964	28,544	211,021
32	31-May-22	363,608,404	18,776	1,231	690,799	6,764,641	1,097,820	339,170	68,528	140,721
33	30-Jun-22	344,414,800	66,734	35,747	660,423	6,052,907	988,505	234,105	127,357	149,534
34	31-Jul-22	326,528,561	14,737	2,331	666,365	5,356,039	427,292	279,379	127,072	168,964
35	31-Aug-22	308,614,991	31,488	1,530	696,050	5,144,231	780,100	241,592	109,402	140,661
36	30-Sep-22	294,065,561	110,133	22,778	690,441	6,481,233	634,971	234,568	125,751	157,223
37	31-Oct-22	277,209,982	78,797	1,000	675,335	6,879,825	396,901	197,151	91,127	195,106
38	30-Nov-22	256,792,599	66,583	-9,111	697,412	8,699,520	726,373	188,384	96,159	202,715
39	31-Dec-22	231,337,117	31,455	6,986	714,152	9,279,455	870,918	125,077	108,038	263,078
40	31-Jan-23	207,475,330	89,530	4,199	735,816	7,166,413	1,002,329	212,468	108,840	250,151
41	28-Feb-23	182,957,102	29,449	772	754,925	6,947,465	582,998	322,898	87,138	267,972
42	31-Mar-23	150,829,082	103,274	-1,536	778,411	8,475,469	825,282	296,402	156,837	176,085
43	30-Apr-23	122,842,503	36,189	1,897	790,926	6,730,182	974,307	277,143	98,958	215,137
44	31-May-23	93,312,269	75,386	9,741	808,705	6,201,729	988,540	205,468	82,462	223,442
45	30-Jun-23	64,661,023	32,029	17,037	805,023	6,012,755	1,138,453	163,358	67,704	182,345
46	31-Jul-23	36,399,803	86,005	25,026	817,861	3,762,061	1,239,336	284,167	81,895	87,597
47	31-Aug-23	12,929,637	38,448	13,130	833,300	108,607	904,561	312,684	130,934	142,676

See page B-1 for footnotes

## Globaldrive Auto Receivables 2020-A B.V.

### Original Pool Characteristics

Closing Date.....	26 June 2020	Financed Vehicle - Private Use:	
Cut-off Date.....	31 May 2020	Aggregate net present value .....	€495,982,963.03
Number of Receivables.....	27,964	Percentage of initial aggregate net present value.....	90.76%
Initial Aggregate Net Present Value..	€546,469,146.06	Financed Vehicle - Commercial Use:	
Net Present Value		Aggregate net present value .....	€50,486,183.03
Average net present value .....	€19,541.88	Percentage of initial aggregate net present value.....	9.24%
Maximum net present value.....	€55,570.41	Financed Vehicle - New:	
Minimum Net Present Value .....	€293.78	Aggregate net present value .....	€492,990,565.82
Original Amount Financed:		Percentage of initial aggregate net present value.....	90.21%
Average.....	€22,341.78	Financed Vehicle - Used:	
Highest.....	€62,910.00	Aggregate net present value .....	€8,886,733.83
Lowest.....	€1,000.00	Percentage of initial aggregate net present value.....	1.63%
Standard Balloon Values:		Financed Vehicle - Ex-Demo:	
Average.....	€8,097.81	Aggregate net present value .....	€44,591,846.41
Highest.....	€25,291.75	Percentage of initial aggregate net present value.....	8.16%
Lowest.....	€91.60	Receivables Agreement Type - Standard (balloon and non-balloon):	
TCM Balloon Values:		Aggregate net present value .....	€61,738,226.54
Average.....	€12,172.35	Percentage of initial aggregate net present value.....	11.30%
Highest.....	€35,672.00	Receivables Agreement Type - TCM:	
Lowest.....	€0.00	Aggregate net present value .....	€484,730,919.52
Original Interest Rate:		Percentage of initial aggregate net present value.....	88.70%
Average.....	0.93%	Percentage of Initial Aggregate Net Present Value of 20 Largest Borrowers	0.47%
Highest.....	7.99%	Percentage of Initial Aggregate Net Present Value of Largest Borrower .....	0.05%
Lowest.....	0.00%	Percentage of Top 6 Makes/Models:	
Original Term:		Ford Focus.....	23.22%
Average.....	45.9 months	Ford Kuga.....	20.54%
Highest.....	72 months	Ford Fiesta.....	13.94%
Lowest.....	6 months	Ford Transit.....	12.32%
Remaining Term:		Ford EcoSport.....	9.25%
Average.....	39.8 months	Ford Tourneo.....	3.83%
Highest.....	71 months	Percentage of Receivables in Top 4 Regions:	
Lowest.....	2 months	Nordrhein-Westfalen.....	29.64%
Scheduled Weighted Average Life <sup>(2)</sup>	2.58 years	Baden-Wuerttemberg .....	13.88%
Weighted Average Months After Origination (Seasoning) <sup>(1)</sup>	6 months	Bayern .....	10.93%
Weighted Average LTV at Origination <sup>(1)(3)</sup>	87.70%	Niedersachsen.....	8.75%

<sup>(1)(2)(3)</sup> See page B-1 for footnotes.

Month	Date	End-of-Month Pool Balance <sup>(4)</sup> (€)	Liquidation Proceeds <sup>(8)</sup> (€)	Recoveries (€)	Cumulative Net Losses <sup>(5)</sup> (€)	Prepayments <sup>(6)</sup> (€)	Delinquencies <sup>(7)</sup> (€)			
							31-60 Days	61-90 Days	91-120 Days	120+ Days
1	30-Jun-20	539,171,893	-	-	-	1,102,398	231,325	-	-	-
2	31-Jul-20	531,688,861	-	-	-	1,326,515	270,031	35,828	-	-
3	31-Aug-20	524,562,282	-	-	-	1,034,999	346,885	31,981	26,050	-
4	30-Sep-20	516,949,946	-	-	-	1,411,098	513,586	109,970	9,694	-
5	31-Oct-20	508,899,915	31,933	-	-55	1,527,715	413,461	199,175	65,062	-
6	30-Nov-20	500,866,408	-	50	10,258	1,648,422	501,999	121,834	98,455	-
7	31-Dec-20	492,834,236	21,836	50	15,362	1,561,830	316,021	175,681	92,582	-
8	31-Jan-21	484,796,674	-	650	15,759	1,623,512	297,087	177,972	102,632	-
9	28-Feb-21	477,117,568	15,974	650	9,231	1,490,124	355,723	133,284	71,356	-
10	31-Mar-21	468,622,216	94,653	-4,519	35,904	1,992,061	351,946	190,199	132,181	-
11	30-Apr-21	460,652,151	41,317	50	39,361	1,780,283	463,602	174,830	103,064	-
12	31-May-21	452,508,972	23,482	50	59,126	1,873,432	396,860	227,524	83,284	-
13	30-Jun-21	444,035,875	37,961	50	68,044	2,089,466	449,272	146,872	191,551	-
14	31-Jul-21	435,799,938	46,759	50	69,723	2,090,382	413,068	274,760	151,194	-
15	31-Aug-21	427,002,642	15,605	50	74,764	2,513,771	539,026	209,919	229,898	-
16	30-Sep-21	418,110,272	-	50	74,714	2,330,508	578,841	177,320	114,538	-
17	31-Oct-21	408,097,457	23,115	50	116,621	2,732,591	424,300	283,508	107,559	-
18	30-Nov-21	397,945,154	47,833	50	125,554	3,138,083	848,634	267,336	209,694	-
19	31-Dec-21	387,543,206	91,489	750	166,432	2,800,020	433,957	316,895	216,615	-
20	31-Jan-22	377,706,717	105,308	700	139,667	2,466,775	595,824	204,477	270,190	-
21	28-Feb-22	367,589,243	40,618	-3,804	151,574	2,785,142	419,628	162,551	90,414	-

22	31-Mar-22	356,292,616	43,593	50	205,899	3,667,866	606,187	156,784	93,968	-
23	30-Apr-22	346,711,341	46,670	250	241,778	2,807,696	466,173	176,559	90,459	-
24	31-May-22	337,173,113	57,524	350	243,121	3,380,203	577,365	154,213	108,965	-
25	30-Jun-22	327,205,678	57,373	350	267,057	3,423,204	509,101	177,914	86,407	-
26	31-Jul-22	317,258,120	61,301	350	277,697	3,636,772	293,436	215,682	109,706	-
27	31-Aug-22	306,666,383	34,524	700	281,175	4,080,443	521,203	206,738	90,045	-
28	30-Sep-22	294,200,676	32,826	6,625	290,769	4,412,602	741,678	85,859	94,234	-
29	31-Oct-22	280,859,319	57,324	19,034	269,224	4,289,019	837,529	276,435	98,436	-
30	30-Nov-22	266,417,988	54,920	17,120	296,003	4,421,694	798,995	338,373	114,598	-
31	31-Dec-22	252,254,367	17,481	20,476	313,738	4,532,802	653,086	296,850	102,142	-
32	31-Jan-23	238,822,686	26,705	10,373	381,366	3,761,321	731,419	267,579	94,664	-
33	28-Feb-23	225,644,783	55,988	277	420,049	3,669,091	333,420	142,270	143,355	-
34	31-Mar-23	210,830,051	105,881	16,710	422,164	4,484,475	715,563	159,980	98,332	-
35	30-Apr-23	198,988,734	90,965	8,498	409,815	2,997,280	597,512	201,475	102,980	-
36	31-May-23	187,615,842	27,160	178	418,789	4,263,927	455,336	158,150	116,800	-
37	30-Jun-23	176,489,284	79,086	178	432,090	4,297,129	333,270	101,455	48,796	-
38	31-Jul-23	165,237,605	16,700	-3,007	442,264	4,733,077	331,826	163,982	54,704	-
39	31-Aug-23	152,400,755	61,512	-1,332	456,740	6,225,294	481,700	101,833	82,712	-
40	30-Sep-23	133,428,780	29,488	15,549	445,585	5,451,016	248,685	150,425	76,836	-
41	31-Oct-23	109,612,118	24,681	44,426	411,819	5,214,187	998,215	131,709	82,856	-
42	30-Nov-23	87,633,495	1,200	9,365	418,203	4,822,490	1,168,708	325,493	62,633	-
43	31-Dec-23	66,992,685	27,358	16,049	422,558	3,185,132	393,183	437,300	151,898	-
44	31-Jan-24	46,467,786	53,931	828	466,065	3,431,147	1,104,993	332,272	159,834	-

See page B-1 for footnotes

## Globaldrive Auto Receivables 2021-A B.V.

### Original Pool Characteristics

Closing Date.....	18 March 2021	Financed Vehicle - Private Use:	
Cut-off Date.....	28 February 2021	Aggregate net present value .....	€494,644,254.36
Number of Receivables.....	27,501	Percentage of initial aggregate net present value.....	90.51%
Initial Aggregate Net Present Value..	€546,498,338.71	Financed Vehicle - Commercial Use:	
Net Present Value		Aggregate net present value .....	€51,854,084.35
Average net present value .....	€19,871.94	Percentage of initial aggregate net present value.....	9.49%
Maximum net present value.....	€70,697.72	Financed Vehicle - New:	
Minimum Net Present Value .....	€376.50	Aggregate net present value .....	€495,912,955.15
Original Amount Financed:		Percentage of initial aggregate net present value.....	90.74%
Average.....	€22,811.15	Financed Vehicle - Used:	
Highest.....	€79,820.00	Aggregate net present value .....	€9,735,502.76
Lowest.....	€1,350.00	Percentage of initial aggregate net present value.....	1.78%
Standard Balloon Values:		Financed Vehicle - Ex-Demo:	
Average.....	€9,056.61	Aggregate net present value .....	€40,849,880.80
Highest.....	€34,785.00	Percentage of initial aggregate net present value.....	7.47%
Lowest.....	€0.00	Receivables Agreement Type - Standard (balloon and non-balloon):	
TCM Balloon Values:		Aggregate net present value .....	€70,418,286.36
Average.....	€12,505.37	Percentage of initial aggregate net present value.....	12.89%
Highest.....	€40,916.00	Receivables Agreement Type - TCM:	
Lowest.....	€0.00	Aggregate net present value .....	€476,080,052.35
Original Interest Rate:		Percentage of initial aggregate net present value.....	87.11%
Average.....	1.04%	Percentage of Initial Aggregate Net Present Value of 20 Largest Borrowers	0.58%
Highest.....	7.99%	Percentage of Initial Aggregate Net Present Value of Largest Borrower .....	0.08%
Lowest.....	0.00%	Percentage of Top 6 Makes/Models:	
Original Term:		Ford Focus.....	22.48%
Average.....	45.1 months	Ford Kuga.....	14.85%
Highest.....	72 months	Ford Puma.....	14.33%
Lowest.....	6 months	Ford Fiesta.....	13.86%
Remaining Term:		Ford Transit.....	12.43%
Average.....	38.5 months	Ford EcoSport.....	5.89%
Highest.....	71 months	Percentage of Receivables in Top 4 Regions:	
Lowest.....	2 months	Nordrhein-Westfalen.....	31.38%
Scheduled Weighted Average Life <sup>(2)</sup>	2.50 years	Baden-Wuerttemberg .....	13.26%
Weighted Average Months After	6.6 months	Bayern .....	10.45%
Origination (Seasoning) <sup>(1)</sup> .....		Niedersachsen.....	8.63%
Weighted Average LTV at	87.40%		
Origination <sup>(1)(3)</sup> .....			

<sup>(1)(2)(3)</sup> See page B-1 for footnotes.

Month	Date	End-of-Month Pool Balance <sup>(4)</sup> (€)	Liquidation Proceeds <sup>(8)</sup> (€)	Recoveries (€)	Cumulative Net Losses <sup>(5)</sup> (€)	Prepayments <sup>(6)</sup> (€)	Delinquencies <sup>(7)</sup> (€)			
							31-60 Days	61-90 Days	91-120 Days	120+ Days
1	31-Mar-21	539,033,528	-	-	-	1,169,061	138,776	48,426	27,357	-
2	30-Apr-21	531,337,205	-	-	-	1,315,394	310,885	76,880	27,155	-
3	31-May-21	523,504,432	-	-	-	1,333,870	378,225	94,397	39,285	-
4	30-Jun-21	515,520,773	-	-	-	1,480,690	628,122	101,421	25,827	-
5	31-Jul-21	507,449,358	16,849	-	7,801	1,573,244	536,872	268,905	78,549	-
6	31-Aug-21	498,815,924	8,782	-	11,477	1,980,776	417,871	189,019	156,457	-
7	30-Sep-21	490,084,872	-	-	11,477	2,135,270	574,492	54,310	118,063	-
8	31-Oct-21	481,457,317	11,555	-	42,087	1,788,938	301,841	209,221	42,212	-
9	30-Nov-21	472,942,319	39,851	6,998	30,691	2,013,379	700,923	201,333	93,060	-
10	31-Dec-21	464,134,230	56,331	-	27,095	2,054,396	509,008	401,528	27,287	-
11	31-Jan-22	454,747,485	62,189	-2,009	63,667	2,680,535	426,689	163,691	164,894	-
12	28-Feb-22	445,720,914	76,635	21,453	41,274	2,221,298	481,081	235,150	43,126	-
13	31-Mar-22	435,524,333	28,645	-	53,339	3,582,128	653,118	229,784	219,191	-
14	30-Apr-22	426,386,947	66,750	-6,374	57,971	2,687,742	723,259	89,567	66,966	-
15	31-May-22	416,941,821	40,690	332	89,153	2,802,837	726,228	277,735	60,511	-
16	30-Jun-22	406,911,110	76,708	-	138,483	2,965,686	644,423	293,481	105,819	-
17	31-Jul-22	397,351,637	24	20,682	132,655	2,937,181	333,884	224,901	110,804	-
18	31-Aug-22	387,486,383	42,677	21,066	125,436	2,999,284	613,365	165,688	134,846	-
19	30-Sep-22	376,869,599	9,140	-2,628	139,088	3,248,633	766,253	66,600	107,876	-
20	31-Oct-22	366,362,446	-	12,592	169,594	2,865,270	613,564	329,013	30,412	-
21	30-Nov-22	355,307,882	53,909	2,040	182,835	3,185,109	845,112	172,205	223,558	-

22	31-Dec-22	344,130,605	44,891	528	185,086	3,004,487	631,646	248,712	108,515	-
23	31-Jan-23	334,568,058	30,870	12,822	191,408	2,553,925	746,757	264,277	109,821	-
24	28-Feb-23	324,920,938	91,236	72	203,778	2,719,270	393,727	245,385	152,975	-
25	31-Mar-23	314,164,461	171,869	20,301	232,714	3,691,272	850,734	248,328	42,979	-
26	30-Apr-23	304,306,355	37,983	26,894	206,385	3,377,059	602,297	328,968	156,611	
27	31-May-23	292,557,572	70,854	13,494	214,665	4,036,805	814,580	180,491	243,874	
28	30-Jun-23	280,440,988	112,659	15,003	275,357	4,261,554	607,378	190,028	57,349	
29	31-Jul-23	266,864,173	36,183	3,524	305,436	4,105,947	664,798	110,790	90,806	
30	31-Aug-23	251,152,834	76,822	9,384	354,749	5,283,944	623,528	260,856	69,957	
31	30-Sep-23	234,737,706	55,762	49,774	314,662	4,570,297	716,357	167,716	182,844	
32	31-Oct-23	215,019,667	21,033	42,022	278,504	4,794,297	1,010,299	221,164	74,604	
33	30-Nov-23	195,806,988	60,085	1,126	295,291	4,463,990	818,991	281,536	85,953	
34	31-Dec-23	180,137,466	42,527	461	304,573	2,759,134	501,283	355,417	90,945	
35	31-Jan-24	166,053,451	47,904	6,020	331,301	2,841,761	959,227	427,349	134,236	
36	29-Feb-24	155,002,257	17,407	10,488	330,539	3,433,849	577,813	305,228	214,257	
37	31-Mar-24	145,436,221	53,479	16,026	341,792	3,469,199	305,920	339,545	35,749	

See page B-1 for footnotes

## Globaldrive Auto Receivables 2023-A B.V.

### Original Pool Characteristics

Closing Date.....	27 July 2023	Financed Vehicle - Private Use:	
Cut-off Date.....	30 June 2023	Aggregate net present value .....	€384,974,919.83
Number of Receivables.....	22,375	Percentage of initial aggregate net present value.....	87.49%
Initial Aggregate Net Present Value..	€	Financed Vehicle - Commercial Use:	
	439,999,698.48		
Net Present Value		Aggregate net present value .....	€55,024,778.65
Average net present value .....	€19,664.79	Percentage of initial aggregate net present value.....	12.51%
Maximum net present value.....	€69,962.02	Financed Vehicle - New:	
Minimum Net Present Value .....	€216.30	Aggregate net present value .....	€408,944,217.46
Original Amount Financed:		Percentage of initial aggregate net present value.....	92.94%
Average.....	€25,498.06	Financed Vehicle - Used:	
Highest.....	€76,065.00	Aggregate net present value .....	€16,100,042.79
Lowest.....	€1,000.01	Percentage of initial aggregate net present value.....	3.66%
Standard Balloon Values:		Financed Vehicle - Ex-Demo:	
Average.....	€12,889.12	Aggregate net present value .....	€14,955,438.23
Highest.....	€42,540.17	Percentage of initial aggregate net present value.....	3.40%
Lowest.....	€0.00	Receivables Agreement Type - Standard (balloon and non-balloon):	
TCM Balloon Values:		Aggregate net present value .....	€113,070,450.97
Average.....	€14,731.64	Percentage of initial aggregate net present value.....	25.70%
Highest.....	€44,622.14	Receivables Agreement Type - TCM:	
Lowest.....	€0.00	Aggregate net present value .....	€326,929,247.51
Original Interest Rate:		Percentage of initial aggregate net present value.....	74.30%
Average.....	2.11%	Percentage of Initial Aggregate Net Present Value of 20 Largest Borrowers	0.73%
Highest.....	11.00%	Percentage of Initial Aggregate Net Present Value of Largest Borrower.....	0.11%
Lowest.....	0.00%	Percentage of Top 6 Makes/Models:	
Original Term:		Ford Kugo .....	26.70%
Average.....	45.5 months	Ford Puma .....	16.70
Highest.....	72 months	Ford Transit .....	13.92
Lowest.....	6 months	Ford Focus.....	10.99
Remaining Term:		Ford Fiesta.....	6.68
Average.....	32.5 months	Ford Tourneo.....	4.92
Highest.....	71 months	Percentage of Receivables in Top 4 Regions:	
Lowest.....	2 months	Nordrhein-Westfalen.....	33.12%
Scheduled Weighted Average Life <sup>(2)</sup>	2.18 years	Baden-Wuerttemberg .....	12.51
Weighted Average Months After	13 months	Bayern .....	10.18
Origination (Seasoning) <sup>(1)</sup> .....		Niedersachsen.....	8.41
Weighted Average LTV at	83.00%		
Origination <sup>(1)(3)</sup> .....			

<sup>(1)(2)(3)</sup> See page B-1 for footnotes.

Month	Date	End-of-Month Pool Balance <sup>(4)</sup> (€)	Liquidation Proceeds <sup>(8)</sup> (€)	Recoveries (€)	Cumulative Net Losses <sup>(5)</sup> (€)	Prepayments <sup>(6)</sup> (€)	Delinquencies <sup>(7)</sup> (€)			
							31-60 Days	61-90 Days	91-120 Days	120+ Days
1	31-Jul-23	433,255,059	-	-	-	1,435,990	239,700	-	-	-
2	31-Aug-23	424,955,149	-	-	-	1,927,881	930,790	143,037	-	-
3	30-Sep-23	416,866,406	29,266	-	-2,361	1,872,881	378,174	147,475	66,866	-
4	31-Oct-23	408,686,377	20,634	-	52,891	1,917,075	447,803	275,469	85,324	9,335
5	30-Nov-23	400,316,841	196,995	-	81,001	2,124,992	438,522	166,215	139,716	-
6	31-Dec-23	392,337,661	16,849	-5,354	90,939	2,060,853	331,672	259,072	184,109	104,159
7	31-Jan-24	383,600,661	20,721	-	90,056	2,325,811	805,706	185,816	174,325	230,157
8	29-Feb-24	373,953,972	13,520	4,396	87,261	2,852,990	950,864	231,606	91,806	264,359
9	31-Mar-24	363,838,130	143,517	-	119,745	2,687,496	372,682	288,477	94,776	173,859



## VINTAGE ORIGINATIONS INFORMATION

**Footnotes:**

- (1) Weighted averages are weighted by the original principal balance of the receivables originated in the period.
- (2) Percentage of aggregate original principal balance of the receivables originated in the period.
- (3) Months since origination. For example, in the case of receivables originated in the first quarter of the year, the cumulative loss figure three months after origination will relate to the second quarter of the year. Data is presented for 60 months even though some receivables may still be outstanding. It is not expected that losses or prepayments will materially change after 60 months.
- (4) Losses consist of the outstanding loan balance at time of write-off which is outstanding principal, late interest accrued and unpaid and fees charged to the borrower as stated after collection activities and vehicle sales proceeds. Cumulative net losses for loans originated in a particular quarter, expressed in percentage terms, are calculated by dividing the cumulative losses incurred through the end of any quarter after the quarter of origination by the original principal balance of all loans in the quarter of their origination. Losses on a receivable reported in the monthly report for this securitisation transaction generally will be equal to the net present value of the receivable at the beginning of the month it is written-off less net vehicle sale proceeds from the sale of the financed vehicle and will not include accrued interest or fees charged to the borrower. Losses as calculated in the transaction may therefore be lower than vintage portfolio losses for the same receivables.

## 2019 Originations\*

### Original Receivable Characteristics

Number of Receivables.....	69,993	Percentage New (vs. Used) Vehicles <sup>(2)</sup> .....	92.89%
Aggregate Original Principal Balance .....	1,524,599,369	Percentage TCM (vs. Standard) Loan Agreements <sup>(2)</sup> .....	87.74%
Average Original Principal Balance .....	21,782	Percentage Ford (vs. non-Ford) Brand <sup>(2)</sup> .....	100.00%
Weighted average <sup>(1)</sup> Borrower Rate (APR).....	1.04%		
Weighted average <sup>(1)</sup> Original Term .....	45.79		

\* These characteristics are for all receivables originated in the period based on data available as of 31 March 2024

<sup>(1)(2)</sup> See page C-1 for footnotes

### Months after origination <sup>(3)</sup>

### Cumulative Net Losses by Quarter of Origination <sup>(4)</sup>

	Total Loans				Standard Loans				TCM Loans			
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>
3	0.00	0.00	0.01	0.00	0.01	-	0.02	0.00	-	0.00	0.00	-
6	0.01	0.01	0.01	0.02	0.03	0.00	0.05	0.08	0.01	0.01	0.01	0.01
9	0.05	0.03	0.02	0.03	0.12	0.05	0.07	0.09	0.04	0.02	0.02	0.02
12	0.09	0.05	0.03	0.04	0.27	0.14	0.07	0.13	0.05	0.03	0.03	0.03
15	0.10	0.08	0.05	0.05	0.31	0.21	0.07	0.20	0.06	0.06	0.04	0.03
18	0.13	0.10	0.10	0.06	0.34	0.21	0.19	0.27	0.09	0.08	0.09	0.03
21	0.14	0.10	0.10	0.07	0.39	0.23	0.19	0.27	0.10	0.09	0.09	0.05
24	0.17	0.13	0.13	0.09	0.50	0.26	0.29	0.33	0.11	0.11	0.11	0.06
27	0.19	0.14	0.14	0.09	0.57	0.28	0.29	0.33	0.12	0.12	0.12	0.06
30	0.19	0.14	0.16	0.11	0.56	0.28	0.30	0.38	0.12	0.12	0.14	0.08
33	0.20	0.16	0.17	0.12	0.58	0.32	0.31	0.38	0.13	0.14	0.15	0.09
36	0.21	0.17	0.16	0.15	0.61	0.32	0.32	0.41	0.14	0.14	0.15	0.11
39	0.22	0.19	0.18	0.16	0.64	0.46	0.33	0.41	0.13	0.16	0.17	0.13
42	0.22	0.20	0.19	0.17	0.65	0.45	0.35	0.41	0.14	0.17	0.17	0.13
45	0.23	0.21	0.21	0.17	0.65	0.47	0.39	0.41	0.15	0.18	0.19	0.14
48	0.24	0.21	0.21	0.18	0.68	0.47	0.39	0.41	0.15	0.18	0.19	0.15
51	0.26	0.24	0.24	0.20	0.69	0.47	0.41	0.43	0.17	0.20	0.22	0.17
54	0.26	0.24	0.25	-	0.71	0.44	0.41	-	0.18	0.21	0.23	-
57	0.27	0.23	-	-	0.72	0.44	-	-	0.18	0.20	-	-
60	0.27	-	-	-	0.72	-	-	-	0.18	-	-	-

<sup>(3)(4)</sup> See page C-1 for footnotes

## 2020 Originations\*

### Original Receivable Characteristics

Number of Receivables .....	46,326	Percentage New (vs. Used) Vehicles <sup>(2)</sup> .....	89.45%
Aggregate Original Principal Balance.....	1,066,229,093	Percentage TCM (vs. Standard) Loan Agreements <sup>(2)</sup> .....	87.48%
Average Original Principal Balance.....	23,016	Percentage Ford (vs. non-Ford) Brand <sup>(2)</sup> .....	100.00%
Weighted average <sup>(1)</sup> Borrower Rate (APR) .....	1.03%		
Weighted average <sup>(1)</sup> Original Term .....	45.02		

\* These characteristics are for all receivables originated in the period based on data available as of 31 March 2024

<sup>(1)(2)</sup> See page C-1 for footnotes

### Months after origination <sup>(3)</sup>

### Cumulative Net Losses by Quarter of Origination <sup>(4)</sup>

	Total Loans				Standard Loans				TCM Loans			
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>
3	0.01	-	-	-	0.02	-	-	-	0.00	-	-	-
6	0.02	0.00	0.01	0.01	0.03	0.02	0.04	0.01	0.01	-	0.00	0.01
9	0.06	0.01	0.03	0.01	0.10	0.02	0.06	0.01	0.05	0.01	0.03	0.01
12	0.07	0.03	0.03	0.03	0.11	0.02	0.06	0.01	0.06	0.04	0.03	0.03
15	0.07	0.05	0.04	0.03	0.11	0.02	0.06	0.01	0.06	0.06	0.03	0.03
18	0.08	0.06	0.06	0.03	0.13	0.02	0.16	0.01	0.07	0.06	0.04	0.03
21	0.10	0.06	0.06	0.03	0.13	-0.00	0.16	0.01	0.09	0.07	0.05	0.04
24	0.10	0.06	0.07	0.04	0.13	0.04	0.16	0.02	0.10	0.07	0.06	0.05
27	0.12	0.08	0.09	0.06	0.14	0.12	0.25	0.07	0.12	0.08	0.07	0.05
30	0.14	0.10	0.12	0.06	0.14	0.20	0.25	0.10	0.14	0.08	0.10	0.05
33	0.16	0.12	0.13	0.08	0.12	0.29	0.33	0.14	0.16	0.09	0.10	0.07
36	0.17	0.13	0.13	0.08	0.16	0.32	0.33	0.14	0.17	0.10	0.10	0.07
39	0.18	0.15	0.15	0.09	0.18	0.32	0.38	0.16	0.18	0.12	0.11	0.08
42	0.18	0.16	0.15	-	0.19	0.32	0.44	-	0.18	0.14	0.11	-
45	0.18	0.17	-	-	0.18	0.37	-	-	0.18	0.14	-	-
48	0.18	-	-	-	0.20	-	-	-	0.18	-	-	-
51	-	-	-	-	-	-	-	-	-	-	-	-
54	-	-	-	-	-	-	-	-	-	-	-	-
57	-	-	-	-	-	-	-	-	-	-	-	-
60	-	-	-	-	-	-	-	-	-	-	-	-

<sup>(3)(4)</sup> See page C-1 for footnotes

## 2021 Originations\*

### Original Receivable Characteristics

Number of Receivables .....	27,367	Percentage New (vs. Used) Vehicles <sup>(2)</sup> .....	91.56%
Aggregate Original Principal Balance .....	680,075,985	Percentage TCM (vs. Standard) Loan Agreements <sup>(2)</sup> .....	80.18%
Average Original Principal Balance.....	24,850	Percentage Ford (vs. non-Ford) Brand <sup>(2)</sup> .....	100.00%
Weighted average <sup>(1)</sup> Borrower Rate (APR) .....	1.23%		
Weighted average <sup>(1)</sup> Original Term.....	44.74		

\* These characteristics are for all receivables originated in the period based on data available as of 31 March 2024

<sup>(1)(2)</sup> See page C-1 for footnotes

### Months after origination <sup>(3)</sup>

### Cumulative Net Losses by Quarter of Origination <sup>(4)</sup>

	Total Loans				Standard Loans				TCM Loans			
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>
3	0.00	0.00	-	-	-	0.01	-	-	0.00	-	-	-
6	0.02	0.00	-	0.00	0.12	0.01	-	-	0.00	0.00	-	0.01
9	0.02	0.03	0.00	0.05	0.12	0.15	-	0.16	0.00	0.01	0.00	0.01
12	0.04	0.03	-0.00	0.06	0.22	0.15	-0.01	0.16	0.00	0.01	0.00	0.03
15	0.05	0.04	0.03	0.08	0.22	0.15	-0.01	0.16	0.01	0.01	0.04	0.05
18	0.06	0.04	0.03	0.09	0.24	0.15	-0.01	0.16	0.02	0.01	0.04	0.06
21	0.14	0.05	0.05	0.11	0.27	0.20	0.01	0.19	0.11	0.02	0.06	0.08
24	0.14	0.07	0.07	0.11	0.27	0.23	0.04	0.19	0.11	0.03	0.08	0.09
27	0.16	0.10	0.10	0.11	0.27	0.30	0.12	0.19	0.14	0.06	0.09	0.09
30	0.18	0.12	0.10	-	0.37	0.37	0.12	-	0.14	0.06	0.10	-
33	0.18	0.12	-	-	0.37	0.38	-	-	0.14	0.06	-	-
36	0.19	-	-	-	0.38	-	-	-	0.14	-	-	-
39	-	-	-	-	-	-	-	-	-	-	-	-
42	-	-	-	-	-	-	-	-	-	-	-	-
45	-	-	-	-	-	-	-	-	-	-	-	-
48	-	-	-	-	-	-	-	-	-	-	-	-
51	-	-	-	-	-	-	-	-	-	-	-	-
54	-	-	-	-	-	-	-	-	-	-	-	-
57	-	-	-	-	-	-	-	-	-	-	-	-
60	-	-	-	-	-	-	-	-	-	-	-	-

<sup>(3)(4)</sup> See page C-1 for footnotes

## 2022 Originations\*

### Original Receivable Characteristics

Number of Receivables .....	18,905	Percentage New (vs. Used) Vehicles <sup>(2)</sup> .....	93.19%
Aggregate Original Principal Balance.....	480,664,117	Percentage TCM (vs. Standard) Loan Agreements <sup>(2)</sup> .....	70.96%
Average Original Principal Balance.....	25,425	Percentage Ford (vs. non-Ford) Brand <sup>(2)</sup> .....	100.00%
Weighted average <sup>(1)</sup> Borrower Rate (APR) .....	1.83%		
Weighted average <sup>(1)</sup> Original Term .....	45.14		

\* These characteristics are for all receivables originated in the period based on data available as of 31 March 2024

<sup>(1)(2)</sup> See page C-1 for footnotes

### Months after origination <sup>(3)</sup>

### Cumulative Net Losses by Quarter of Origination <sup>(4)</sup>

	Total Loans				Standard Loans				TCM Loans			
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>
3	0.00	0.05	0.00	0.00	0.00	0.18	0.00	0.00	0.00	0.00	0.00	0.00
6	0.02	0.06	0.01	0.02	0.06	0.19	0.04	0.07	0.00	0.01	0.00	0.00
9	0.02	0.10	0.21	0.02	0.08	0.33	0.66	0.07	0.00	0.01	0.00	0.00
12	0.03	0.13	0.37	0.10	0.08	0.40	1.16	0.25	0.02	0.02	0.01	0.03
15	0.03	0.19	0.45	0.13	0.08	0.49	1.31	0.35	0.02	0.07	0.05	0.03
18	0.04	0.26	0.45	-	0.09	0.59	1.32	-	0.03	0.14	0.05	-
21	0.06	0.27	-	-	0.12	0.62	-	-	0.04	0.14	-	-
24	0.09	-	-	-	0.20	-	-	-	0.04	-	-	-
27	-	-	-	-	-	-	-	-	-	-	-	-
30	-	-	-	-	-	-	-	-	-	-	-	-
33	-	-	-	-	-	-	-	-	-	-	-	-
36	-	-	-	-	-	-	-	-	-	-	-	-
39	-	-	-	-	-	-	-	-	-	-	-	-
42	-	-	-	-	-	-	-	-	-	-	-	-
45	-	-	-	-	-	-	-	-	-	-	-	-
48	-	-	-	-	-	-	-	-	-	-	-	-
51	-	-	-	-	-	-	-	-	-	-	-	-
54	-	-	-	-	-	-	-	-	-	-	-	-
57	-	-	-	-	-	-	-	-	-	-	-	-
60	-	-	-	-	-	-	-	-	-	-	-	-

<sup>(3)(4)</sup> See page C-1 for footnotes

## 2023 Originations\*

### Original Receivable Characteristics

Number of Receivables .....	14,969	Percentage New (vs. Used) Vehicles <sup>(2)</sup> .....	82.59%
Aggregate Original Principal Balance.....	376,749,579	Percentage TCM (vs. Standard) Loan Agreements <sup>(2)</sup> .....	62.10%
Average Original Principal Balance.....	25,169	Percentage Ford (vs. non-Ford) Brand <sup>(2)</sup> .....	100.00%
Weighted average <sup>(1)</sup> Borrower Rate (APR) .....	4.08%		
Weighted average <sup>(1)</sup> Original Term .....	46.66		

\* These characteristics are for all receivables originated in the period based on data available as of 31 March 2024

<sup>(1)(2)</sup> See page C-1 for footnotes

### Months after origination <sup>(3)</sup>

### Cumulative Net Losses by Quarter of Origination <sup>(4)</sup>

	Total Loans				Standard Loans				TCM Loans			
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>
3	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00
6	0.01	0.03	0.00	-	0.03	0.02	0.00	-	0.00	0.04	0.00	-
9	0.04	0.03	-	-	0.11	0.02	-	-	0.00	0.04	-	-
12	0.06	-	-	-	0.15	-	-	-	0.00	-	-	-
15	-	-	-	-	-	-	-	-	-	-	-	-
18	-	-	-	-	-	-	-	-	-	-	-	-
21	-	-	-	-	-	-	-	-	-	-	-	-
24	-	-	-	-	-	-	-	-	-	-	-	-
27	-	-	-	-	-	-	-	-	-	-	-	-
30	-	-	-	-	-	-	-	-	-	-	-	-
33	-	-	-	-	-	-	-	-	-	-	-	-
36	-	-	-	-	-	-	-	-	-	-	-	-
39	-	-	-	-	-	-	-	-	-	-	-	-
42	-	-	-	-	-	-	-	-	-	-	-	-
45	-	-	-	-	-	-	-	-	-	-	-	-
48	-	-	-	-	-	-	-	-	-	-	-	-
51	-	-	-	-	-	-	-	-	-	-	-	-
54	-	-	-	-	-	-	-	-	-	-	-	-
57	-	-	-	-	-	-	-	-	-	-	-	-
60	-	-	-	-	-	-	-	-	-	-	-	-

<sup>(3)(4)</sup> See page C-1 for footnotes

## FORM OF MONTHLY REPORT

## Globaldrive Auto Receivables 2024-A B.V.

## German Retail Receivables

## Monthly Investor Report

Collection Period:	From: dd-Mmm-yy To: dd-Mmm-yy
Interest Period:	From: dd-Mmm-yy To: dd-Mmm-yy
Transaction Month:	0
Payment Date:	dd-Mmm-yy

Additional information about the structure, cashflows, defined terms and parties for this transaction can be found in the Prospectus, available on the Irish Stock Exchange website (<http://www.ise.ie>) under the ISIN numbers XS[ . ] and XS[ . ] and at <https://credit.ford.com/finance/investor-center/asset-backed-securitization>

**1. ORIGINAL DEAL PARAMETERS**

Aggregate Opening Loan Balance at Cut-Off Date	[1]
Total Number of Loans at Cut-Off Date	[1]
Weighted Average Remaining Term of Loans at Cut-Off Date	[1] months

<b>Information on Notes</b>	<b>Class A Notes</b>	<b>Class B Notes</b>	<b>Class C Notes*</b>
ISIN	[1]	[1]	N/A
Legal Final Maturity	[1]	[1]	[1]
Original Principal Balance	[1]	[1]	[1]
Interest Rate	1-M-EURIBOR + [1]	1-M-EURIBOR + [1]	[1] p.a.
Day Count Convention	Actual/360	Actual/360	30/360
% of Opening Loan Balance at Cut-Off Date	[1]	[1]	[1]

**Information on Ratings**

Original Rating Fitch	[1]	[1]	NR
Current Rating Fitch	[1]	[1]	NR
Original Rating S&P	[1]	[1]	NR
Current Rating S&P	[1]	[1]	NR

\* Retained by Ford Bank GmbH

## **2. ASSIGNED LOAN SUMMARY**

Aggregate Opening Loan Balance	€0.00
Less: Principal Collections	(€0.00)
Less: Liquidation Proceeds	(€0.00)
Less: Losses and Principal Deficiencies	(€0.00)
Less: Repurchased Principal	(€0.00)
<b>Aggregate Closing Loan Balance</b>	<b>€0.00</b>

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## **3. ISSUER BALANCE SHEET**

<b><u>Assets</u></b>	<b><u>Beginning of Period</u></b>	<b><u>End of Period</u></b>
Aggregate Closing Loan Balance	€0.00	€0.00
Unreimbursed Losses and Principal Deficiencies	€0.00	€0.00
Reserve Amount: Liquidity Component	€0.00	€0.00
Reserve Amount: Set-Off Component	€0.00	€0.00
<b>Total Assets</b>	<b>€0.00</b>	<b>€0.00</b>
<b><u>Liabilities</u></b>	<b><u>Beginning of Period</u></b>	<b><u>End of Period</u></b>
Class A Notes	€0.00	€0.00
Class B Notes	€0.00	€0.00
Class C Notes	€0.00	€0.00
Reserve Amount	€0.00	€0.00
<b>Total Liabilities</b>	<b>€0.00</b>	<b>€0.00</b>

Note: Beginning of Period means beginning of Interest Period. End of Period means end of Interest Period.



## Globaldrive Auto Receivables 2024-A B.V.

## German Retail Receivables

## Monthly Investor Report

Collection Period:	From: dd-Mmm-yy To: dd-Mmm-yy
Interest Period:	From: dd-Mmm-yy To: dd-Mmm-yy
Transaction Month:	0
Payment Date:	dd-Mmm-yy

**4. AVAILABLE INTEREST COLLECTIONS**

Interest Collections	€0.00
Recoveries	€0.00
Recoveries from Sale of Written-Off Receivables	€0.00
Repurchased Interest	€0.00
Additional Principal Payments	€0.00
Interest Earned on Distribution Account	€0.00
Interest Earned on Reserve Account	€0.00
Net Swap Receipt from Swap Counterparty	€0.00
Reserve Amount allocated to Available Interest Collections	€0.00
<b>Available Interest Collections</b>	<b>€0.00</b>

**5. INTEREST DISTRIBUTIONS**

	<b>Payment</b>	<b>Remaining Amount</b>
<b>Available Interest Collections</b>		<b>€0.00</b>
Issuer Expenses within the maximum amount per annum	€0.00	€0.00
Servicing Fee payable to the Servicer	€0.00	€0.00
Net Swap Payment payable to Swap Counterparty	€0.00	€0.00
Class A Notes Interest and Interest Shortfall	€0.00	€0.00
Class B Notes Interest and Interest Shortfall	€0.00	€0.00
Reimbursement of Reserve Account to the required level	€0.00	€0.00
Reimbursement of Losses and Principal Deficiencies	€0.00	€0.00
Payments for any Swap Subordinated Amounts	€0.00	€0.00
Issuer Expenses exceeding the maximum amount per annum	€0.00	€0.00
Class C Notes Interest and Interest Shortfall	€0.00	€0.00
Deferred Purchase Price payable to the Seller	€0.00	€0.00
<b>Total Interest Distributions</b>	<b>€0.00</b>	

**6. AVAILABLE PRINCIPAL COLLECTIONS**

Principal Collections	€0.00
Liquidation Proceeds	€0.00
Reimbursed Collateral Losses and Principal Deficiencies	€0.00
Repurchased Principal	€0.00
Reserve Amount allocated to Available Principal Collections	€ 0.00

Available Principal Collections

€0.00

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**7. PRINCIPAL DISTRIBUTIONS**

**Available Principal Collections**

Repayment of Class A Notes  
Repayment of Class B Notes  
Repayment of Class C Notes  
Repayment of Subordinated Loan  
Deferred Purchase Price payable  
to the Seller

**Total Principal Distributions**

**Payment**

€0.00  
€0.00  
€0.00  
€0.00  
€0.00

€0.00

**Remaining  
Amount**

€0.00  
€0.00  
€0.00  
€0.00  
€0.00

## Globaldrive Auto Receivables 2024-A B.V.

## German Retail Receivables

## Monthly Investor Report

Collection Period: From: dd-Mmm-yy To: dd-Mmm-yy  
Interest Period: From: dd-Mmm-yy To: dd-Mmm-yy  
Transaction Month: 0  
Payment Date: dd-Mmm-yy

**8. NOTEHOLDERS PAYMENT**

	Principal Payments		Interest Payments		Total Payment	
	Actual	Per€1,000 of Original	Actual	Per €1,000 of Original	Actual	Per €1,000 of Original
		Balance		Balance		Balance
Class A Notes	€0.00	€0.00	€0.00	€0.00	€0.00	€0.00
Class B Notes	€0.00	€0.00	€0.00	€0.00	€0.00	€0.00
Class C Notes	€0.00	€0.00	€0.00	€0.00	€0.00	€0.00
<b>Total</b>	<b>€0.00</b>	<b>€0.00</b>	<b>€0.00</b>	<b>€0.00</b>	<b>€0.00</b>	<b>€0.00</b>

**9. NOTE BALANCE**

	Beginning of Period		End of Period	
	Balance	Note Factor	Balance	Note Factor
Class A Notes	€0.00	0.0000000	€0.00	0.0000000
Class B Notes	€0.00	0.0000000	€0.00	0.0000000
Class C Notes	€0.00	0.0000000	€0.00	0.0000000
<b>Total</b>	<b>€0.00</b>	<b>0.0000000</b>	<b>€0.00</b>	<b>0.0000000</b>

**10. POOL SPLIT BY PRODUCT TYPE AND VEHICLE TYPE**

Vehicle	Loan Agreement	Beginning of Period		End of Period	
		Total		Total	
Type	Type	Number of Loans	Loan Balance	Number of Loans	Loan Balance
New	Standard	0	€0.00	0	€0.00
	Balloon	0	€0.00	0	€0.00
	TCM	0	€0.00	0	€0.00
	Total	0	€0.00	0	€0.00

Demo	Standard	0	€0.00	0	€0.00
	Balloon	0	€0.00	0	€0.00
	TCM	0	€0.00	0	€0.00
	Total	0	€0.00	0	€0.00
Used	Standard	0	€0.00	0	€0.00
	Balloon	0	€0.00	0	€0.00
	TCM	0	€0.00	0	€0.00
	Total	0	€0.00	0	€0.00
Total	Standard	0	€0.00	0	€0.00
	Balloon	0	€0.00	0	€0.00
	TCM	0	€0.00	0	€0.00
<b>Total</b>		<b>0</b>	<b>€0.00</b>	<b>0</b>	<b>€0.00</b>

## Globaldrive Auto Receivables 2024-A B.V.

## German Retail Receivables

## Monthly Investor Report

Collection Period: From: dd-Mmm-yy To: dd-Mmm-yy  
Interest Period: From: dd-Mmm-yy To: dd-Mmm-yy  
Transaction Month: 0  
Payment Date: dd-Mmm-yy

**11. ASSET PERFORMANCE****11.i. DELINQUENCY DATA**

	Number of Delinquent Loans	in % of EOP Active Loans	EOP Balance of Delinquent Loans	in % of EOP Loan Balance
11-30 days	0	0.00%	€0.00	0.00%
31-60 days	0	0.00%	€0.00	0.00%
61-90 days	0	0.00%	€0.00	0.00%
91-120 days	0	0.00%	€0.00	0.00%
more than 120 days	0	0.00%	€0.00	0.00%
<b>Total</b>	<b>0</b>	<b>0.00%</b>	<b>€0.00</b>	<b>0.00%</b>

**11.ii TOTAL LOSSES AND PRINCIPAL DEFICIENCIES**

Beginning of Period Unreimbursed Losses and Principal Deficiencies	€0.00
Losses and Principal Deficiencies	€0.00
Less: Reimbursement from Income Priority of Payments	€0.00
<b>End of Period Unreimbursed Losses and Principal Deficiencies</b>	<b>€0.00</b>

**11.iii NET LOSSES SPLIT BY EOP POOL STRUCTURE**

Vehicle Type	Loan Agreement Type	Current Collection Period				Cumulative Net Loss from last Collection Period	Total Cumulative Net Loss
		Losses	Recoveries	Net Losses	Loss Ratio*		
New	Standard	€0.00	€0.00	€0.00	0.00%	€0.00	€0.00
	Balloon	€0.00	€0.00	€0.00	0.00%	€0.00	€0.00
	TCM	€0.00	€0.00	€0.00	0.00%	€0.00	€0.00
	Total	€0.00	€0.00	€0.00	0.00%	€0.00	€0.00
Demo	Standard	€0.00	€0.00	€0.00	0.00%	€0.00	€0.00
	Balloon	€0.00	€0.00	€0.00	0.00%	€0.00	€0.00
	TCM	€0.00	€0.00	€0.00	0.00%	€0.00	€0.00
	Total	€0.00	€0.00	€0.00	0.00%	€0.00	€0.00
Used	Standard	€0.00	€0.00	€0.00	0.00%	€0.00	€0.00
	Balloon	€0.00	€0.00	€0.00	0.00%	€0.00	€0.00
	TCM	€0.00	€0.00	€0.00	0.00%	€0.00	€0.00
	Total	€0.00	€0.00	€0.00	0.00%	€0.00	€0.00
Total	Standard	€0.00	€0.00	€0.00	0.00%	€0.00	€0.00

Balloon	€0.00	€0.00	€0.00	0.00%	€0.00	€0.00
TCM	€0.00	€0.00	€0.00	0.00%	€0.00	€0.00
<b>Total</b>	<b>€0.00</b>	<b>€0.00</b>	<b>€0.00</b>	<b>0.00%</b>	<b>€0.00</b>	<b>€0.00</b>

\* Loss Ratio = annualised Net Losses from Current Collection Period as percentage of Beginning of Period Aggregate Opening Loan Balance

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**11.iv PREPAYMENT DATA**

Total Balance of Prepayments in full for current Collection Period	€0.00
Prepayments in full as % of the Aggregate Closing Loan Balance plus Prepayments in current Collection Period	0.00%

## Globaldrive Auto Receivables 2024-A B.V.

## German Retail Receivables

## Monthly Investor Report

Collection Period:	From: dd-Mmm-yy To: dd-Mmm-yy
Interest Period:	From: dd-Mmm-yy To: dd-Mmm-yy
Transaction Month:	0
Payment Date:	dd-Mmm-yy

**12. RECONCILIATION OF RESERVE ACCOUNT****Liquidity Component**

<b>Beginning of Period Liquidity Component Amount</b>	<b>€0.00</b>
Less: Reserve Amount Draw Amount allocated to Interest Collections	€0.00
Plus: Liquidity Component Reimbursement from Interest Collections	€0.00
<b>End of Period Liquidity Component Amount</b>	<b>€0.00</b>

Note: Required Liquidity Reserve Amount €0.00

Liquidity Component as % of Aggregate Closing Loan Balance of the Class A and Class B Notes 0.00%

**Set-Off Component**

<b>Beginning of Period Set-Off Component Amount</b>	<b>€0.00</b>
Less: Set-Off Component Repaid amount	€0.00
Plus: Set-Off Component increase amount	€0.00
<b>y</b>	<b>€0.00</b>

Note: Required Set-Off Reserve Amount €0.00

Aggregate deposits from all Borrowers as a % of Aggregate Closing Loan Balance 0.00%

**13. RETAINED INTEREST**

Ford Bank GmbH retains a material net economic interest of not less than 5% of the nominal amount of the securitised exposures in this securitisation transaction in compliance with Article 6(3)(d) of the Securitisation Regulation by retaining the Class C Notes

Original Principal Balance	€00,000,000.00
Percentage of Aggregate Opening Loan Balance at Cut-Off Date	0.00%
Current EOP Principal Balance	€00,000,000.00
Percentage of Aggregate Closing Loan Balance	0.00%

**14. COUNTERPARTY RATINGS TRIGGERS**

<b>Swap Counterparty</b>	<b>Fitch</b>		<b>S&amp;P</b>	
	<b>Short-term</b>	<b>Long-term</b>	<b>Short-term</b>	<b>Long-term</b>
Present rating	[•]	[•]	[•]	[•]
First minimum rating w/o collateral*	[•]	[•]	[•]	[•]
Second minimum rating**	[•]	[•]	[•]	[•]

\*If the Swap Counterparty is downgraded below the first minimum rating, it shall provide Eligible Credit Support

\*\*If the Swap Counterparty is downgraded below second minimum rating, it shall at its own cost (A) obtain a guarantee from a guarantor having the applicable required ratings, (B) transfer the swap agreement to an eligible swap counterparty having the applicable required ratings from Fitch and/or S&P, or (C) take such other action that would result in the rating of the Class A Notes and the Class B Notes being maintained at, or restored to, the level it would have been prior to such lower rating being assigned by Fitch and/or S&P.

(For more detail on the Swap Agreement please refer to the Prospectus)

<b>Account Bank</b>	<b>Fitch</b>		<b>S&amp;P</b>	
	<b>Short-term</b>	<b>Long-term</b>	<b>Short-term</b>	<b>Long-term</b>
Present rating	[•]	[•]	[•]	[•]
Minimum rating*	[•]	[•]	[•]	[•]

\*If the account bank does not have such rating, and is not guaranteed by an institution having such rating, then the issuer, Ford Bank GmbH and the trustee will, in the case of a downgrade by Fitch and/or by S&P, transfer the relevant accounts to another bank or banks that are eligible institutions.

(For more detail on the Issuer Bank Accounts please refer to the Prospectus)



**Globaldrive Auto Receivables 2024-A B.V.**

**German Retail Receivables**

**Monthly Investor Report**

Collection Period:	From: dd-Mmm-yy To: dd-Mmm-yy
Interest Period:	From: dd-Mmm-yy To: dd-Mmm-yy
Transaction Month:	0
Payment Date:	dd-Mmm-yy

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**15. PARTIES OVERVIEW**

<b><u>Issuer</u></b>	<b>Globaldrive Auto Receivables 2024-A B.V.</b> Jupiter Building, Herikerbergweg 88 1101 CM Amsterdam The Netherlands <i>Telephone: +31 88 560 9950</i> email: capitalmarkets.ams@vistra.com	
<b><u>Seller/Service</u></b>	<b>Ford Bank GmbH</b> Henry-Ford-Strasse 1 50735 Köln, Germany email: secrtl@ford.com	
<b><u>Joint Lead Managers</u></b>	<b>BofA Securities Europe S.A.</b> 51 Rue La Boétie 75008 Paris France <i>Phone/fax:</i> xxx xxx xxx <i>email:</i> <a href="mailto:x@xx.com">x@xx.com</a>	<b>Intesa Sanpaolo S.p.A.</b> Piazza San carlo 156 10121 Torino Italy <i>Phone/fax:</i> xxx xxx xxx <i>email:</i> <a href="mailto:x@xx.com">x@xx.com</a>
-	<b>Commerzbank AG</b> Kaiserstrasse 16 (Kaiserplatz) 60311 Frankfurt am Main Germany <i>Phone/fax:+49 69 136 24438</i> <i>email:</i> <a href="mailto:manuel.alvarez@commerzbank.com">manuel.alvarez@commerzbank.com</a>	<b>Société Générale S.A.</b> 29 Boulevard Haussmann, 75009 Paris France <i>Telephone: +49 69 7174 255</i> <i>email:</i> <a href="mailto:jan.groesser@sgcib.com">jan.groesser@sgcib.com</a>
<b><u>Trustee/Security Trustee/</u></b>	<b>Deutsche Trustee Company Limited</b>	
<b><u>Collateral Agent</u></b>	21 Moorfields London EC2Y 9DB Telephone: +44 20 7547 4023 <i>email: christopher.english@db.com</i>	
<b><u>Cash Manager/Principal Paying Agent/Calculation Agent</u></b>	<b>Deutsche Bank AG, London Branch</b> 21 Moorfields London EC2Y 9DB Telephone: +44 20 7547 3133 <i>email: George-b.wright@db.com</i>	
-		

**Data Agent/Registrar**

-  
-

**Deutsche Bank Luxembourg S.A.**  
2 Boulevard Konrad Adenauer,  
L-1115 Luxembourg  
Telephone: 352 42122656  
email: valerie.picquoin@db.com

**Account Bank**

**BNP Paribas S.A. Niederlassung Deutschland**  
Senckenberganlage 19,  
60325 Frankfurt am Main,  
Germany  
Telephone: +49 69 1520 5089  
email:  
katja.schremmer@bnpparibas.com\_

**Swap Counterparty**

**Bank of America Europe DAC (Bank of America Europe DAC)**

Telephone: xxx xxx xxx -

email: carlos.r.fleury@bofa.com -

**Issuer Corporate Services Provider**

**Vistra Capital markets (Netherlands) N.V.**

Jupiter Building, Herikerbergweg 88  
1101 CM Amsterdam  
The Netherlands  
Telephone: +3188 560 9234  
email: daniel.mohlmann@vistra.com

**REGISTERED OFFICE OF THE ISSUER**

**Globaldrive Auto Receivables 2024-A B.V.**

Jupiter Building  
Herikerbergweg 88  
1101 CM Amsterdam  
The Netherlands

**SELLER AND SERVICER**

**Ford Bank GmbH**

Henry-Ford-Strasse 1  
50735 Cologne  
Germany

**TRUSTEE, SECURITY TRUSTEE AND COLLATERAL AGENT**

**Deutsche Trustee Company Limited**

21 Moorfields  
London EC2Y 9DB  
England  
United Kingdom

**ACCOUNT BANK**

**BNP Paribas S.A. Niederlassung Deutschland**

Senckenberganlage 19  
60325 Frankfurt am Main  
Germany

**CASH MANAGER AND PRINCIPAL PAYING AGENT**

**Deutsche Bank AG, London Branch**

21 Moorfields  
London EC2Y 9DB  
England  
United Kingdom

**REGISTRAR**

**Deutsche Bank Luxembourg S.A.**

2 Boulevard Konrad Adenauer  
L-1115 Luxembourg  
Luxembourg

**IRISH LISTING AGENT**

**McCann FitzGerald Listing Services Limited**

Riverside One  
Sir John Rogerson's Quay  
Dublin 2  
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**Ford Bank GmbH**

**Seller and Servicer**

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**Globaldrive Auto Receivables 2024-A B.V.**

**Issuer**

**€350,000,000 Class A**

**Floating Rate Asset-Backed Notes**

**€13,000,000 Class B**

**Floating Rate Asset-Backed Notes**

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**PROSPECTUS**

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